present, the Government of this State did not make representations to him. The request and the correspondence, however, were not initiated by the present Government ot this State. Presumably, Senator Pearce was supplied with information regarding it by the Mitchell Government, who he says always supplied him with information on such matters. In any case I do not know that that is the right way to do things. I do not know that it is the proper constitutional method of doing things, and we hear much about constitutional matters in these days. The State Government adopted the invariable principle of the Premier writing to the Prime Minister, recognising his position as head of the Australian Government. This being a matter of extreme importance to the people of Western Australia, the Prime Minister should have brought it before the Federal Cabinet. That, however, does not appear to have been done. It seems that the duties of the Prime Minister are being administered by two non-portfolioed Ministers. The correspondence seemingly implies that the decision of the Minister for Trade and Customs was quite sufficient, and did not call for review by the Federal Government in spite of the fact of representations having been made on behalf of the people of this State by two Treasurers.

Mr. A. Wansbrough: And two Ministers for Railways.

The MINISTER FOR RAILWAYS: I did not make any direct representations. Everything was done in the proper constitutional way through the Premier. I do not consider that we would have been justified in using what might be termed backstairs influence to approach a member of the Government who happened to be a Western Australian. The case should be decided on its merits, and that is all we want. We do not ask for any special consideration. A Cabinet decision should have been given on our eminently fair and reasonable request. Evidently such a decision was not obtained. We want to be able to manufacture all our requirements in our own State. We are an integral part of the Commonwealth, and have right on our side. The Government are quite justified in asking the House to support them in what I repeat is a perfectly fair, just, and reasonable request. I have much pleasure in supporting the motion.

On motion by Mr. Latham debate adjourned.

ADJOURNMENT—STATE OF BUSINESS.

The PREMIER (Hon. P. Collier—Boulder) [9.39]: I move—

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

I ask the House to adjourn over the week for the reason that our Notice Paper has been almost completely cleared off to-day.

Mr. Teesdale: That fact is due largely to the Opposition.

The PREMIER: Yes; I acknowledge at once that that very satisfactory state of affairs is due in a large measure to the fair and impartial manner in which the Opposition have met the Government in the conduct of business during the session. Usually the position has been the other way about, and another place has been compelled to adjourn over many weeks during the early part of the session, awaiting Bills from this House. The position here is not due to any such circumstance as that the programme for the session has been small. In point of fact, it has been rather heavier than usual, and yet we have been enabled to pass several very important Bills through this House, together with the whole of the Estimates of Revenue and Expenditure, six weeks before the usual date of prorogation. Whilst there are still three or four Bills to come down, none of them will occupy hon. members at any great length. There are also the Loan Estimates, which are usually disposed of in one or two sittings. Therefore I feel that we shall not be in any way delaying the work of the session, or postponing the closing of the session, by adjourning as I propose. I am hopeful that by this day week we shall have some work returned to us from another place, and that we may then be able to proceed in the ordinary way until the work of the session is completed.

Question put and passed.

House adjourned at 9.43 p.m.

Legislative Council.

Wednesday, 12th November, 1924.

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

BILL—GENERAL LOAN AND INSCRIBED STOCK ACT CONTINUANCE.

Read a third time and passed.

BILL—TREASURY BILLS ACT AMENDMENT.

Report of Committee adopted.

BILL—BUNBURY ELECTRIC LIGHTING ACT AMENDMENT.

Second Reading.

Hon. J. EWING (South-West) [5.35] in moving the second reading said: This short Bill was introduced in another place by the member for Bunbury (Mr. Withers) and passed without opposition. In 1911 the Bunbury Electric Lighting Act was passed. By that measure the borrowing powers of the municipality were extended by £15,000 to permit of the purchase of an electrical plant. The object of this Bill is to increase the amount to £25,000 in order that the municipality may meet the position that has arisen in consequence of deterioration and other things. Of the £10,000 required, the sum of £2,000 has been expended, but it is proposed to amend the proviso in the Act to empower the Governor to ratify the borrowing of that sum. It was stated in another place that a validating Bill might be necessary to sanction the borrowing of the £2,000, but if the proviso be amended as suggested, I do not think that will be necessary. In 1911 the revenue of the Bunbury municipality was £3,500. According to the Act it had the right to borrow up to £35,000. Wishing to purchase the electric lighting plant in 1911 the municipality found that by expending the necessary money it would exceed its borrowing powers by £3,000. Thus a Bill was necessary to overcome the difficulty. The revenue of the municipality is now about £7,000 a year, which figures show that the district has advanced considerably.

Hon. J. Duffell: What is the general rate of the municipality?

Hon. J. EWING: I do not know. The council has borrowed £17,000 and has invested revenue to the extent of £9,897, which less redemptions amounting to £500 leaves a balance of £26,397. Sinking fund investments in the Treasury amount to £4,980, and there is in hand accumulated profits totalling £844. The difficulty is that the electric lighting plant has deteriorated and it is necessary to write off a large sum.

Hon. J. Duffell: If the council has that reserve, how can it be £2,000 in debt?

Hon. J. EWING: It is desired to increase the borrowing powers from £15,000 to £25,000. The fixed assets are estimated at £20,741, less depreciation £7,248. The assets now stand at £13,492. If to that amount is added the total of the sinking fund and accumulated profits, the assets and liabilities almost balance. I think members will be pleased to support the Bill. The money is required to connect up with the proposed South-West electric lighting scheme. It may be thought that the council is looking too far ahead, but the investigation of the scheme has advanced to the stage that the Government are contemplating entering into an arrangement with the companies at Collie, and it is probable that the scheme will be given effect to at an early date. I wish to impress upon the Government the necessity for pushing on with that scheme as it will prove of immense benefit to the South-West. In the event of the South-West scheme not being brought into operation, the Bunbury municipality will have to expend money on a new plant. The Collie municipality is receiving its power from one of the collieries, and is likely to have to pay a higher rate for it soon. That municipality is waiting for the inauguration of the scheme now being considered by the Government. Thus, in dealing with this Bill members will really be considering the necessities of both municipalities. If the South-West scheme be carried out at an early date, it will be the beginning of what must prove a highly beneficial undertaking in years to come. In making provision for electric current we have not looked sufficiently far ahead. Instead of spending such an enormous sum at the East Perth generating station five or six years ago—and an additional expenditure is now contemplated—we should have paid greater regard to the future, and then we would not have been in the present parlous position. The municipality of Bunbury would thus not have required more money.

Hon. C. F. Baxter: They would be in the same position as some municipalities in Victoria.

Hon. J. EWING: They are in a good position. The Morwell scheme seems to be a success.

Hon. C. F. Baxter: Is that so? There seems to be some doubt about it.

Hon. J. EWING: I hope the Government will look ahead, and make up their minds at an early date with a view to putting down the first electrical unit at Collie. Later on we hope there will be a big scheme that will overcome the difficulties now experienced by municipalities in the South-West, and relieve the position that is at present rather bad, both in Bunbury and Collie. I move—

That the Bill be now read a second time.

Hon. J. DUFFELL (Metropolitan-Suburban) [4.46]: I should have liked more information from Mr. Ewing upon this Bill, which though short, is none the less important. It provides for an amendment to Section 4 of the 1911 Act. Paragraph (a) of that section gives the municipality power to borrow £15,000 for works for the generation of electric current. Evidently this amount was utilised for the purchase of a plant for the generation of current.

Hon. J. Ewing: That is so.

Hon. J. DUFFELL: The plant was installed some 13 years ago. I understand the municipality now desire to increase its borrowing powers to £25,000. Is this for the purpose of installing new plant or add-

ing to the existing plant with the object of supplying current to people outside the municipality? Mr. Ewing did not tell us that.

Hon. J. Ewing: I did.

Hon. J. DUFFELL: I understood the hon. member to say that this undertaking was to be connected with Collie.

Hon. C. F. Baxter: The Bunbury people would come under the Collie scheme.

Hon. J. DUFFELL: Then Mr. Ewing is asking us to provide for the future. More information should be available to us before we pass this Bill. I can understand the hon. member being anxious for the Government to push on with the Collie scheme. Just now we have to be careful lest we duplicate any works that we have established for the generation of current.

Hon. J. Nicholson: This Bill does not authorise the Collie scheme.

Hon. J. DUFFELL: I am aware of that, but the Collie scheme is connected with it in some way. I am not opposing the Bill, but I want to hear more about it.

Hon. J. Nicholson: You want more electric light on the subject.

Hon. J. EWING (South-West—in reply) [4.50]: I thought I had explained that the money involved in the increased borrowing powers was required for the purpose of improving the electric light system of Bunbury. It has nothing to do with Collie. I mentioned the Collie scheme because it is hoped by the Bunbury municipality that the first section of that scheme will shortly be started, and the money that would be borrowed under this Bill would be used for connecting up with that scheme. It would then not be necessary to improve the plant. If the Government do not start the scheme, it will be necessary to borrow some of this money to renovate and improve the existing plant.

Hon. J. Nicholson: If they do not get the money, their lights will go out.

Hon. J. EWING: I hope my explanation makes the matter clear to the hon. member.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—CARNARVON ELECTRIC LIGHTING.

Second Reading.

Hon. G. W. MILES (North) [4.57] in moving the second reading said: Clause 2 of this Bill practically explains its object. The Carnarvon Electric Lighting Act of 1919 validated the purchase of the plant from the Carnarvon Electric Light and Power Co., Ltd., and also ratified the loan the council raised of £3,000 for the purchase of the assets of the company. Section 4, Subsection (1) of the Act gave power to the council to strike a special rate to meet the interest on the loan. Subsection (2) provides that all the provisions of the Municipal Corporations Act of 1906 relating to the striking of loans, the recovery of rates, etc., are incorporated in that Act. This means that the council have had to rate every block within its area. No provision was made for the exemption of any of the blocks. The Carnarvon boundaries cover a large area which is not connected with the lighting. The principal dwellings are within a small centre, and the people outside it have been taxed. The only way to give relief to those people is to pass this Bill. The Bill does not ask for any extra powers, but is intended merely to give relief to those who are unable to participate in the benefits of the electric light scheme. The council have been able to pay interest and sinking fund, and have also paid a portion of the loan, in addition to improving the plant. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. W. Kirwan in the Chair; Hon. G. W. Miles in charge of the Bill.

Clause 1—agreed to.

Clause 2—Power to exempt certain portions of the district from rates:

Hon. J. NICHOLSON: I take it Mr. Miles' intention is to exempt certain blocks of land until the by-law mentioned in this clause is passed.

Hon. G. W. Miles: I understand so.

Hon. J. NICHOLSON: I doubt if the clause will carry out that intention.

Hon. G. W. MILES: The measure was brought down by Mr. Angelo, the member for Gascoyne. He had legal advice upon the subject, and is satisfied with the Bill as it stands.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 6th November.

Hon. H. SEDDON (North-East) [5.1]: In extending my support to the Bill, I agree with the remarks of previous speakers that the measure introduces very considerable amendments on previous legislation, and also in many respects innova-

tions which will have an important effect on the life of the country, both industrially and economically. For that reason one would rather consider those effects on the second reading, because they involve consequences which are not at first self-evident, and which are very far-reaching. This is the most important Bill which has been introduced here for some time; and if we can, as the result of our consideration, turn out a machine which will function more effectively in settling industrial disputes, we shall confer a lasting benefit on the State. We are here now to discuss the principles rather than the clauses of the Bill, and from this aspect we have to recognise that the measure is in accordance with the trend of events in various parts of the world during the past few years. We have also to recognise that the governing power is gradually passing into the hands of those who are recognised as being especially the workers. Many people to-day view the prospect with misgivings. Personally I think the trend is all for the good and will ultimately make for the betterment of the whole community; but we have to take care that in the passing of the governing power there goes with it that education and that sense of responsibility which are essential if disaster is to be avoided. On that point we have an example which is evident to the whole world, an example which contains many valuable lessons to guide us in our future legislation and in our future development. I refer to the case of Russia. One of the finest popular writers of the day on economic questions, Mr. H. G. Wells, has said that the history of civilisation is the story of a race between education and catastrophe, and that in many instances the race has been very closely run. The example is evidently Russia. In Russia we have to-day an example of a civilisation which is very similar to our own, and which has crashed. It has crashed because there was a sudden change, the result of that sudden change being to place power in the hands of people who were unable to use it. Ultimately the power passed into the hands of the section now called Bolshevists. They to-day are coping with a tremendous problem, and in coping with it they have dealt with conditions such as we ourselves are dealing with to-day. Their hands, however, have been forced; and in Russia the course of events has been far more rapid. For that reason it is essential we should do our best to assist in the spreading of the knowledge of those economic truths and laws upon which all societies rest. Here I would like to refer to the publications of the International Labour Office in Geneva. The men who control that office are fully seized of the importance of the changes which are taking place; and they are doing their best, by studying conditions in other countries of the world and tabulating the information and making deductions from it, to teach the workers in every country how to avoid the dangers of too precipitate action, and also how to avoid many of the evils which to-day are associated with industrial life. In that connection I may just refer to the fact that the International Labour Office has issued publications dealing with unemployment and with hours of labour. As to unemployment, the publications point out how the various crises which have occurred in European countries were not all so much directly attributable to the war as to those alternations of prosperity and depression which have characterised our industrial system since it was placed on its present basis. The International Labour Office has drawn from the experiences of numerous countries a series of deductions which are very valuable to us to-day, and which point a way of avoiding those recurrences of unemployment with which we are threatened from time to time. The office has deduced the effect, for instance, of inflations of currency, it has shown the effect of trade cycles, and how the effects can be foreseen in many instances, and how by taking action in view of signs which periodically become apparent the worst effects can be avoided. The office points out that a rapid fall in prices is nearly always accompanied by a marked rise in unemployment, and that high prices decrease unemployment, but that as such rises in prices are almost invariably followed by a sharp decline, the unemployment which ensues is far worse than that which occurs where the currency is stabilised or where prices remain more or less constant. As to hours of labour in various countries, reference has been made here and in another place to the fact that the Washington Convention of 1919 laid down the principle of observing as far as possible the 8-hour working day. In various countries that working day has been put into force. During the 1924 Convention a review was made of the countries which were associated with the 1919 Convention, and it was pointed out that whilst the 8-hour principle had spread in many cases, yet in one case —a glaring instance—the country had gone back from the principle, and had reverted from the 48-hour week to the 60-hour week. That instance is Germany. Germany adopted the principle of the 8-hour day almost immediately after the signing of the Armistice, but owing to economic pressure had to revert to the 60-hour week. Consequently the Germans are, as the Convention has recognised, a very serious menace to the principle of the 8-hour day in other countries. I have quoted these hours because some members may have been led to believe, from the speeches of other members, that the 8-hour day has been put into operation in nearly

every country of the world. That, unfortunately, is not so, though the tendency is to recognise more and more that the 8-hour day is the one which is not only most equitable but also the one which provides the highest standard of production in ratio to hours that we have yet determined. On the question of direct action versus arbitration, I may refer to some recent remarks of Mr. Justice Powers in the Federal Arbitration Court. He said—

> I do not propose to make the term of the engineering trade award longer than the end of next year. I feel that circumstances will materially alter within that time, as there is industrial unrest throughout the world, and the desire is to right and improve conditions by direct action, which could only injure the worker.

That, unhappily, is true, as we have seen from the example of Russia. In considering the question of industrial arbitration this afternoon, I would like to show that there are close parallels existing in certain respects between conditions in Russia and conditions in Australia. Russia to-day is largely an agricultural country, and Australia's well-being depends upon the continued prosperity of her primary industries. The majority of the workers in Russia are agricultural labourers, and this condition to a large extent obtains in Australia. In Russia, too, wages and hours were fixed by the Soviet Government in secondary industries first. Similarly, arbitration awards in this and other States apply most widely in secondary industries. In Russia, moreover, the effects of economic laws were ignored in the fixing of wages and hours. I purpose to refer briefly to the effect on the industrial life of the community of this failure to recognise that economic laws are superior to Government control. In one respect the Russian authorities had better facilities for putting their programme into operation than the facilities to be found in Australia. The Russian authorities had to deal with an ignorant mass of people, who were docile material upon which to experiment. In Australia we have one factor which is most encouraging —that a large proportion of Australian workers read and think, the result being that we have a leavening of criticism and of discussion in the industrial world which is all to the good, and which in my opinion will have the effect of restraining any direct action of the kind which might tend to upset our social system. When, after the revolution, the Soviet Government had seized upon power, they found that the most important question they had to deal with was the restoration of the industrial system. Commerce had been brought to a standstill; starvation had intruded upon the community, and very large numbers of people were starved to death. The first step adopted for the restoration of industrial conditions was the introduction of a base wage, which was applied to all industries, and to all sections of workers, irrespective of their skill or of their conditions of employment. The result of this was to reduce the pace of the workers, which is to say the rate of production, to the lowest standard; and so rapidly did this process operate that the authorities found themselves unable to arrange for the supply of the commodities necessary for existence. They then followed their first action by introducing compulsory labour. The principle of compulsory labour was applied quite irrespective of a man's qualifications, with the result of innumerable round pegs being found in square holes. That condition prevailed to such an extent that men were directed to do work for which they were entirely unfitted. Consequently the standard of production did not increase. Then the authorities set to work to alter the basis of wages. First they altered it by prescribing certain rates of wages in defined zones. That, again, they followed up by altering the base wage so as to give margins for skill and for conditions. Thus they had a base wage with margins somewhat similar to the conditions governing wages to be found in our arbitration awards. These measures failed to meet the situation. Prices steadily rose, quite apart from the effects of inflated currency, and the attempt of wages to catch up with rising prices proved a dismal failure. Eventually the Russian authorities went so far as to allow the workers to work overtime on their own account in the factories, to use the machines there in order to make whatever they thought was necessary for their requirements. After that private enterprise was allowed to come in again. But private enterprise will not venture into any industry in Russia which requires a considerable amount of capital. Neither will it venture there into any industry in which any considerable time elapses between the conversion of the raw material into a marketable commodity and the selling of that commodity. Private enterprise went into those industries in which it got quick returns. Private capitalists succeeded, and succeeded far beyond expectation. The result was that they were able to make separate agreements, outside the scope of the State, with their workers, agreements which provided wages far in excess of the minimum rate fixed by the Government. The result was the creation of great discontent among the workers in other industries. The State was left with the big industries which required much capital, and with industries which had to wait a considerable time before they could realise on their products. On top of that, the Russian authorities had to contend with great dissatisfaction among their workers owing to the fact that the wages being paid to them were very much less than those ruling in private employment. For some considerable time the authorities attempted to meet the situation by granting continual increases in wages. But they were not able to catch up to it, and eventually the authorities had to fix a maximum wage in the private industries that would stop the attempt of employees

to pass from State enterprises into those private industries. The present position, as recorded in this very informative work "Industrial Life in Soviet Russia," is that the State simply fixes a maximum rate, but allows more and more agreements to be made between employers and employees, almost without any attempt at control. So, in the history of the development of that country they have gone the full circle, and are now arriving at the position we largely occupy to-day, the position we are attempting to alter under the Bill.

Hon. J. Cornell: They have arrived at it from the opposite direction.

Hon. H. SEDDON: Yes, and by a process of suffering that we must do our best to avoid. In contrast to the Russian system we may refer to the conditions obtaining in America. I do not want to convey the impression that the condition of the American labourer is anything like as good as the condition of his Australian confrere; but in certain industries the conditions are infinitely better in America, because the authorities there have adopted a carefully considered system of encouraging production. A man is paid more or less on the value of his work. In many instances that principle has been pressed to a cruel extent; but generally it has worked comparatively satisfactorily, with the result that the workers there are receiving wages far in excess of wages in this country, and which make them envied by their fellow workers. Thus in the one instance we have had a system of reducing production to a minimum by legislation, and in the other we have had an incentive to production which has enabled higher wages to be paid. If we recognise those two principles and make use of them in the Bill, we may introduce an advanced production in this State that will make the conditions for the workers better all round. If we succeed in doing that, the consequences to the people of the State will well repay us for our efforts. We have to recognise that arbitration in Australia has done a great deal of good. It has settled a large number of disputes and prevented others; so, if on that ground alone, we should continue to give it a trial. Another very important effect of arbitration, which is not widely recognised, is that it has enabled the weaker unions to receive a fair wage. Under the old system only the strong unions were able to obtain what they wanted, but under arbitration the weaker unions also have been able to get their claims before the court and so have benefited by the principle. Moreover, the arbitration courts have adopted a unit. When arbitration was introduced, it was simply laid down in the Act that the wages should be such as to enable a man and his wife to live in comparative comfort. However, all the arbitration awards have recognised as a unit a man, his wife and three children. Further than that, in various awards issued during the last two or three years the arbitration courts have fixed margins for skill. However, there is one point in which the Arbitration Court has failed: It has not taken into consideration the effect of an award upon other industries. Because of that neglect the economic life of the community has been affected. Unfortunately that defect does not seem to be provided for in the Bill. We have had a good deal of trouble as the result of having two courts, the Federal and the State, operating. The Federal court goes on the basis of the Harvester judgment, and its awards have been related to that judgment according to the variation in Knibbs's cost of living figures. The State court also has founded its awards largely on those figures. Unfortunately we have had industries passing from one court to the other. Unions have secured awards in the State court and then, finding that the Federal court would give better rates, have passed to that court, only to swing round again and ultimately get back to the State court. That has worked out harshly in one or two instances, and it is time this overlapping between the two courts was removed. As an illustration of the condition of affairs obtaining on the goldfields, let me remind the House that in 1920 Mr. Justice Burnside, then President of the Arbitration Court, gave an award based on 16s. per day, declaring that he fixed it on the evidence adduced before him. In 1922 Mr. Justice Draper, the then president of the court, gave an award of 15s. per day, and in 1923 that award was varied by Mr. Justice Northmore and the base brought down to 13s. 6d. When Mr. Justice Draper gave his award of 15s., a number of goldfields unions were in the Federal court, and almost at that same time the Federal court adopted a standard of 12s. 10d. as the base rate. The result was a good deal of trouble on the goldfields. We found, for example, that a tradesman in the engineering trades was receiving 16s. 10d. per day. That was arrived at by the margin of 4s. awarded for skill on the minimum of 12s. 10d. At the same time under Mr. Justice Draper's award the labourers were getting 15s. per day. The result was that a blacksmith, a member of the Amalgamated Society of Engineers, was receiving 16s. 10d., while under the A.W.U. award a tool sharpener was receiving 17s. At the same time the Federated Engine-drivers' Union were in the Federal court and received an award of 16s. 10d. The Kalgoorlie drivers, a State organisation, received in the State court an award of 19s.; and the greaser who was a member of the Kalgoorlie Engine-drivers' Union, was receiving 16s.,

while a greaser in the Federated Enginedrivers' Union was receiving 12s. 10d.

Hon. J. R. Brown: That shows the fallacy of having a judge in the Arbitration Court.

Hon. H. SEDDON: The fact remains that both judges, Federal and State, claimed that they took into consideration Knibbs's figures. One consequence was the production of a great deal of discontent on the goldfields. There were friction and dissatisfaction amongst the tradesmen, who felt that not sufficient recognition was given to their skill, the labourers receiving almost as much as they were. That culminated in a strike in the iron trades lasting 19 weeks. The strike failed, and the men were very much poorer. But the other day we had a confession by a judge that in fixing his base he had made a mistake of 1s. 6d. per day. That explains the disparity between the Federal and the State awards, and shows how serious a position might arise by the overlapping of the two courts, and the necessity for removing that overlapping. Make the Federal Court a court of appeal, if you will, but let us have something like co-operative working between the two courts, so that we may have some method of determining the base rate and preventing anomalies. A good deal of bitterness has arisen over the awards. Statements have been freely made that Mr. Justice Northmore, when he issued his award in 1923, was guilty of partisanship. That is remarkable, since we all understand that the judges themselves would rather have any other judicial post than that in the Arbitration Court. They find it most distasteful, and do their very best to get out of it. So much for the charge of partisanship. Still, we in this House should be sufficiently just to recognise that anomalies occur through honest mistakes, and that a judge tries to frame his verdict on the evidence adduced.

Hon. J. Cornell: The trouble in the Arbitration Court is that frequently they have not sufficient evidence.

Hon. H. SEDDON: From reading the reports of cases before the court one would think that an endeavour was made to see that the evidence adduced before the court was as voluminous as possible. In every case awards have been based on Knibbs's figures and have been related to the Harvester pudgment.

Hon. J. R. Brown: They took their index figure from that judgment.

Hon. H. SEDDON: That is so; and wages have been worked out more or less proportionately to the wages existing when that judgment was delivered. But it should be remembered that the Harvester judgment was in respect of a secondary industry, and based on a wage not related to the production of the State. The result is that the mistakes made in the Harvester judgment have affected the whole condition of living and wages and prices in Australia ever since. Real wages, that is to say, the purchasing power of money, are determined by national production. You can increase wages as much as you like, but ultimately prices will adjust themselves, and therefore the purchasing power of those wages will adjust itself to national production. Indeed wages and prices will adjust themselves to the annual national production. As an illustration: if we were to have a failure of the wheat harvest, the result would be a raising of prices in almost every industry, and the purchasing power of money in the following year would be very much less than if we had had a prolific harvest. Unless the base wage is based in proportion to our annual production, we shall be simply perpetuating a false state of affairs. On that point I might quote a table prepared by Knibbs and published annually in the *Commonwealth Year Book*.

Hon. J. Cornell: Oh, don't quote Knibbs.

Hon. H. SEDDON: The point is that although there may be prejudice against Knibbs's figures, they have a definite relation to our national production. The year 1911 was made the base year for industries. We find that in 1911 nominal wages, retail prices and real wages (purchasing power) were all brought into line, and that was the base from which subsequent alterations were calculated. The variation from that point to to-day is that in 1922 nominal wages had risen until they were equivalent to the figure of 1,800. Roughly speaking, that is an increase of 80 per cent. Taking the retail price in that year we find that the increase was 60 per cent. The result was that wages were at practically the same point, that is to say the purchasing power of money in 1922 was practically at the same point as in 1911. In other words, prices and nominal wages rose more or less in conjunction with each other, and the real purchasing power of money remained at the same figure in 1922 as in 1911. When we consider the intervening years we find that real wages were below the rise in prices, so that the working man in the intervening years was worse off than he was in 1911. The real explanation of the improvement in 1922 is this. When we consider the production per head we find that in 1922 it was equal to 63.4, whereas in 1914 it was only 58, in 1917 it was 57 and in 1918 it was 57. In those years the country was suffering from an inflation which had taken place in prices owing to the fact that manufactures had been interfered with by the war. The country had not got back into its stride, and it was not until 1922-23 that we were getting the best of our production back again. I have taken these figures into consideration, because unless we fix our base wage in something like a relation to the national production we shall perpetuate the evils now prevailing.

Hon. J. J. Holmes: And the industries suffer.

Hon. H. SEDDON: Yes, because primary industries are dependent on outside markets, and whilst that condition of affairs obtains we have to recognise that the primary industries must be placed on a different footing to enable them to carry on. The point I wish to make is that wages in primary industries are low, because of the superimposing of the high wages in secondary industries. I have quoted these figures, because there is provision in the Bill for adjusting wages at stated periods, and that provision is intended to apply to all industries. If we persist in fixing the base wage on the cost of living figures—and the cost of living figures are an effect and not the primary cost—we shall precipitate a state of affairs that we have been slowly altering in the past. If we make it apply to all industries at once the result will be a tremendous increase in prices all round, and we shall create a position, which as I have just said, we have until now been approaching slowly. That is a defect I have not yet heard referred to, and we must consider it when dealing with the Bill. The question arises whether we can have a scientific base wage. I have tried to point out that we have to take into consideration both secondary and primary industries in fixing that base wage, and we shall have to relate that wage to our standard of production; we must try to introduce a principle into the Bill whereby when we give a wage we shall be able to guarantee a corresponding return, that is to say when we fix a wage we shall fix production equivalent to that wage. Under the present system certain industries are taking more out of the Commonwealth fund than they are putting into it. Certain industries, because of their strong position, have been able to obtain better terms, while others have had less. If we ask the court to bring in a scientific wage and take into consideration every man's contribution to the Commonwealth, we set a very big task. I think I am right in saying that with the statistics we have available at the present time it would be almost impossible for the court to fix such a wage. We must remember the constitution of the court, that it is to consist of a president and two laymen. We have laid down no qualifications for any of those gentlemen other than the fact that the president shall be able to consider and weigh evidence. The laymen are to be appointed from time to time and they will simply represent the interests of the workers and of the employers. They go further than that even in Russia, because there they had an economic committee which consisted of a number of representatives from various industries. The persons on that economic council were representatives from the supreme economic council, the central office for the metallurgical industry, central coal office, textile trust, comissariat for communication, comissariat of labour, all Russian central council of trade unions, central committees of metal workers union, miners' union, textile workers, transport workers and Soviet employees union. Unless we take into consideration every section of the community and allow each section to have a say in the fixing of the base wage, we shall find ourselves in trouble. For that reason we are led to the standpoint that either the two laymen must be elected on a qualification basis, as to ability to look at things from the standpoint of the various industries they represent, or on the other hand, we must devise some means in the nature of an economic jury like the one I have just quoted which shall revise the base wage from time to time. If we had representatives from financial circles, a professor of economics, a merchant, a farmer and an engineer on the one side, and a transport worker, a shop assistant, a farm labourer, a mechanic, a miner, and a clerk on the other side, that is to say to have a balance of representation from both sections of the community, we should get the views of the various activities obtaining in the State, and we would be able to arrive at a more equitable base wage than will be possible with the three gentlemen who it is proposed, shall constitute the court.

Hon. J. J. Holmes: When would we get an award from the court?

Hon. H. SEDDON: That committee would have a definite objective which would be to determine a scientific base wage and it would arrange for statistics and information to be made available, and so the awards in course of time would be given on a continuous and more equitable basis. Everything would tend to the establishment of a scientific base wage which is the only one from which we can expect to get contentment and which will give justice to every section of the community. There are one or two points in connection with the Bill to which I wish to refer. The first is in regard to the registration of domestics. I have not heard an argument in this House or outside in favour of exempting domestics. I have heard arguments against the intrusion of representatives of the union into the home, but I have heard nothing against the inclusion of domestics, and personally I think that that section of the community is as much entitled to the benefits to be derived from arbitration as is the mechanic in a workshop or the miner in a mine. If we introduce safeguards against unnecessary intrusion I see no reason why we should not allow them to register.

Hon. J. Cornell: Are you a bachelor?

Hon. C. F. Baxter: Of course he is.

Hon. H. SEDDON: The question of registration is an important point. Personally I consider that the benefits of the measure should be made available to those unions that are registered under it. I say that we should not extend the benefits of arbitration to a union which will not register, and for that reason I would like to see a definite provision inserted whereby the arbitration bene-

fits will be restricted to those unions that are registered.

Hon. J. J. Holmes: You want one big union?

Hon. H. SEDDON: No. I fail to see how it could work satisfactorily in regard to every section of the community. A standard base wage should operate in all industries and any union that is outside the scope of the Arbitration Act should be regarded as an outlaw union and should be discountenanced by labour. There is the question of demarcation boards. Anyone with experience in the iron trade will be aware of the friction that has existed in the past owing to overlapping. I could give an illustration by referring to the boilermakers and the engineers unions. Certain classes of work are done by both unions, and there has been a lot of friction in the past between the two owing to the fact that one has accused the other of taking work which did not belong to it. One of the questions that a demarcation board could decide would be that any work common to two unions could be defined as such, and thus the friction that now arises would be avoided. There is provision in the Bill for the appointment of conciliation committees. Here a danger is likely to arise. Suppose an employer and his employees arrived at an agreement, which was quite satisfactory to them but which gave a rate far in excess of that obtaining for other work in the same industry. If it were attempted to make that agreement a common rule, it might be the means of causing great hardship and prescribing a wage largely in excess of the base wage.

Hon. H. Stewart: And possibly it would be the means of driving a competitor out of business.

Hon. H. SEDDON: There is a relationship between the base wage and the general community. If the base wage they adopted was very high, it would result in discontent in other occupations. It gives an unfair advantage and may operate, as Mr. Stewart suggested, harshly in the case of a struggling competitor. The Bill proposes to delete Part V. of the Act which refers to Government employees. If this is done, and the principle of a uniform base wage is also established, an awkward state of affairs may arise. A number of agreements have been made between the Commissioner of Railways and the railway unions. These agreements provide for certain rates of wages for given occupations in the railway service. Under the provisions of this Bill the basic wage is to be determined from time to time and is to be varied for different parts of the State. A worker in the railways employed at Midland Junction would consequently receive one rate of wage and, if he were transferred to Kalgoorlie or Bunbury, he would receive another rate of wage.

Hon. J. R. Brown: That would be a district allowance.

Hon. H. SEDDON: If the district allowance were taken into consideration, it would be all right, because the principle of a district allowance is embodied in the existing agreements, but there is nothing to show that the rate will be determined on that principle. Members of the railway unions should be acquainted with the position that will arise. The question of railway privileges, too, may have to be taken into consideration, and it may be necessary to determine how those privileges will be regarded when a standard base wage is fixed to operate in every industry in the State. Let me now refer to the question of apprentices. As one who was apprenticed in the Old Country and who has studied the question since, I consider that provision for a board to deal with all apprentices could with advantage be added to this Bill. The education of an apprentice is a very important matter. In our shops a boy gets his training by dodging about from one part to another. There is no organised system of training him. If a boy becomes a skilled worker, it is more by good luck than good management. We are advancing from that state, however, and we recognise the need for giving a boy technical training, seeing that he gets a fair insight into his trade, and that he acquires fair skill; but I should like this made the duty of a board who should follow an apprentice in his career, see that he had every opportunity to study his trade, devoted proper attention to it, and did his best to become a highly skilled worker.

Hon. H. Stewart: Would one board be sufficient for all varieties of industry?

Hon. H. SEDDON: A dominating board might lay down general principles, which would be useful and would certainly be an advance on the existing system. Then again, there is scope for vocational guidance by the board. We have the spectacle of a boy going into an occupation for which he is quite unfitted. A vocational guidance board could advise a boy as to his suitability or otherwise for the occupation he was seeking to enter. The present system is haphazard. Because there is no provision made for the training of our boys, they go into the first occupation offering, regardless of their fitness or otherwise. If the system of apprenticeship was reduced to a satisfactory and organised basis we should get much better results from the training of our boys than we have had in the past. Many references have been made, both in this House and in another place, to the effect of the 44-hour week on various industries. Although many figures have been quoted and references have been made to many unions, it cannot be denied that the 44-hour week has been most generally applied in the secondary industries That should be taken into consideration. The Minister, in referring to the question, quoted statistics of produc-

tion, which he said demanded an answer from the other side. I am not going to attempt to answer the figures, because I do not consider it my function to do so, but I point out that the two years he quoted were one year in which prices were very high in proportion to production as against another year in which prices were more normal.

Hon. J. Cornell: He quoted only prices, not output.

Hon. H. SEDDON: That is so, and to institute a comparison it would have been only fair to quote the output per head. We have to recognise that the question of hours is closely related to the demands made upon a man in the course of his employment. There are certain industries that impose a big tax upon a man's strength. It has been demonstrated that where a man worked excessive hours, his production was less over those excessive hours than over reduced hours. When his hours were reduced there was an increase of output. Still, we have not before us any evidence as to the exact point at which the greatest efficiency can be obtained. To advance as an argument for the 44-hour week the question of increased production in relation to the number of hours is not sound without definite data. In fixing the basis one must ascertain the number of hours most effective in a given industry. This indicates how sound is the argument for leaving the court to decide the hours. On the other hand, we have to remember there is a considerable number of statistics regarding fatigue and efficiency. Fatigue has been studied in England and America to a greater extent than in Australia, and something like a basis has been arrived at for different occupations that could be taken into consideration by a court in fixing hours. A number of tests were made with firemen in a big power house in America. The result of the tests, 26 in number, showed that the men were not getting the best results from the boilers in a 54-hour week. The working week was then reduced to 48 hours and a considerable improvement was manifested in the quality of the work, both in the consumption of fuel and the generation of steam. When the number of hours was increased to 12 per day, there was a decrease in efficiency. Mechanical stokers were installed, and the men were again tried out, and it was found that another factor then operated. The monotony of the work resulted in the men not obtaining anything like the efficiency that had been secured under the harder working conditions. It was only with the introduction of further checking devices—checks on the consumption of fuel and the generation of steam—necessitating the men taking a keener interest in their work that the results improved. The mental strain was much greater, but the interest of the men were also greater, and the resultant fatigue over the period was not so great. Therefore, when we determine the hours for any industry, we must take into consideration the effect physically and mentally upon the employees, and also the nervous strain. The nervous strain on the telegraphist is tremendous. If it were attempted to work a telegraphist anything like the number of hours demanded of a labourer, he would be a nervous wreck in no time. All these factors have to be considered in fixing a standard of hours, and if we arbitrarily fix the standard of a 44-hour week, it may be right for certain industries, it may be too low for some industries, and it may be too high for others. To fix an arbitrary figure of 44 hours to apply to all industries will not give the best results for the community. For this reason there is strong argument for insisting upon the president of the court dealing with the question of hours in the light of evidence available to him.

Hon. J. R. Brown: But he will not do it.

Hon. H. SEDDON: I cannot discuss the question of what the judge will or will not do. It is intended to appoint a president who shall be either a judge or a layman, and the president will have to fix awards for various industries. In giving those awards he will meet with criticism from both sections of the community. Seeing that to a large extent he will be free from outside influence, the probability is that he will issue awards as nearly fair as possible. We should recognise that we are placing in the hands of the president the future of the State, and upon the results of his awards the State will progress or retrogress. We should therefore concede the president absolute fair-mindedness when we make the appointment. I shall support the second reading, but I trust the points I have raised will be considered in Committee. We have in this Bill a machine which can provide materially for the prosperity of this State, a machine which can and should provide for a material increase in the standard of comfort of our workers, provided it is operated on scientific lines, and takes cognisance of production per head. If it continues on the old lines, I cannot see that the results will be very much better than they have been in the past. In the past it has served more as an indicator of laws that are operating than as an attempt to make use of natural laws to the benefit of humanity.

Hon. J. A. GREIG (South-East) [6.0]: I do not intend to deal at any great length with this Bill. Over 20 years ago I was a strong advocate of compulsory arbitration. Some years ago Mr. Seddon, Prime Minister of New Zealand, said that the Dominion was a country in which strikes were impossible. Fortunately he did not live to see the great strike, almost civil war, in New Zealand in 1913. Had he done so, he would probably have altered his opinion. Although compulsory arbitration has been on trial in this State, and practically throughout Australia for 20 years, it has proved an abso-

lute farce and a deplorable failure. An Arbitration Court that cannot enforce its awards is valueless. It is one of the most important courts in the State, in fact the most important. It has great issues to deal with, and the extent of the wealth that is affected by its decisions is astounding. Both directly and indirectly it affects the well being of the State.

Hon. J. Cornell: Other courts can enforce their judgments by execution or gaol.

Hon. J. A. GREIG: If we can by this Bill enable the court to enforce its awards, I should be prepared to help to that end, for we should then be passing one of the finest pieces of legislation that it is possible to place on the statute-book. Up to date the Arbitration Act has proved the most disastrous and expensive of all our laws. It has done more to retard progress and settlement than any other piece of legislation.

Hon. T. Moore: In what way?

Hon. J. A. GREIG: I refer to the progress and settlement of the Commonwealth as affected by the arbitration laws within it.

Hon. J. Cornell: You mean land settlement.

Hon. T. Moore: Is the agricultural labourer paid too much?

Hon. J. A. GREIG: No. That is what I am complaining about. The agricultural labourer is under-paid.

Hon. T. Moore: Because he has never been before the court.

Hon. J. A. GREIG: Because those working in other industries are paid wages which make it impossible for the primary industries to keep pace with them. That is one of the objections I have to the Arbitration Court as constituted to-day. It is based on a false foundation. The basic wage was fixed by the court on the cost of living instead of the cost of production. Take the Harvester case that has often been quoted here.

The Honorary Minister: And quoted by the courts, too.

Hon. J. A. GREIG: If they had cut off the last two letters from the word "Harvester," and fixed the basic wage on the cost of producing a harvest, we should have had something more equitable.

Hon. J. Cornell: According to you it has produced a harvest of strikes.

Hon. J. A. GREIG: The Arbitration Courts have raised wages, but they have also raised the cost of living to such an extent that the wages are of no advantage to the wage earner. The average of the Australian worker in 1920 was 89s. 10d. per week, and in 1910 it was 48s. 11d.; but the 48s. 11d. was worth more to him in 1910 than the 89s. 10d. was in 1920.

Hon. J. Cornell: You are not quoting Knibbs, I hope?

Hon. J. A. GREIG: No, I am quoting from a reliable authority. Whilst compulsory arbitration may have helped to maintain a pernicious inflation of wages, and kept up the cost of living, it has not improved the well-being of the wage earners. This phase of the question is often overlooked. I have said that the Arbitration Courts have retarded progress and the development and settlement of Australia. The Arbitration Court has raised wages in the secondary industries and increased the cost of living until primary industries have been compelled to close down. Take our goldfields, which have produced £150,000,000 worth of gold during the last 30 years.

Hon. E. H. Harris: It is £160,000,000 worth now.

Hon. J. A. GREIG: The high cost of living has closed down most of our mines.

Hon. J. Cornell: No, but it has hurried the closing down.

Hon. J. A. GREIG: According to figures quoted by the Mines Department, 3,110 mines that were producing 1oz. ore have been closed down. It is astonishing that this should be so. The engineers say that these mines are not worked out, but that they have been closed down because they do not pay to operate.

Hon. J. Cornell: That applies to all mines, for they are governed by the grade of ore.

Hon. J. A. GREIG: Arbitration Court awards to-day can only be paid by assisted industries that are spoon-fed and wet-nursed by high protection. The wage earner and the employer secure high protection for an industry, and whack up the money involved in the protection between them.

Hon. A. Burvill: Who pays in the long run?

Hon. J. A. GREIG: The general public. The capitalist is usually in a position to retain most of the additional wealth he acquires. The wage earner obtains a rise in wages, but it is taken away from him by the high cost of living. If I can do anything to improve the present position, minimise the number of strikes, and improve the relationship between employer and employee, I am prepared to do it. In the past unions have found difficulty in bringing their cases before the court. This Bill provides for the appointment of boards. I am not sure whether these will make it easier or harder to get before the court. I am prepared to leave that question to those who have had years of experience in bringing matters before the court, and to listen to what they have to say when the Bill reaches the Committee stage. The power given in the Bill to the Minister should be vested in the president of the Arbitration Court. All politicians should be kept out of the court, if possible. The Bill also deals with preference to unionists. That is a pernicious system, and will lead to disastrous hatred between certain sections of the community, if every section becomes organised as the workers are to-day.

The Honorary Minister: Why?

Hon. J. A. GREIG: If we are going to give preference to anyone, let us give it to the soldiers, who have fought for the country.

Hon. E. H. Gray: What about the generations that have risen since then.

Hon. J. A. GREIG: What about the generations that existed before? Those generations did the deed, and I would give preference to them if to anyone; but the policy of preference is a bad one. In this case it means preference to one political party, and it is not wise that any Government should adopt such a policy.

Hon. J. R. Brown: There are all shades of political opinions in unions.

Hon. J. A. GREIG: If this Bill could prevent strikes, it would be a good thing. The Leader of the House said that arbitration had justified its existence in Australia. Mr. Moore said that very few strikes had occurred. Mr. Harris quoted some figures concerning Western Australia. I will quote some figures concerning the other States, to show how many strikes there have been in Australia in nine years since the inauguration of compulsory arbitration.

Hon. E. H. Harris: Have they compulsory arbitration in Victoria?

Hon. J. A. GREIG: No, not compulsory arbitration, but it exists in New South Wales. Complete figures regarding industrial disputes were not prepared until 1913, but there is certain information dating back to 1907 though I will not deal with that now. The New South Wales figures are the most striking. In that State compulsory arbitration and stringent industrial restrictions received strenuous support. Compulsory arbitration has operated there under State as well as under Federal law. The statistics for the years 1913 to 1921 are as follows:—The number of strikes were 2,562; the workers involved numbered 785,242; and the loss in wages represented £7,288,223. In Victoria the total number of industrial disputes for that period was 386, the number of workers involved was 127,671, and the loss in wages was £1,624,474. This shows that the New South Wales workers, under compulsory arbitration, lost over £7,000,000 in wages, whilst those in Victoria lost a little over a million and a half.

Hon. G. W. Miles: That is a good argument against compulsory arbitration.

Hon. J. A. GREIG: Yes. In the great coal mining industry of New South Wales they are in a state of almost perpetual turmoil. I will now quote the figures for the whole of the Commonwealth covering this period. The number of strikes was 3,791; the number of workers involved, 1,081,974; and the loss in wages was £11,006,026.

Hon. H. Stewart: Most of the trouble seems to have come from New South Wales.

Hon. J. A. GREIG: So that compulsory arbitration, which was to prevent strikes and bring about industrial peace, has been an absolute failure under existing conditions.

Hon. G. W. Miles: Have you the Western Australian figures?

Hon. J. A. GREIG: No, Mr. Harris gave them. I hope that the Bill will be made more equitable in Committee. I object to retrospective awards. If this provision is carried through, we shall be striking a vital blow to sound finance and business. It would be impossible for contractors to quote for any job if it were possible for a retrospective award to be made governing the business with which they were connected.

Hon. E. H. Harris: The Government are going to alter that proposal. An amendment is on the Notice Paper to that effect.

Hon. J. A. GREIG: I am pleased to hear it. The president of the court should be appointed for life, or be removable only by motion of both Houses of Parliament.

Hon. H. Stewart: Appointed with the approval of both Houses of Parliament?

Hon. J. A. GREIG: He should be removed only by such means. If a man were appointed for life, he would not fear that he would be turned out by any political party that happened to come into power. Seeing how important the court is, and that it deals with such gigantic financial concerns, it should be controlled by a permanent president.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. W. H. KITSON (West) [7.31]: After an experience of industrial arbitration extending over approximately 30 years, the people of Western Australia and of the Commonwealth should be fairly able to say whether industrial arbitration has fulfilled its purpose. No one can gainsay that prior to the introduction of industrial arbitration into Australia we were subject to industrial troubles. On the other hand, it can be said with certainty that in the days prior to arbitration Australia had numerous big industrial troubles, which brought about a condition of industrial chaos from which it took us years to recover. That, in my opinion, was the real cause of the introduction of industrial arbitration. Whether or not arbitration has been entirely successful depends largely on the individual's viewpoint. For my part I am of opinion that not only has arbitration served a highly useful purpose, but that had it not been for arbitration we would not have made the same progress industrially as in fact we have made during the last two decades. Mr. Greig expressed the opinion that industrial arbitration had been a farce and generally speaking was of no use to the community. Now, Mr. Greig is not the only person holding such views; and, though industrial arbi-

tration is the policy of the Labour Party of Western Australia and of the Commonwealth, numerous members of that party do not hold with industrial arbitration as so far we have known it. They, however, object to arbitration on grounds different from those advanced by Mr. Greig. They claim that arbitration has not secured for the workers what upon its introduction they were promised it would secure for them. They put it somewhat in this way, that the Arbitration Court is not a court of justice, but a court to maintain industrial peace, and that on this account organisations which hold a key position, or are strongly welded, can, by threats of striking, secure from the Arbitration Court higher rates of pay and better conditions than weak organisations are able to obtain. I submit there is logic in that argument, for we know that in various Australian States, and even in this State, there have been decisions of the Arbitration Court given by reason of the fact that the organisation before the court was in a position to take direct action, and in that way enforced some, if not all, of its demands. Those things may be so, but that is not to say there is no virtue in industrial arbitration. While arbitration was introduced with the idea of substituting reason for force, many people hold the view that any section of the community should be entitled to all they can possibly get, no matter by what methods. They object to the many restrictions imposed upon them by the arbitration law and by other laws. Such people are not confined to the ranks of the workers. A number of them are to be found among the employers. During my connection with the industrial movement in this State, it has been my experience that among the employers there is just as large a percentage not prepared to submit disputes to the Arbitration Court as there is among the workers. But generally speaking, it must, I think, be admitted that the introduction of industrial arbitration has freed Australia from many industrial disputes which would have occurred under the old system. One *hon. member*—I think it was *Mr. Greig*—quoted statistics with regard to strikes. But if that hon. member will compare the number of strikes with the number of threatened disputes that have faced this community during the period he mentioned, I think he will find that there is a good deal to thank our Arbitration Courts for, even though there may be much for which we would not thank them in any circumstances. The Bill should, I consider, be approached from the point of view of the stability of the State. Most people will agree that without industrial peace we cannot make much progress. Therefore, if the accepted method of settling industrial disputes is to be industrial arbitration, we must see that our system, whatever its form, shall be such that all parties will at least be satisfied to submit their grievances to it. Unfortunately that has not been the position during the last few years in Western Australia. Many organisations which believe in arbitration have nevertheless refused to refer their disputes to the Arbitration Court, and this for various reasons. The chief reason is that the court has been so congested as to render it impossible for an organisation to have its case heard within a reasonable time. Some organisations have waited a few months, others have been compelled to wait for years, two and even three years, to get their cases heard. So it is quite easy to understand the growing feeling against our Arbitration Court as now constituted. In a time when the cost of living is constantly rising, it is found that there is no hope of getting a case heard, and thus obtaining an adjustment of wages, without waiting for an inordinate period. Another cause which has contributed to the growth of the feeling I refer to is the inconsistency of certain awards. Mr. Seddon gave two or three instances, very good instances, of this. I could quote quite a number myself, but I shall not do so, for I think it must be patent to this Chamber that wherever such a state of affairs exists one cannot expect the people who have to appeal to a court of that kind to be satisfied that they are getting a fair deal. We must bring about such an amendment of the present position as will ensure that all parties shall receive identical treatment whenever they approach the court. Our existing Act when first introduced was regarded as a great advance on previous legislation of the kind. Western Australia was quoted as being among the most advanced countries in point of industrial legislation; and to some extent our industrial laws, including our Arbitration Act, were copied by other countries. But since the passing of that Act there has been no material amendment of our arbitration law, while other Australian States and other countries have from time to time amended their industrial law, until to-day we find that many of them are far ahead of Western Australia. The Bill represents an attempt on the part of the present Government to place upon this State's statute-book what has been proved by experience to be of benefit in those States which have had industrial arbitration operating on lines somewhat similar to those obtaining here. The fact that certain clauses of the Bill have been taken from measures enacted in other parts of the Commonwealth is no reason whatever for condemning the measure. From the viewpoint of this House, that fact should rather be regarded as a good feature. Hon. members should be favourably impressed by the fact that the Government are prepared to take advantage of anything that has proved successful elsewhere. One hon. member contended that the Minister for Works had "pirated" sections from the Acts of other States. That hon. member seemed to think the Minister for Works should not have done

anything of the kind, but should have introduced something entirely original.

Hon. J. Duffell: I think the reference was to the provision for conferences.

Hon. W. H. KITSON: I understand the hon. member in question to refer to the circumstance that practically the whole of the Bill, as the hon. member put it, was the result of scissors and paste. He emphasised the fact that many clauses of this Bill have been taken from the Acts of other States. Whatever he intended to convey, I understood him to find fault with the Minister for Works for having pursued that course. I commend the Minister for doing so because I know his long experience in industrial matters, and arbitration work in particular, enables him to recognise what will be useful to both the workers and the employers. The Bill represents a distinct advance upon our existing legislation and if given effect to, it will lead to the more expeditious hearing of cases and give satisfaction all round. There may be one or two clauses in the Bill that may be debatable from the standpoint of some hon. members. The principles embodied in the Bill are such that I do not think we can reasonably find fault with them. In one or two instances arguments have been advanced by some hon. members that may carry weight with certain individuals and certain organisations. From the point of view of the community as a whole, however, I do not think they will carry much weight at all. The Bill provides that the Arbitration Court shall be constituted by a whole-time president, together with representatives of the employers and the employees respectively. That is practically the position to-day with the exception that our present president cannot devote his whole time to industrial arbitration problems. It has been unfortunate in the past that we have had to rely upon the services of a Supreme Court judge to act as president for he has been called upon to take his seat on the Supreme Court bench from time to time. In consequence, industrial matters requiring attention have had to take second place to other cases that by no stretch of imagination could be regarded as of equal importance. Often we have witnessed the Supreme Court dealing with litigation between individuals involving a few pounds, while cases listed in the Arbitration Court for the settlement of wages and industrial conditions affecting big bodies of men, have had to stand over. I know of nothing that will cause industrial unrest more quickly than the fact that workers are not able to have their cases dealt with promptly. The longer the delay the more serious becomes the trouble, and the more difficulty there is in finding satisfactory settlement. If we could only deal with disputes at their inception and give the parties concerned the necessary facilities to have the points in dispute dealt with——

Hon. J. Duffell: The round table conference, for instance.

Hon. W. H. KITSON: That method has done a lot of good. It does not matter what facilities may be required to enable the discussion to take place, if they are made available to the parties the result will be that in nine cases out of 10 the dispute can be settled without much difficulty, and with a minimum interruption to business. Regarding round table conferences, I remember that a few years ago when the industrial position was acute, I was connected with a large number of disputes in a very limited period. Within six months there were 36 disputes that were referred to the Industrial Disputes Committee, of which I was a member. The present Minister for Works (Hon. A. McCallum) was at that time secretary of that committee, and during those six months hardly a week went by without that body being called upon to deal with a fresh dispute. In many instances the cause of the disputes was due to the fact that the parties could not have their cases heard in the Arbitration Court. Most of those disputes were settled as the result of round table conferences. Immediately a dispute was referred to the committee, we got into touch with the employers concerned through the Employers' Federation. With the assistance of that body we were able to go into the trouble quickly, discuss the dispute freely and arrive at a settlement that was satisfactory for the time being. We did not settle every point at times, but we were always able to agree to refer the remaining points at issue for settlement by the Arbitration Court or by an independent arbitrator.

Hon. J. J. Holmes: Is the Industrial Disputes Committee still in existence?

Hon. W. H. KITSON: Yes, and that body is doing good work. Taking that experience as a guide, and applying it to some provisions of the Bill, it will be found that this is one method that can be utilised for the settlement of disputes by both workers and employers. To that extent the Bill represents a big advance upon previous legislation. I agree with the proposal that a representative of the employers and a representative of the employees shall be members of the court. If we are to have a Supreme Court judge or a man with legal training, having the qualifications of a Supreme Court judge as president of the Arbitration Court, we cannot expect such a man to have an intimate knowledge of many of the finer points in connection with industries, either from the point of view of the employer or of the employee. With representatives of both sides on the court, we give both the employers and the employees the opportunity to have vital points brought before the notice of the court right up to the time it is intended to issue an award or a judgment.

Hon. J. M. Macfarlane: But the president gets that assistance from the floor of the court.

Hon. W. H. KITSON: That is so, but it has to be remembered that the court has often dealt with half a dozen cases, one after the other, and later when attention is given to the framing of the awards, it is impossible to expect the president to be in a position to deal satisfactorily with every point raised during the hearings of those several cases.

Hon. H. Stewart: Has that been done satisfactorily by the court in the past?

Hon. W. H. KITSON: To that extent, yes. There is another point to be considered. It often happens that advocates presenting cases on behalf of either the employers or the employees, have had little experience in that work. Assistance has been rendered by the representatives of either side on the bench and I presume that no one would desire the Arbitration Court to decide upon any question unless the whole of the facts were before it. In addition to the president and the two representatives comprising the Arbitration Court, the Bill provides for the appointment of industrial magistrates. The main object for those appointments is to obviate the necessity for organisations waiting for long periods until the Arbitration Court can deal with cases for breaches of awards and so on. Instead of it being necessary for the Arbitration Court to journey to Kalgoorlie to hear a few cases for breaches of award, an industrial magistrate is to be appointed to hear such cases with a minimum of delay. That is a good point. I had an experience quite recently that will clearly indicate my meaning. Two years ago I was instructed by an organisation, of which I was secretary, to sue an employer for a breach of agreement. The necessary steps were taken and a date fixed for the hearing. Owing to the congestion of the business of the court, the case was not heard on the date fixed. Time went on and the court became more and more congested. Although the case was listed, it was not dealt with. The point involved was rather important. Over two years elapsed before the case was dealt with. In the meantime the firm concerned had gone out of business and had been amalgamated with another concern. That did not invalidate the action, and it was finally heard a week or a fortnight ago! If some such provision as that outlined in the Bill had been embodied in the parent Act, such an incident could not have occurred. The case would have been heard within a week or a fortnight and a delay of two years would not have happened. Many organisations have had to withdraw cases listed simply because of the lapse of time. Witnesses have left the district and have not been procurable. In some instances they have left their employment and for other reasons, too, unions have found it impossible to proceed with the cases. That being so the provision for the appointment of industrial magistrates is necessary. I understand that the intention of the Government is not that there shall be fresh appointments, but that those holding magisterial positions at present shall be appointed industrial magistrates. Justices of the peace may also be appointed to those positions. The Bill, if on this point alone, is an improvement on the Act. Then again there are the industrial boards, to which most members who have spoken have agreed. Those boards will perform a duty in respect of the disputes committee in any district. In the event of a dispute, and the court being unable to hear it promptly, the court will refer it to a board representative of employers and employees, and by that method the dispute will be expeditiously dealt with. I feel sure the House will take no exception to that provision. Then there are the boards of reference, also agreed to by most members who have spoken. That brings us to the demarcation boards. I know of nothing that has caused more trouble between organisations than the question of demarcation. It has been the cause of hanging up industries for weeks and weeks. The provision in the Bill will serve to solve a most serious problem. The Bill gives the court additional power in respect of compulsory conferences. In the past these conferences have been called, but no decision has been arrived at, and so the president of the court has referred the dispute into court. Most people would regard that as a step towards settling the dispute. Unfortunately, under the existing Act it is not always so, for the case so referred into court may not be heard until years afterwards. I have had an experience of that. Some two and a half years ago a compulsory conference was called, following on which the case was referred into court. The case could not be heard. Further conferences with the employers were held, but the employers would not agree to any alteration of existing conditions unless those alterations were prescribed by the court. In consequence we had a strike, and that, too, amongst employees not given to that sort of thing. I refer to the clerks' strike in Fremantle. In view of the time they had waited to have their case heard by the court, those men and women were quite justified in the action they took. When eventually their strike was settled they were all granted increases, but those increases were not made retrospective. It is obvious that for the greater part of the three years they had waited, those people were defrauded of their increases.

Hon. J. A. Greig: Suppose the court awarded decreases, would you still favour the award being made retrospective?

Hon. W. H. KITSON: If the employers could get the difference, yes. Let me tell the hon. member that, whenever there is a

likelihood of a decrease, the employers are not slow to see that the decision is given very quickly.

Hon. J. A. Greig: How can they get a decision any more promptly than can the workers?

Hon. J. J. Holmes: Apparently they can get to the court whenever they want to.

Hon. W. H. KITSON: That was demonstrated in Kalgoorlie. Now we come to the conciliation committees which, of course, will be productive of much good. I believe that, generally speaking, the court and these half dozen boards, if given a fair chance, will prove that it is quite possible to deal promptly with all disputes, and that the workers will be given satisfaction to the extent that they will get their cases heard, while on the other hand the employers will be advantaged in knowing where they stand much earlier than they can know under the existing Act.

Hon. J. J. Holmes: Explain the necessity for two representatives in the Arbitration Court in view of the fact that the evidence will be taken in the lower court.

Hon. H. Stewart: He did that while you were out of the Chamber.

Hon. W. H. KITSON: Another good feature of the Bill proposes to remove some of the restrictions hampering organisations under the existing Act. Criticism was levelled at this provision by Mr. Cornell, who seemed to think that the object in removing those restrictions was that a certain organisation, the A.W.U., might get registration and thus bring about one big union much more quickly. I think Mr. Cornell scarcely understood the position. Even if those restrictions are lifted, I do not think it will assist that organisation in any way. There will still be disabilities to keep that organisation in practically its present position. However, there is on the Notice Paper an amendment designed to allow that organisation to register under the Bill when it becomes law. It is an anomaly that, under the existing Act, it is necessary for unions to go to no end of trouble in order to have their cases referred to the court. After all, those unions are only asking that their plaints shall be referred to an impartial tribunal. Surely nobody can object to that! Under the existing Act it is necessary to take a ballot of the whole of the members of an organisation. Admittedly it is not done on every occasion, but if the Act were enforced it would have to be done. Consider the position of the organisation referred to by Mr. Cornell if it had to comply with that section of the existing Act. Its members are scattered throughout the State, from Wyndham down to Esperance. If that organisation, wishing to refer a case to the State court, had to comply with the Act in detail, it would be necessary to take a ballot of the whole of its members. I can speak with authority on this point, because for many years I have been returning officer for that organisation's election of officers. Such an election takes approximately nine months to carry out.

Hon. E. H. Harris: Do you say it cannot be done in a shorter period?

Hon. W. H. KITSON: It could, but not satisfactorily. Scattered all over the State, its members are not necessarily stationed in their respective districts all the time. Consequently the ballot papers can be sent to them only when their addresses are known.

Hon. J. M. Macfarlane: Does that union cater for workers who could be absorbed by sectional unions?

Hon. T. Moore: One of its sections covers the whole of the State.

Hon. W. H. KITSON: I will deal with the sectional question presently. Take also the railway union, registered under the Act. In order to take a ballot of its members it would be necessary for that union to have all its members in a given place at a given time. It is not right that a union should be placed under this disability when the only thing to be decided by the ballot is whether or not the union's case shall be referred to the Arbitration Court.

Hon. E. H. Harris: Don't you think the rank and file should have a voice?

Hon. W. H. KITSON: They do have a voice.

Hon. E. H. Harris: Why take it away from them?

Hon. W. H. KITSON: It is not proposed to do so. But if a union executive, elected by the rank and file, are not in a position to know what the union members require, no one else is. And if the executive, after having received advice from the whole of the branches of the organisation, decide that the case shall be referred to the court, they should have the right to so refer it.

Hon. J. J. Holmes: Would it not be a simpler matter to amend the union rules than to amend an Act of Parliament?

Hon. W. H. KITSON: It may be simpler, in that the union rules can be amended in the way prescribed by those rules and by the Act; but that will not avail the union much if the Act says a certain procedure shall be adopted. While the A.W.U. has registration for two of its sections, there are other sections that cannot be registered under the existing Act.

Hon. E. H. Harris: Have they ever applied for registration?

Hon. W. H. KITSON: Yes, and have failed.

Hon. E. H. Harris: Have they applied separately?

Hon. W. H. KITSON: Two sections of the A.W.U. are registered under the Act, namely the pastoral and agricultural sec-

tion, and the mining section. Both those sections can approach the court, whereas none of the other sections of the A.W.U. has that privilege.

Hon. J. J. Holmes:: Which section is looking after Mr. Gray?

Hon. W. H. KITSON: I do not know. If the A.W.U. is to be compelled to register all its sections in the Arbitration Court, as suggested by Mr. Harris——

Hon. E. H. Harris: There is no compulsion.

Hon. W. H. KITSON: We shall get no further. The Act lays down that workers shall be registered in a specified industry and in a specific locality. Take the men engaged on railway construction. They may be working on the Margaret River railway. A section of the union is formed and registered, and the members go through all the procedure laid down in the Act. They have to keep separate accounts; they have to furnish separate returns. There is quite a large number of things they have to do. That would be all right if the men were going to be employed in that locality for all time, but in the course of a month or two they may be transferred to Piawaning, and they would then not be entitled to approach the court, simply because they had removed to another district.

Hon. J. M. Macfarlane: You are making out a good case for the abolition of the A.W.U.

Hon. W. H. KITSON: I do not think so. There will be no difficulty, if the Act be amended, to provide that that or any similar organisation shall have the right to refer its disputes to the Arbitration Court, irrespective of the class of worker involved or the district in which the workers are employed.

Hon. J. J. Holmes: Without the consent of the rank and file?

Hon. W. H. KITSON: No. I should like to disabuse the minds of members of the impression that the A.W.U. is ruled by the executive and not by the rank and file. There is no organisation of employers or employees that is governed more by the rank and file than is the A.W.U.

Hon. E. H. Harris: But if the Act were amended as suggested, it would permit of that being done.

Hon. W. H. KITSON: The provision referred to is contained in the Commonwealth Act.

Hon. E. H. Harris: That is a different constitution.

Hon. W. H. KITSON: Not at all. If an executive be elected by the rank and file of an organisation, surely they can be relied upon to take the responsibility of referring a case to the court, instead of first having to consult the rank and file.

Hon. H. Stewart: No doubt they can take the responsibility. They have proved that.

Hon. T. Moore: The Employers' Federation does not take a ballot.

Hon. H. Stewart: Perhaps it ought to.

Hon. T. Moore: You do not suggest it.

Hon. H. Stewart: I am not connected with the Employer's Federation.

Hon. W. H. KITSON: The Bill will give the court power to move to prevent a dispute, a power that it has not had in the past. That is a step in the right direction. At present the court cannot deal with a dispute unless referred to it by one of the parties, but under this measure the court will have power to intervene, and will probably be able to bring about a settlement before serious harm has been done. The Bill also gives the Minister the right to refer a probable dispute to the court. Some members object to that clause. I consider it a very good clause. If there is an unregistered organisation concerned in a dispute, he cannot refer the matter to the court because the organisation is not registered.

Hon. E. H. Harris: Or because it will not register.

Hon. W. H. KITSON: The Minister should have the power to refer such a matter to the court.

Hon. E. H. Harris: Then you would put an unregistered organisation on the same plane as a registered one.

Hon. W. H. KITSON: In that respect I would. We may have a small body of workers, not registered under the Act, creating a dispute that ultimately involves many other registered organisations, and yet no party would have the right to refer the matter to the court. I do not see why it should be possible for an organisation that is not prepared to register under the Act to take action involving hundreds and perhaps thousands of other men who are prepared to abide by the Act. If that clause be agreed to, it will have the effect of bringing disputes to an end much quicker than is possible at present.

Hon. H. Seddon: Such an organisation would be an enemy of Labour.

Hon. W. H. KITSON: I agree. All of them should be registered, but unfortunately all of them do not think that way. Some organisations have an idea that they can stand aloof from and even in opposition to other sections of organised labour, and be a law unto themselves. We have reached a stage when it is essential to have uniformity. It should not be possible for a small body of men, employers or employees, to stand out and create chaos as would happen in the circumstances I have mentioned.

Hon. E. H. Harris: But it has been done with the consent of the registered organisations when they have been used as a lever.

Hon. W. H. KITSON: Perhaps so. Quite a lot of things have been done in the past, and will be done again in future, but I think the organisations would be able to present

facts to justify the action taken by them. Another clause that has evoked a good deal of criticism here is that dealing with preference. It has been spoken of as preference to unionists. That is a misnomer.

Hon. E. H. Harris: I am glad to have that admission from a member of the Labour Party.

Hon. W. H. KITSON: It is as well to know where we stand. The clause simply proposes to give the court the right to grant preference to certain individuals. Those individuals may or may not be members of unions, and there can be nothing wrong with giving the court that power. There may be circumstances in which it is advisable, or even necessary, that certain organisations or individuals should have preference in certain work.

Hon. H. Stewart: Under that provision could the court grant preference to returned soldiers?

Hon. W. H. KITSON: Yes.

Hon. E. H. Gray: The court should give preference to the present generation, who have the same rights as have returned soldiers.

Hon. H. Stewart: The court can give preference to whomever it likes?

Hon. W. H. KITSON: Yes. The clause is almost word for word with the section in the Commonwealth Act, and I think it is well known that though that section has appeared in the Commonwealth Act for a considerable number of years, in only one instance has the court awarded preference. It is proposed to extend the term worker to cover certain sections who, in the past, have not had an opportunity to refer their cases to the court. It is desired to include domestic servants, club employees, and insurance canvassers. I agree with Mr. Seddon that not one argument has been advanced why domestic servants should not be included in the scope of the measure.

Hon. A. J. H. Saw: That includes the 44-hour week.

Hon. W. H. KITSON: It is immaterial what it includes.

Hon. E. H. Gray: How many hours does Dr. Saw want a domestic servant to work?

Hon. W. H. KITSON: Domestic servants are a class deserving of every possible consideration. They have had to tolerate conditions in many instances absolutely disgraceful. At almost every representative conference where industrial matters have been discussed, the injustices suffered by domestics have been stressed. Let me quote from a report of the International Sociological Congress held in April, 1924. That congress was representative of 400 organisations in 45 different countries, and one of the resolutions adopted was that the dignity of persons engaged in domestic service be raised. Several other resolutions were agreed to, to the effect that domestic science be developed to expedite domestic labour, and that the class of old-fashioned domestic service be replaced by a class of higher level and be considered as sharing in domestic labour. It was also decided that the interpretation of "worker" should include domestic servants, because sweating was very prevalent in this calling. That is quite true. There are many cases right in our midst which could not possibly occur if domestics were organised and had the right to refer their troubles to court. Recently an advertisement appeared in the "West Australian": "Wanted a good house general." A certain lady, on interviewing the lady of the house, was advised that the duties consisted of light housework, the wages were 22s. 6d. a week and meals were allowed. This was considered satisfactory by the applicant, who started work at 6.30 a.m., on Monday. For the first two hours she had to do washing, and then between sweeping and dusting she had to make eight beds, attend to the toiletware in the bedrooms, clean knives, etc., prepare the table for dinner, wait at table and wash up. She was fully occupied till 2 p.m. or later and was then off duty till about 4 p.m. Then she had to prepare for the evening meal, wait at table and wash up, and she finished her duties at 7.30 p.m. On Tuesday she started work at 6.30 a.m., attending to breakfast, waiting at table and washing up, after which she was required to scrub and polish floors, dust the rooms, prepare for dinner, wait at table and wash up. This occupied her till 2 p.m., when she was allowed off. On resuming at 4 p.m. to prepare for dinner, she was directed to first go over the dining-room floor and dust again. She protested against being required to do this additional work and informed her employer that the place had been misrepresented as the work she had to do was considerably more than housework. She was not aware that the place was a boarding-house and that there were seven boarders to be attended to as well as two sons.

Hon. J. Cornell: There is a bed short somewhere.

Hon. W. H. KITSON: All this work had to be done for 22s. 6d. a week.

Hon. A. J. H. Saw: How long did she last?

Hon. W. H. KITSON: Three days, and she was justified in leaving too. Members may make a laughing matter of it, but I assure them that there are scores of similar instances in the metropolitan area.

Hon. A. Lovekin: You would not say that that was the general rule.

Hon. W. H. KITSON: No; I wish to be fair.

Hon. J. Nicholson: And there is no scarcity of employment in that particular branch.

Hon. W. H. KITSON: You cannot expect a scarcity of employment while these conditions prevail. It is quite possible for a large number of domestics to secure em-

ployment if they are prepared to work for the wages and conditions that are offered to them. The only objection that has been raised to this particular phase of the question is that the union has the right to appoint an inspector and that the inspector will be able to enter a home at any time. There is no provision in the Bill for such a thing. Mr. Lovekin, who said that he would be prepared to break the neck of any inspector who entered his home, can rest assured that no inspector will enter a private dwelling.

Hon. A. Lovekin: Under this Bill you give him the power to do so.

Hon. W. H. KITSON: We do not. The Bill gives an inspector power to examine time books and so on in shops and factories, and the definition set out in the Factories and Shops Act makes it clear that he would not have the right to enter a dwelling. One has only to turn to the Factories and Shops Act for the definition of "factory." It is as follows:—

> Any building, premises, or place in which four or more persons are engaged, directly or indirectly, in any handicraft or in preparing or manufacturing goods for trade or sale; but does not include any building in course of erection, nor any temporary workshop or shed for workmen engaged in the erection of such building.

It does not in any shape or form refer to a private dwelling.

Hon. E. H. Harris: What is the object of conferring the power on them, if they cannot enter a dwelling?

Hon. W. H. KITSON: It is necessary that an inspector should be able to see that the conditions of an award are observed in shops and in factories.

Hon. J. J. Holmes: What is the use of an inspector if he cannot enter all premises?

Hon. W. H. KITSON: He can enter only those premises as defined under the Factories and Shops Act. I repeat that the Bill does not give an inspector the right to enter a dwelling.

Hon. J. Cornell: An inspector under the Health Act has the power to do so.

Hon. W. H. KITSON: It seems to me to be of no use to put facts before some members. If members think it is necessary that there should be a further provision which would make the position clear, I shall have no objection to it, and I do not think the Government will either. It is intended also to extend the term "worker" to cover club employees who at the present time have not the right of registration or the right to go before the Arbitration Court. It is only proper that they should have this right if they wish it. Another section it is desired to cover by the term "worker" is insurance canvassers. From time to time there has been a good deal of criticism levelled against insurance canvassers. I am aware that there are certain insurance canvassers that it would be difficult to cover. Why should we deny to any section of workers who desire that their wages and conditions shall be improved, the right to have that improvement brought about by some impartial tribunal?

Hon. J. M. Macfarlane: Do all the canvassers desire this?

Hon. W. H. KITSON: Certainly.

Hon. J. M. Macfarlane: I know one who does not want it.

Hon. W. H. KITSON: The hon. member may be able to quote an individual case.

Hon. J. M. Macfarlane: You said everyone.

Hon. W. H. KITSON: I am referring to the industrial insurance agents in this State. If they are given this right, it is not to be supposed that those to whom it is given will exercise it in the way some people think. During the past few years this section has made every endeavour to secure an improvement in their conditions, but have failed. I have been closely connected with industrial insurance agents for a few years. One member said that it was not until that section of the community had come under the wing of the Labour Party that they desired to secure recognition. If there is any connection between insurance agents and the Labour Party, it has been brought about by their own efforts. Their organisation believe in arbitration, and as they desire that their conditions of labour should be regulated there is no reason why the right to have those conditions regulated should not be given. These people constitute one of the few sections of workers that has not had any improved conditions or remuneration for many years.

Hon. H. Stewart: Do they work on wages or on commission?

Hon. W. H. KITSON: Many of them are paid commission only.

Hon. J. M. Macfarlane: And some of them are making fortunes.

Hon. W. H. KITSON: The hon. member does not understand the difference between the men to whom I am referring and some other agents who perhaps are doing fairly well. The hon. member may be able to point to one individual who has done well, but generally speaking, industrial insurance agents are perhaps the most downtrodden section of the workers.

Hon. H. Stewart: Does the Bill specify "industrial insurance agents"?

Hon. W. H. KITSON: It specifies insurance canvassers, and industrial insurance agents come under that heading. A few years ago when these men were feeling the effect of increased prices, they were told by their employers that there was no chance of their getting improved conditions.

Hon. H. Stewart: Why are they ruled out to-day?

Hon. W. H. KITSON: I will tell the hon. member in a moment. A good many conferences were held resultlessly. Eventually these men, in order to show that they really meant what they had been saying, decided to strike. Their employers had refused them the right to go before the Arbitration Court, and had refused to give them any consideration. Thus the men had no option but to refuse to carry on the work under the conditions existing. The strike lasted for 10 weeks, at the expiration of which a settlement was reached under which certain of those men were guaranteed a wage of not less than £4 per week. This arrangement was to be made for six months, by way of trial. At the expiration of the six months the agents who had not been able to earn the £4 per week at the old rate of commission were liable to have their services dispensed with by the companies. After the six months period, simply because the men had not the right to refer to the Arbitration Court or some other tribunal, in the case of some companies they drifted and drifted, until the conditions became, and now are, worse than they have ever been in the history of industrial insurance If a man applies to a company for employment as an agent, he is asked to sign a certain agreement. I have such an agreement here, and it is typical of the agreements generally. It contains 26 clauses, printed in very small type, and so worded that any ordinary person may be defied to say what the agreement is even after reading it half a dozen times. The man applying for employment as an agent knows full well that if he does not sign the agreement he has no chance whatever of getting a position. Therefore, upon being told that it is customary to sign the agreement, he attaches his signature to it; and as a rule that is the last he sees of the agreement. He is not even given a duplicate or a copy of it, and therefore he does not know what he has signed. Assuredly he does not understand what he has signed. Let me read one or two of the clauses. Clause 1 is as follows:—

> The company appoints the agent its agent and the agent accepts the agency on the following terms:—(1) That the agent shall canvass for and receive with all answers complete proposals for new policies and applications for reinstatement in all departments of the company's business. The agent will also collect premiums from policy-holders on whom he is authorised to call.

Clause 3 reads—

> That the industrial and weekly accident premiums which the agent is authorised to collect are those appearing in the collecting book or register of the agency as in force on any particular Monday. Authority for collection of premiums on additional policies and the withdrawal of authority to collect are contained in the official schedules referred to in clause 12 of this agreement; authority to collect to start from the Monday on which the agent is authorised to enter the additional business in the collecting book or register, and to cease when transferred business is authorised to be removed from the collecting book or register. No other form of authority to collect, or withdrawal of such authority, whether oral or written, to be recognised as forming part of this agreement.

Hon. H. Stewart: As you read the clauses, they are quite plain.

Hon. A. J. H. Saw: We all understand them.

Hon. W. H. KITSON: Another clause reads—

> That should the renewal debit of the agency at any time during the currency of this agreement show a working decrease caused by an excess of lapses, the agent hereby undertakes to refund immediately (on being requested so to do) to the company, in cash, an amount equal to the commission which would be payable on a corresponding amount of increase on similar new business as defined in clauses B and H of this agreement, such amount until refunded to constitute a debt by the agent to the company.

Hon. A. Lovekin: If you read that to an agent, he would understand it.

Hon. A. J. H. Saw: He could not carry on his business unless he did understand it.

Hon. W. H. KITSON: This thing is handed to a man who has had no previous experience of such agreements.

Member: Nonsense!

Hon. W. H. KITSON: In ninety-nine cases out of a hundred the man who is asked to sign such an agreement as this does not know the first thing about agreements.

Hon. J. M. Macfarlane: Then he is taking up the wrong vocation.

Hon. W. H. KITSON: It is ridiculous for hon. members to talk like that. It shows that they have no knowledge whatever of this avocation.

Hon. A. Lovekin: As you read the agreement, it is prefectly clear.

Hon. W. H. KITSON: It is clear to the hon. member, who is familiar with agreements and contracts; but it is not clear to the man who has had no previous experience of insurance.

Hon. J. Nicholson: How much do the men average under those agreements?

Hon. W. H. KITSON: The commission varies, but the average would be 15 times on new business and 15 per cent. on collections.

Hon. J. A. Greig: Some agents get 75 per cent.

Hon. W. H. KITSON: Can the hon. member give an instance of that? He is confusing industrial insurance with ordinary insurance. Clause 27 of the agreement reads:—

It is hereby mutually agreed and declared (a) That this agreement contains the whole of the terms of the agency existing between the company and the agent, and it is intended hereby that the relationship between the company and the agent will be strictly that of principal and agent and not in any way whatever that of employer and employee. (b) That the agent will be under no obligation to perform and that the company shall have no right to require the performance by the agent of any duties other than those hereby contracted and agreed to be performed. (c) That no communication whether verbal or in writing, given by the company or any officer or officers of the company, to the agent which is in any way inconsistent with, or which either directly or indirectly in any way varies, alters, or adds to the terms of this agreement or any of them shall be binding on the agent, and any such communication if given may be regarded by the agent merely as in the nature of guidance and advice which he shall be under no obligation to accept.

Hon. J. Nicholson: Then how are the hours to be regulated?

The PRESIDENT: Order, please!

Hon. W. H. KITSON: The point I wish to make is that the agent is compelled, having no option in the matter, to sign an agreement containing the last clause I have read, and that that is the particular clause on which the Arbitration Court has ruled that the agent is not a worker within the meaning of the Industrial Arbitration Act. The man is a free agent in the matter to this extent only, that if he desires work of this nature he must sign that agreement before he is given the opportunity to do the work.

Hon. H. Stewart: He can take up land.

Hon. W. H. KITSON: That is an absolutely ridiculous statement. The men I speak of are faced with this position, that if they desire to make a living out of the occupation they must spend the whole of their time at that occupation. One hon. member has said that these men have agencies for 15 or 16 different lines. I defy any member to produce an industrial agent following that particular calling for a living who is in that position.

Hon. H. Stewart: But the Bill does not deal with industrial insurance agents.

Hon. W. H. KITSON: The Bill deals with insurance canvassers, and the people who have to sign this agreement are insurance canvassers. They are employed by the various insurance companies or societies, and their duties are somewhat as follows: They are given what is called a debit, or a book, to collect. The book contains the names and addresses of numerous policy holders in the company who are resident within a certain area. The agent's duty is to call upon those policy holders week by week, regularly. He is given certain advice by the company as to how he shall go about the business. One of the secrets of success in the calling is to attend to the business regularly, without in any way neglecting it, even on a single day.

Hon. A. Lovekin: Is not 15 per cent. a fair remuneration for collecting the money?

Hon. W. H. KITSON: In some instances it is, but certain of the conditions are simply outrageous. A fairly large number of industrial insurance agents in the metropolitan area, engaged week in and week out on this work do not average £3 10s. per week.

Hon. J. M. Macfarlane: They would be the men who cannot read that agreement.

Hon. W. H. KITSON: They can read it all right after they have been at the game for a while. They understand it then, but they did not understand when they were required to sign it in order that they might get employment. It contains some conditions which may be termed unique. One of those conditions, which very few of the agents understand until they have experienced its practical application, is that they shall be responsible for a certain period for the business that is on their books. Let me explain that condition. Suppose I, as an agent, insure a member of this Chamber for 2s. per week. I collect my commission on that transaction as new business; and as I collect the 2s. week by week, I receive my collecting commission on it. But suppose the hon. member who has insured through me decides that he will not carry on the policy; or suppose that he removes out of my district, and that thus trace is lost of him. If the policies lapse within specified periods —in one instance, four weeks—the agent is compelled to refund the amounts he received for securing the business.

Hon. E. H. Harris: Did you make the point clear regarding the 15 per cent.?

Hon. W. H. KITSON: The agent receives 15 per cent. and 15 times the premium paid in the first instance on new business. He gets his commission on collections as he secures the money from week to week. In some instances the agents are responsible for five years for the business they handle. The business is taken over by the agent in good faith, and the company accept the business. The company pay the commission in accordance with the agreement but, should the policy-holder decide that he does not wish to go on with the business, the agent has to refund what he has received by way of commission on new business.

Hon. J. J. Holmes: That is necessary to prevent dummying!

Hon. W. H. KITSON: At any rate I am pointing out the conditions under which these men have to work. The agent takes

over the book and some of the business he is dealing with was opened up by someone else. Although he did not get the business, he is responsible for it if it lapses.

Hon. A. Lovekin: Do you say he has to pay back 15 per cent. and 15 times the premium received in the first instance?

Hon. W. H. KITSON: Yes.

Hon. J. Nicholson: Although he did not receive that premium himself in the first instance?

Hon. W. H. KITSON: Yes, unless he provides new business of the same value as the policy that has lapsed.

Hon. E. H. Harris: Of course, it cuts both ways.

Hon. H. Stewart: Is this an argument in favour of the adoption of the definition of "worker" in the Bill?

Hon. W. H. KITSON: It is an argument to establish the claims of these insurance agents to the right to approach the Arbitration Court to have their conditions of employment and wages reviewed. I can make out a still stronger case in support of their claim. In one particular company the agent may be responsible for 25 years in respect of certain policy-holders. Although the company may have received premiums collected by one individual for 25 years, and although that individual may not have received the commission on that business in the first instance, the agent has been compelled to pay back to the company 15 times the amount of the first premium because that policy has laped and no free policy has been issued. Although the company received those premiums for 25 years they penalised that agent although he did not receive the first premium!

Hon. A. Lovekin: I do not think you understand the clause in the agreement.

Hon. J. Nicholson: Why do the agents sign such an agreement?

Hon. W. H. KITSON: Because they do not understand it until they have worked under it. The agents have on several occasions endeavoured to obtain registration under the Industrial Arbitration Act and have failed. On each occasion the reason given by the president of the court was that the court had to assume that the men understood what was contained in the agreement they signed, and because of the clause which set out that the relationship between the parties was that of principal and agent and in no way that of employer and employee. Therefore, registration had to be refused. I will quote what has been said by the court on two occasions. One application was heard on the 3rd September, 1915, and on that occasion Mr. Justice Northmore said—

> The writings that have been put in show rather the relationship which exists between them is that of principal and agent and for that reason in my opinion they are not workers within the meaning of the Act, and the union therefore is incapable of registration.

On a more recent date, the 14th September, 1921, a similar application was again before the Arbitration Court, and Mr. Justice Draper, after quoting a number of cases bearing upon the point, went on to say—

> It seems to be impossible to hold that this agreement is one in which the parties bear the relationship of master and servant to each other. There is no control over the performance of the work. The work is done in the agent's own time, whenever he likes, and he can carry on other work. He is paid by commission; he can get anyone else to do the work for him, and neither the society (that is the company) nor any officer is entitled to direct the manner or time in which the agent is to conduct his agency work. In these circumstances, the persons employed as agents under these agreements, are in my opinion not workers under the Industrial Arbitration Act, and the decision of the Registrar in refusing to register was correct.

It will be seen from that particular judgment that the judge practically quoted the clauses from the agreement I have referred to. In an earlier part of his judgment he stated that the agents were to be assumed to have understood what they signed. He also suggested that the agents could please themselves where they went and how they did their work. On the other hand, the fact is that the companies have superintendents and various other officers engaged to carry out work of supervision respecting the operations of the agents. Those agents are instructed from time to time where they shall go and what particular class of work they shall undertake. The agents are absolutely bound down in every possible way. They have no option respecting the work they have to undertake. They have signed the agreement and they have to carry out their work as instructed by their particular offices. I am perfectly correct when I state that the average wage paid to the industrial insurance agents in the metropolitan area is £3 10s. a week.

Hon. J. M. Macfarlane: Do not the superintendents assist in writing new business?

Hon. W. H. KITSON: In some instances they do, but for the most part special officers are appointed for that work. I understand that special agents are called upon to carry out those duties and assist the agents in their endeavours to secure business that has been previously prospected. There is no question about the companies having the right to compel the agents to act under their instructions. If ever there was a body of men entitled to go before an impartial tribunal to have their conditions of work reviewed, it is the industrial insurance agents. I do not know what hon. members think about the question, but it seems to me that above all other bodies the insurance com-

panies should be able to treat their employees decently.

Hon. J. Cornell: Why not make their organisation an industrial union by Act of Parliament in the same way as you propose to do with the A.W.U.?

Hon. W. H. KITSON: At any rate, I am advocating one way of securing recognition. In my opinion these industrial agents are primarily responsible for the progress made by the insurance companies in Australia. If it were not for the work performed by the agents the business of the companies could not have reached its present proportions. It has been stated on the authority of one of the companies concerned that the largest insurance companies in Great Britain owe their success to industrial insurance. That fact is borne out by our experience in Australia. That leads me to the question whether these particular companies are in a position to agree to reasonable terms and conditions for their employees. I will quote a few figures to show the progress made during a given number of years by at least one insurance company. I admit that most of them are mutual concerns and that the profits are returned to the policy-holder in the form of bonuses. There are exceptions, however. I believe that if the policy-holders knew the full facts they would not agree to the conditions under which the agents work at present. From 1908 to 1921 one company made profits out of the insurance business that ranged from 35 per cent. to 57.5 per cent. per annum. In addition to that the capital of the company increased from £40,000 to £200,000. So far as I can gather there has not been one penny-piece added to the capital since 1915.

Hon. T. Moore: They are money-making machines.

Hon. W. H. KITSON: And they are making 57 per cent. on their capital. This is one of the companies that contended it would be extremely dangerous to give the agents better conditions and terms of employment, and that the business cannot afford to pay increases. Insurance companies, particularly during recent years, have made a feature of the fact that they are progressive concerns. They have emphasised the fact that they are sound propositions and making big profits. I will quote particulars regarding some insurance companies that are well known in Australia. Take the Commercial Union Insurance Company, with an authorised capital of £2,950,000. In 1914 their dividends were 100 per cent.; in 1915 they were 110 per cent.; in 1916 they were 130 per cent.; in 1917 they were 140 per cent.; in 1918 they were 155 per cent.; and there was a £2 per share reduction of uncalled capital. In 1918 the dividends were 61½ per cent., with £1 per share reduction. Take the Employers' Liability Insurance Company. In 1913 their dividends were 35 per cent.; in 1914-16 they were 40 per cent.; in 1917 they were 50 per cent.; in 1918 they were 70 per cent.; in 1919 they were 100 per cent.; and in 1920-21 they were 80 per cent. on the increased capital. And so it goes on. I have here a number I could quote with dividends ranging from 40 per cent. to 100 per cent. on their capital.

The PRESIDENT: How does the hon. member connect all this with the Bill?

Hon. W. H. KITSON: In this way: The Bill provides for certain workers being included within its scope. Those workers are the employees of certain insurance companies. Those companies have told us that why it is impossible to give their workers better conditions, or allow them to go to the Arbitration Court, is that the companies cannot afford it. I am showing from their own literature that if there be any set of employers in a position to give their employees decent conditions, it is the insurance companies.

The PRESIDENT: All right, go on.

Hon. W. H. KITSON: Dr. Saw suggested that I was quoting from companies not concerned with industrial insurance. Perhaps I have been. But while I have done that in respect of those companies mentioned, there are many others I can quote, and it will be found that the same thing obtains throughout the insurance world to-day. In 1921 the Mutual Life and Citizens Company paid in dividends to shareholders £115,000, being 57.5 per cent. The Mutual Life and Citizens Company divides its profits in this way: 80 per cent. of the divisible profits of the ordinary branch and apportioned to with profit policy holders in that branch, and the remaining 20 per cent. to shareholders who undertake to conduct the business of the branch at an expense rate not exceeding 15 per cent. of the income. The policy holders do not participate in the profits of the industrial branch. Both those figures convey the impression that the maximum dividends payable will be 20 per cent. But that is on the whole of the profits of the company, and in the case of the Mutual Life and Citizens Company, with assets of over £16,000,000, the dividends last year were £115,000 on a capital of £200,000—and this capital has been watered out of profits from £40,000 up to £200,000. Yet this is one of the companies that cannot afford to give their employees the right to approach the Arbitration Court. Out of the £115,000 worth of dividends paid last year, £66,237 was contributed by the industrial department. This is convincing evidence of the profit-earning capacity of that branch of the business. I have here the literature of another company engaged in the same business. The Prudential of London, the largest insurance company in the British Empire, was originally formed to transact industrial insurance, and in

73 years has accumulated assets of £135,000,000. To-day their capital stands at two million £1 shares mainly created out of profits. Last year those shares were quoted on the London Stock Exchange at £7 15s., and the interest income on the Prudential's funds alone is sufficient to pay three-quarters of its claims.

Hon. E. H. Harris: Did you investigate the value of industrial insurance as against any other branch of insurance?

Hon. W. H. KITSON: Yes, I did.

Hon. A. Lovekin: All this is distinctly interesting but unfortunately you did not read that agreement clearly.

Hon. W. H. KITSON: I am prepared to lay that agreement on the Table if the hon. member desires it. While it may be said there are operating in the Commonwealth only a few insurance companies who employ men under these conditions, there are also other companies who employ men in a similar capacity. The provision in the Bill will give relief to those men who at present, because they are insurance canvassers, cannot approach the Arbitration Court. Another point to which attention is often drawn is the ability with which most of the companies are able to pay their dividends out of interest receipts alone, leaving the profits to accumulate.

Hon. H. Stewart: From what authority are you quoting now?

Hon. W. H. KITSON: From a pamphlet issued by the Citizens and Graziers' Life Insurance Company.

Hon. G. W. Miles: What was their object in issuing that pamphlet?

Hon. W. H. KITSON: To show the public of Western Australia what a wonderfully fine investment insurance is.

Hon. A. J. H. Saw: Are they trying to sell shares in the company?

Hon. W. H. KITSON: Yes, but unfortunately I was unable pecuniarily to take up any. I want to quote an extract from the "Bankers' Insurance Magazine," of October, 1921, dealing with life assurance in Australia, as follows:—

> The annual reports of life assurance companies with head offices in Australia and New Zealand show a large increase in new business transacted. In 1916 the ordinary business amounted to £16,681,194, industrial £5,010,561, or a total of £21,691,755. In 1920 the ordinary business transacted was £35,466,756, the industrial business £8,800,000, or a total of £44,266,000. For some years the mortality experience of the offices was affected first by war claims, against which the policies issued before the war usually contained no conditions; and, secondly, by post-war influenza claims. The war claims paid by the various offices aggregated nearly 4½ millions sterling, and the influenza claims over £800,000. During 1920, however, with the cessation of these adverse influences, the mortality experience was favourable, and between the reduction in claims and the increased income from premiums and interest, the funds of the life offices have been growing at a faster rate, the excess of income over expenditure in the ordinary department alone being over £5,300,000 in 1920 against 3½ millions in 1919, and about 3 millions in 1918. The net interest return, after deducting taxation, has risen to about 5.07 per cent. for 1920. The funds of the ordinary and industrial departments at the end of 1920 amounted to about 87½ millions, and adding the figures appertaining to other classes of business in a few cases, together with capital of proprietary companies, investment reserve funds, and current liabilities, the total is represented by assets of about 98 millions, of which 57 millions consists of Government and municipal securities and loans on rates and about 22¼ millions consists of mortgages. Government securities held by the life offices have increased considerably since 1914 owing to the support given to war loans, but mortgages have declined during the same period by about 5½ millions.

Yet these companies claim that their employees should not be entitled to go to the Arbitration Court. Here is another extract from the "Bankers' and Insurance Magazine"—

> Some of the most successful examples of life assurance institutions are to be found in the British Dominions beyond the seas. Australia in particular is the home of highly prosperous undertakings, challenging comparison with the best that have invaded and secured a large amount of support in the Mother country.

In a review of the combined results of eight life companies in Australia, we get this—

> Eight of the principal life insurance companies transacting business in the Commonwealth wrote new business during 1921 in the ordinary and industrial departments to the value of £35,373,000. The premium income of those companies during 1921 was £10,121,978. The total claims in both departments during 1921 were £4,580,915, showing a surplus annual income over all claims of £5,541,063. It is interesting to note that during the same year the interest earned on invested capital of these companies amounted to no less than £4,761,293, or 5½ per cent., which alone would have exceeded the claims by £180,378. Therefore the surplus of income, including interest over claims for 1921 was £10,302,356. The combined assets of the well known offices amounts to the large sum of £95,235,863. The authority cited in connection with these figures is the Australian Investment Digest.

I think I have shown conclusively that if any employers are in a position to deal re-

asonably with their employees, it is these insurance companies. I hope the House will agree that the industrial insurance canvassers shall at least have the right to go to the Arbitration Court. In Queensland they have that right.

Hon. A. J. H. Saw: Do you know how many have gone out of work in consequence of the Queensland Act?

Hon. W. H. KITSON: I know there are more agents working in Queensland to-day than when first they earned the right to go to the Arbitration Court. My authority for that is the secretary of the Queensland union. The same arguments were used in Queensland as have been used here. They are not paid wages in the ordinary sense of the term in Queensland, although they are governed by the Arbitration Act, and their conditions of labour are regulated by that Act. Under the Bill these men will have the right to go to the court. And if it be held that the court is not the proper place for the hearing of their case, what is wrong in referring that case to one of the boards to be appointed? Although those men have been loyal to their respective companies, in some cases for 20 and even 30 years, scarce one of them can say that his rates of remuneration have been increased during the whole of that period. As a matter of fact, in many instances, the rates paid to-day are lower than those paid 20 years ago.

Hon. A. Lovekin: Can you give us an idea of their average earnings?

Hon. W. H. KITSON: Taking the whole of the industrial agents in the metropolitan area, their average earnings over the year would not be more than £3 10s. weekly. Members may be able to quote men who have earned £7 or £8 per week at various periods of the year; but take any office you like and it will be found that the average in that office is but very little above £3 10s. weekly the year round.

Hon. T. Moore: Anyhow, the court will decide that.

Hon. W. H. KITSON: The Bill provides that the court shall have power to bind employers regardless of whether they are engaged in the industry. I do not think any member has dealt with that point.

Hon. H. Stewart: The idea was that it could better be dealt with in Committee.

Hon. W. H. KITSON: I admit that the Bill lends itself to discussion in Committee rather than on the second reading, but it is necessary to deal with certain phases on the second reading. I think every member is prepared to listen to reason and if one can adduce arguments to alter preconceived ideas, it is his duty to do so. During the last 10 years I have had considerable experience of the working of the Arbitration Act; I have studied the systems in the various States, and I know that many of the weaknesses of our Act can be remedied by the application of this measure. It seems hardly right because an employer does not happen to be in a given industry, that when he employs a man to do certain work, he should have an opportunity to deny the employee the rate of pay for that work. If a man employs a painter, he should be governed by the painters' award and pay the rate provided in that award.

Hon. A. Lovekin: Even if the man was not a painter before he started the job?

Hon. W. H. KITSON: If I wanted some painting done, I think I should make sure that I had a painter to do the work. As to retrospective pay, I have given an instance to which the provision in this Bill could well have been applied, namely, the clerks at Fremantle. A large body of men and women had waited patiently for three years to get to the court, and in the end had to resort to direct action in order to obtain justice. It is proposed that leave to retire from an award shall be obtainable from the court only. At present it is open to any party to give notice of retirement from an award, and it takes effect from the time specified. This has led on several occasions to industrial unrest. Certain employers have withdrawn from awards, as they had a perfect right to do, and as the organisations have not been able to get to the court, there has been nothing binding on the employers. This means that the employers have the sole right to alter the conditions of work, and can also alter the rate of pay if they think fit. The provision in the Bill will obviate that, and an award once given by the court will remain in force until varied by the court. Thus employers and employees will know that until their case has been heard, the existing conditions will continue. As to the recovery of wages where there has been a breach of an award, this has been a sore point. On many occasions an obviously wilful breach of an award has been committed, and the employee has received lower wages than he was entitled to. Simply because it has not been possible to take the case within the stipulated three months to the Arbitration Court, the employee has lost all opportunity to recover the difference. That is not fair. If there has been a wilful breach of an award and an employee has not received the amount of wages to which he was entitled, no restriction should be placed in the way of his recovering the money.

[*The Deputy President took the Chair.*]

Hon. A. Lovekin: The Bill does not give you what you think it does.

Hon. W. H. KITSON: Another important feature of the Bill is the part dealing with apprentices. This has been a burning question for many years. There have been numerous efforts to solve this problem, but so far no satisfactory solution has been found. The proposal to establish an apprentice board is new, and if given a trial it should certainly prove better than the present system. Some employers claim that

they cannot take apprentices because they have not continuity of work, and therefore cannot carry out the provisions of the Act. If the provisions of the Bill be agreed to, the apprentices will be under control of the board, and the board will be responsible for seeing that they receive proper training and are placed with employers in a position to give them that training. A satisfactory settlement of this problem will be in the interests of the State. There is nothing worse than having a large number of boys desirous of learning a trade and denied that opportunity as they are in this State.

Hon. A. Lovekin: That is the fault of the unions.

Hon. W. H. KITSON: One of the most important questions touched by the Bill is the basic wage. There is nothing new in the establishment of a basic wage. One can go back centuries and find that efforts were then made to give the workers a wage sufficient for the average normal needs over a period of 12 months, not from week to week as is provided for in this Bill. In the reign of George III. steps were taken to ensure that the workers received a wage that would admit of their living in reasonable comfort according to the then standard.

Hon. E. H. Harris: But you have no desire to go back to the conditions that obtained in the reign of George III.

Hon. W. H. KITSON: No; I am merely pointing out that there is nothing new in this proposal. Even in those days, the engagement was often for one year, whereas the usual term of engagement at present is for one week. Where the employee was engaged for a year, the fear of unemployment was removed for that period, but here we fix a basic wage sufficient for one week, and we do not take into consideration the possibility of unemployment, sickness or other abnormality.

Hon. E. H. Harris: But your party never suggested it.

Hon. W. H. KITSON: It is proposed to fix a basic wage to provide for a man, his wife and three children, plus a five-roomed house.

Hon. A. Lovekin: With a tiled roof.

Hon. W. H. KITSON: I am sorry it does not provide for a tiled roof.

Hon. J. Cornell: It merely says the court shall have regard to those things.

Hon. W. H. KITSON: Our Arbitration Court usually determines the basic wage on the figures of the Commonwealth Statistician, but there have been variations in applying the index figures, and consequently we have several basic wages in the metropolitan area.

Hon. J. Cornell. I have studied a few and have been unable to decide how they were arrived at.

Hon. W. H. KITSON: That being so, the provisions of the Bill laying down certain directions for the fixing of the basic wage and its automatic adjustment will be an advance on the present arrangement. I do not consider that any determination of a basic wage on the Harvester judgment can be fair or equitable to either party.

Hon. J. Cornell: But the Piddington basic wage is fixed on practically the same basis as the Harvester judgment.

Hon. W. H. KITSON: The variations are due to the application of the statistician's figures in different ways at different times. If the court adopted the same method on every occasion, it would obviate the anomalies that at present exist. There are different methods of arriving at the basic wage, but the procedure proposed is a good one and should meet existing conditions. In reference to the Harvester judgment of 1907 I wish to quote from Mr. Justice Higgins's recent work, "A new Province for Law and Order," page 94—

> There is no doubt that the rough estimate made by the court in 1907 ought to be superseded or revised by a new investigation as to the absolute present cost of living.

I ask hon. members to note that Mr. Justice Higgins says there is no doubt the rough estimate made by the court in 1907 ought to be superseded or revised. But the Harvester judgment has been put up to the workers from time to time, not as a rough estimate——

Hon. E. H. Harris: Won't you read what he said about those figures?

Hon. H. Stewart: Yes; let us have that in "Hansard."

Hon. W. H. KITSON: Mr. Justice Higgins has said so many different things at different times. It has long been recognised that the Commonwealth Statistician's figures are not a satisfactory guide as to the cost of living. If the proposal of the present Bill is adopted, the Arbitration Court will periodically fix a basic wage which will be automatically and uniformly applied, thus abolishing one fruitful source of dissatisfaction and irritation. I propose now to deal with the question which perhaps has caused more discussion and criticism in this House than any other—the question of the 44-hour week.

Hon. E. H. Harris: Or 132 hours for three weeks. I would like you to tell us about that, too.

Hon. W. H. KITSON: I desire to deal with the question not from the aspect of the 44-hour week, but from the aspect of an eight-hour day.

Hon. H. Stewart: How about dealing with the question from the general economic aspect?

Hon. W. H. KITSON: If the hon. member does that, he will come to the same conclusion as I do, that there is no logical argu-

ment why the real eight-hour day should not be adopted by this country. Many efforts have been made to prove what is the best number of hours to be worked each day.

Hon. E. H. Harris: Irrespective of the calling?

Hon. W. H. KITSON: Yes, irrespective of the calling. To date it has been found that the 8-hour day gives the best results, in practically every case where investigation has been made. In one or two cases it has been shown that a less number of hours than eight is productive of the best results, but in the majority of cases the best results rest with the 8-hour day. I propose to deal with the results of investigators in various countries. Up to a certain point I agree with Mr. Seddon that it has not been definitely decided that eight hours is the absolute minimum. In some industries a less number of hours than eight would probably prove more advantageous than eight.

Hon. H. Seddon: I said it varied with different industries.

Hon. W. H. KITSON: In several countries a real 8-hour day has been established, and in some of those countries the results have been really startling from the point of view of production under the 8-hour system as compared with production under a greater number of hours of work.

Hon. J. Cornell: No country in the world produces more per capita than Australia.

Hon. W. H. KITSON: One investigator, Dr. Vernon, has written several books on reduction of hours; and the facts and figures he adduces show conclusively that only of recent years have employers come to realise that something more is required of them than the mere working of men for any number of hours they, the employers, think fit; in other words that it is good policy for the employers to consider the individual worker a little more than they have done in the past. The author proves conclusively that production can be, and usually is, increased by reduction of working hours.

Hon. A. Lovekin: I have not read one of those books which takes into account the improvement in machinery.

Hon. W. H. KITSON: Numerous experiments have been made in this connection, experiments including the factor of improved machinery. It has been proved that while in many cases production can be increased by improving machinery, reduction of hours is also a strong factor. The author argues that if employers generally would but consider the two factors together—up-to-date machinery and reduction of hours—their production would increase to such an extent that they would be better off than they are to-day. The author was a member of the board which considered the manufacture of munitions in England during the war, at a time when a maximum output was of paramount importance. He therefore had unique opportunities to study the question of hours and production, and I shall quote two or three extracts from his recent book, "Industrial Fatigue and Efficiency." I do not think his statements have been disproved in even a single instance. Certainly they are very illuminating. Here is an example dealing with the Zeiss Optical Works showing the effect of a reduction of hours from 9 to 8 per day. In the case of handwork there was an increased production of 16 per cent.; in the case of part hand and part machine work, 17 per cent.; and in the case of machine work, 18.4 per cent. During the first 18 months of the war the general custom was to impose upon the workers very long hours with a view to obtaining the largest possible output; but gradually it was discovered that those long hours did not pay, owing to the fatigue induced. Output fell off under those conditions, and progressive reductions of hours were instituted.

Hon. A. Lovekin: And improved machinery came in.

Hon. W. H. KITSON: Improved machinery also helped.

Hon. A. J. H. Saw: You must bear in mind that times were abnormal, and that the nervous strain was very great irrespective of the working hours.

Hon. W. H. KITSON: We have to realise that the production of a country is not governed by the long hours which the workers of that country may happen to work. Everything tends to prove that at present the 8-hour day is the best day for workers generally.

Hon. H. Seddon: As compared with nine hours.

Hon. W. H. KITSON: As compared with any number of hours longer than eight. Many countries have therefore introduced the 8-hour day by legislation. Now I wish to quote Dr. Vernon again—

> When the hours of work are reduced, the speed of production does not as a rule show any change for the first week or two. Then it begins to mount up very gradually, but it may be several months before it attains a steady level, in equilibrium with the shortened hours. A striking instance of this slow response to reduced hours is indicated in figure 10. It relates to the output of the steel smelters employed on ten 40-ton open-hearth steel furnaces. For the first two years of the statistical period the men were on 12-hour shifts, and for the last two on 8-hour shifts. The output of the furnaces was averaged over monthly periods, and the relative monthly values, in the form of output per hour, are recorded in the figure. They are rather irregular, and the dotted line, which represents a rough average, shows that for some unknow reason the output fell gradually throughout the 12-hour shift period. When the hours were reduced, there was no definit improvement of output for two months, but then it began to mount up slowly, and it attained its maximum 13 months after the shortening of hours. Another gradual fall of output then en-

sued (perhaps due to a deterioration of plant), so steady production was never attained, but the fact remains that the full response of improved output to shortened hours took over a year for its attainment. It amounted to an 18 per cent. increase.

So a reduction from 12 hours to 8 brought an increase of 18 per cent. in production.

Hon. E. H. Harris: Do you suggest that the same result will be produced here by the reduction of hours from 48 to 44 per week?

Hon. W. H. KITSON: No; I do not suggest that at all. I simply say that a reduction from the longer working day to one of eight hours will mean an increase in the ratio of production. Dr. Vernon goes on to state—

> A striking proof that an increased speed of production is attained unconsciously is furnished by the fact that it applies to workers on a time rate no less than to those on a piece rate. In 1893 Messrs. Mather and Platt reduced the length of the working week from 53 hours to 48 hours at the Salford Iron Works, a factory engaged in general engineering work. As the result of a very careful and accurate comparison of output in the year before and the year after the change, it was found that production was slightly increased, however, though the amount of increase is not stated. The output of the piece workers, however, was .5 per cent. less than in the preceding year, so it follows that the output of the time workers must have improved to a greater extent than that of the piece workers.

I do not wish to quote much more on this point, but some of the statements are so striking that it is as well to give members some further information.

Hon. H. Seddon: The firm of Mather and Platt was one of the most up-to-date in Manchester at the time.

Hon. W. H. KITSON: That is so. Dr. Vernon makes an excellent point when he says—

> We want to know the maximum achievement of which the worker is capable in times of prolonged stress, such as occurred during the late war, and in briefer periods such as may occasionally occur in times of industrial pressure. Having fixed as accurately as possible the hours of maximum production, when the workers are near their limit, we shall be in a better position to decide on the hours which may reasonably be expected under normal conditions of industry. Such hours ought to be very distinctly shorter than those required for maximum production, in order that the workers may have each day a period of leisure at their disposal, and retain a surplus of energy which they can devote to other pursuits such as household work and gardening, to games and other forms of relaxation, or to education.

He goes on to state—

> Again, under ordinary conditions, we cannot expect for a moment that the workers should utilise all their available "units of energy" in the prosecution of their work. They ought to have quite a considerable margin left over which they can apply to other purposes if they wish. That is to say, if 50 hours per week be the optium hours of work of men sizers and women fuse body turners, it is probable that a 44-hour week is long enough for them to do as much work as could reasonably be expected of them.

That is a very good point.

Hon. J. Cornell: What did Henry Ford say about it?

Hon. W. H. KITSON: He agrees with a five-day week for production.

Hon. G. W. Miles: But they have production there! Here there is a slow-down policy!

Hon. T. Moore: That is your imagination!

Hon. W. H. KITSON: To carry the point a little further, Dr. Vernon states—

> The practical application of the results of the experiment to other industries may now be referred to. Sir William Mather laid them before various Government departments, and in consequence the hours of labour of 43,000 workers in Government factories and workshops were, in 1894, reduced to 48 hours a week. The 18,600 workers in the ordnance factories, and the departments of ordnance stores, army clothing, inspection and small arms inspection, had their working week shortened by 5¾ hours, and it was subsequently stated that the output was not diminished. The men on piece work earned as much as before, and those on a time rate, who were paid as much for 48 hours' work as for 54 hours, maintained their output likewise.

Then I come to what is, perhaps, the most vital point the author makes. He states—

> The successful maintenance of an industry depends on the worker achieving a good output, not for a few hours or days, but for a period of weeks, months and years.

That being so, it also follows that if we are to expect the maximum production from the worker over longer periods, we must provide better conditions under which he will be expected to work. The only way to do that is to so regulate the hours that he will be able to maintain the rate of production set at the outset; otherwise his energy will become depleted.

Hon. J. Duffell: Why not let the court regulate the hours of labour?

Hon. H. Stewart: You are putting up an excellent argument in favour of statistical research work.

Hon. W. H. KITSON: It is all very well for members to say "let the court decide."

Hon. J. Duffell: That is what the court was established for.

Hon. W. H. KITSON: The court has had many opportunities to decide this question, but our judges have expressed the opinion that it is for the legislature to decide, and not the court, what shall be the shorter working week.

Hon. J. Duffell: The court is the proper tribunal.

Hon. W. H. KITSON: Mr. Justice Higgins has stated on several occasions that the question of establishing a shorter working week was for Parliament to deal with.

Hon. J. Ewing: He is not the only person in the world!

Hon. W. H. KITSON: Mr. Justice Heydon in New South Wales, and Mr. Justice Rooth and Mr. Justice Burnside in Western Australia said the same thing.

Hon. A. Lovekin: Then why has provision for a 44-hour week been made in awards?

Hon. W. H. KITSON: Because a number of organisations are working a 44-hour week is no argument against others not having the same conditions. That is no argument why Parliament should not regard this question from the standpoint of the community as a whole.

Hon. J. Cornell: Why should not Parliament deal with it and make it apply to all?

Hon. W. H. KITSON: No one will deny that production has increased a hundredfold during these later years. The worker, more than anyone else responsible for that increased production, has received no benefit whatever. The only tangible benefit he can receive relates to improved conditions, because wages in these days are so regulated with respect to the cost of living that no matter what wage he is awarded, his position is not vastly improved.

Hon. H. Stewart: Does not that make you wonder whether the system adopted in the past has been the best?

Hon. W. H. KITSON: It has been the one acceptable to most people.

Hon. A. J. H. Saw: Do you maintain that the economic conditions of the labourer are no better to-day than they were 30 years ago?

Hon. W. H. KITSON: In some instances they are worse than they were 30 years ago.

Hon. A. Lovekin: You cannot support that contention.

Hon. W. H. KITSON: I can give instances to establish that fact. Dealing with production, I will quote an extract that appeared in the "Daily News" a few days ago. The article was headed "Surprise Rise in Wages," "Effect of a London Invention." The paragraph was as follows:—

> How the introduction of labour-saving machinery has not only increased employers' profits, but has also raised the wages of the workers engaged in the industry, is shown by the adoption of the loom invention of Mr. John Whittaker, a cotton manufacturer of Wiltshire, near Blackburn (says the "Westminster Gazette"). Mr. Whittaker's invention is a new attachment for the automatic feeding of looms, and it is now being widely adopted. It is claimed that it increases each worker's output by 400 per cent. and enables a weaver to attend to 16 looms instead of four, which has hitherto been the maximum number. The wages question has occupied the attention of the organisations representing the employers and the operatives, and where the invention is in use a temporary arrangement has been adopted which gives the weaver a substantial increase on the ordinary rates. When the invention is in general use, there will, it is anticipated, be a further revision in the direction of standardising the increased wages. Mr. Whittaker estimates the saving to millowners will be from 6s. to 7s. a loom per week. Experiments are being made to adopt the invention to woollen looms. Mr. Whittaker has received inquiries from all quarters of the world.

According to that statement, a simple invention increased the workers' output by 400 per cent., but there is no indication that the workers' wages were increased correspondingly.

Hon. E. H. Harris: The price of commodities will come down as a result of the invention.

Hon. A. Lovekin: What about the man who had the brains to invent the improvement? Should not that individual get some benefit?

Hon. W. H. KITSON: In all probability he has been robbed of most of the fruits of his invention. That article serves to indicate what remarkable increases in production are to be noted to-day compared with what production was a few years ago. The workers of Australia are producing to a much greater extent to-day than formerly.

Hon. A. Lovekin: With the provision of improved machinery, the worker benefits.

Hon. W. H. KITSON: And the worker is entitled to his share of the increased profits.

Hon. A. Lovekin: Certainly he is.

Hon. W. H. KITSON: Improved working conditions and shorter hours represent the only tangible way in which he can secure his share of those profits.

Hon. A. Lovekin: If increased production could be guaranteed, and if it could be shown that production generally would be maintained with decreased hours, the worker would get that consideration.

Hon. W. H. KITSON: If we were to provide a 44-hour week or an 8-hour day,

the effect would be beneficial all round. I will quote particulars regarding the Midland Railway Workshops. Some years ago wheel lathes were used that were capable of turning out two pairs of carriage and wagon wheels in one day. By the introduction of improved machinery they were able to increase the output to 10 pairs daily. The men operating that machine do not receive any extra remuneration for the increased output. The worker is producing considerably more to-day than ever before, yet he is kept on the bread-line and is not allowed any more than the bare necessities of life.

Hon. A. Lovekin: But it is the machine that is producing more.

Hon. W. H. KITSON: On the subject of machinery I have here a quotation by Mr. E. S. Hume as follows:—

> The introduction of high speed tool steel made it necessary when ordering machinery for the equipment of the Midland Junction Workshops to specify that all the machines in which it was possible to use that class of steel were to be manufactured of such design and strength as to enable full advantage to be obtained from the use of tools manufactured from that class of material. By the time the machines were erected in 1904, however, it was discovered that the improved quality of high speed tool steel surpassed the capabilities of the wheel lathes that had been obtained. The author then decided to alter one of these lathes to make it more in accordance with the increased progression and heavier cut that the cutting tool was capable of withstanding without injury.

He goes on to describe how the alteration was made, and then resumes—

> Before the lathe was altered it was the work of one day to turn up one pair of locomotive driving tyres 4ft. 6in. in diameter. With the altered lathe it has been possible to turn up three pairs of the same class of wheel. An even greater difference is observable when dealing with carriage and wagon wheels. As many as 10 pairs have been turned out in one day by an apprentice, whereas the maximum output by the old process was two pairs per day.

That is another instance of increased production.

Hon. G. W. Miles: Without the worker expending any more energy than before.

Hon. W. H. KITSON: Is that any reason why the owner of the machinery should receive the whole of the benefit obtained? Why should not the worker have some of it?

Hon. A. J. H. Saw: He does when the machine brings down the prices.

Hon. W. H. KITSON: How does that affect the worker?

Hon. A. J. H. Saw: He buys his commodities at a cheaper rate.

Hon. W. H. KITSON: Whereupon the Arbitration Court says, "The cost of living is coming down, so your wages also must come down." That is the undeniable position. I have here another quotation dealing with the 8-hour day. This refers to France. It is a speech by Mr. Justin Godart, French Minister for Labour, at the International Labour Conference in June, 1924, Mr. Godart said—

> The 8-hour day, established in France by the Act of 23rd April, 1919, has given valuable results. It is becoming more and more solidly based, not only on the text of an Act that served as a model in drafting the Washington Convention, but upon an evolution in social habits and upon a systematic transformation in the methods of production. Thirty industries grouping five million wage-earners are now covered by public administrative regulations for the application of the provisions of the Act. During the preparation of these regulations employers and workers met to examine in common, and in a manner that has been full of profit for both sides, the new conditions of labour, and their agreement has been expressed and has been given the force of law by various decrees. At the present moment eight other public administrative regulations are in course of preparation. The enforcement of the decisions that have thus proceeded from the joint deliberation of employers' and workers' organisations is ensured by strict supervision on the part of a staff of factory inspectors. The number of contraventions resulting in convictions runs into thousands. I emphasise this fact, not with any sense of satisfaction, but in order to show the magnitude of the effort that has been accomplished in France in order loyally to apply the 8-hour day; moreover, the number of contraventions is infinitesimal in relation to the number of wage-earners. The object of the 8-hour day is to secure "humane conditions of labour," as it is expressed in the declaration of the rights of labour contained in the Premable to Part XIII. of the Treaty of Versailles. Now, an investigation has recently been carried out by the French Labour Office—the results of which will shortly be published, and will contain valuable information relating to the researches made into the question of the utilisation of workers' spare time—and on the basis of this investigation I can affirm that the 8-hour day is improving family life in France, and has given a great impetus to those interesting forms of organisation of social life that endeavoured to improve the health of the worker by physical exercise, his knowledge by vocational and general instruction and by reading, and his intelligent recreation by the extension of musical and recreational societies. Since 1919 the number of workers' allotment gardens has increased 45 per cent. Drunken-

ness has decreased very considerably, and on this point the investigation has secured ample and irrefutable evidence. Inquiries have been made even amongst the owners and managers of public-houses, and one of them said: "The trade is now becoming a much pleasanter one than it used to be; we no longer see drunken people." Alcoholism is therefore much less an individual vice than a social evil created by fatigue and the need for violent sensations, a need that is felt all the more strongly in proportion as spare time is brief. Who knows from what other and more terrible evils humanity might be delivered by common sense and united action for the common good. In speaking to you of the results of our experience in France, I cannot pass over what we have learned of the effect of the 8-hour day on output. Very precise and systematic investigations have been made which would go to prove that, wherever the manager of an undertaking has not merely applied the provisions of the law as they affect labour, but has also resolutely adapted the factor constituted by capital to the system of eight hours of effective work, production has been organised in such a manner as to banish all waste of effort and to result in complete satisfaction. At no moment did France, that had nevertheless to rise from its ruins to repair the incalculable destruction caused in the devastated area, think of subordinating the enforcement of the 8-hour reform to those urgent requirements. These two problems are entirely separate; and the French Government thought they could not be considered together without going against the spirit of Part XIII. of the Treaty of Peace, without causing great injustice to labour and without inciting the other factors in production to burden labour with a part of their responsibilities and duties. In the Ministerial declaration recently made in the Chamber of Deputies, and approved by the majority of that Chamber, the French Government stated: "We shall not allow anything to be done to diminish the protection afforded to workers. We shall maintain the 8-hour Act, the elasticity of which has been proved by experience and which has already effected such vast improvement in the material and moral conditions of the wage-earners. We desire the speedy ratification of the conventions adopted by the International Labour Conférences at Washington and Geneva." This is the formal expression of the steadfast intention of the French Government to assume international obligations which it considers as much a safeguard of its own reforming activity as the solid basis for the essential work of peace, to the realisation of which it is passionately attached. As regards the 8-hour day more especially, the French Government is prepared to ratify the Washington Convention. It will do so with the greater confidence and serenity as the Convention may be regarded as an international formulation of the French Act, and as France may therefore be considered to have conformed to the Convention in advance. The French Government cannot, however, permit, to the detriment of French interests, and of the general interest of labour throughout the world, that satisfaction should not first be given to its natural desire not to see any obstacle raised, even temporarily, to the accomplishment of this great measure of individual and collective progress by the introduction of considerations that are foreign to that measure. This reference to principles that afford us sure and impartial guidance is only dictated by a consideration of our essential aim, which is to see, unhindered by unforeseen contingencies, the realisation of the just claim of the workers. It is one of the forms of that help which it is our duty to give to peoples that have to struggle to conquer or maintain the rights of labour.

Hon. A. Lovekin: That does not apply as you intended the 44-hour week to apply; it is only in specific industries.

Hon. W. H. KITSON: It applied to over 5,000,000 workers and it has now been extended to a considerably larger number. Mr. Seddon quoted Germany. As a matter of fact Germany did agree to the 8-hour day at the Washington Conference, but for some reason or other reverted to the 10-hour day. Now she is desirous of coming back to the 8-hour day according to a cable published in the "Daily News" two or three days ago. A lot has been said about competition with other countries where longer hours are worked. Until recent years other countries were working much longer hours than were worked in Australia, notwithstanding which we were able to compete with those countries

Hon. A. J. H. Saw: Because we keep on increasing the height of our protective wall.

Hon. W. H. KITSON: In Australia during 1920, new companies to the number of 2,082 were registered while other companies enlarged their activities. In the first six months of 1921, 737 new companies with a nominal capital of £89,989,292 were registered. Western Australia's share in 1920 was 131 new companies with a nominal capital of £5,061,300. In the first six months of 1921 we had 41 new companies with a nominal capital of £858,925. From those figures it does not appear that the employers are afraid of Australia. The figures show conclusively that they have quite a good deal of faith in the industrial future of Australia, whether it be under an eight-hour day or any other.

Hon. H. Stewart: What do you think they prove?

Hon. W. H. KITSON: That there are a large number of individuals prepared to

invest their capital in the Commonwealth, no matter what the Labour conditions may be. One member mentioned that the output per man in Australia was greater than that in any other part of the world.

Hon. H. Stewart: Two-thirds of it comes from the primary industries.

Hon. W. H. KITSON: I do not know whether that is correct. The Australian worker can more than hold his own with the worker of any other country.

Hon. G. W. Miles: Were not those companies formed owing to the high taxation individuals are called upon to pay as compared with companies?

Hon. H. Stewart: Anyhow, a lot of them represented gold mining booms. Hampton Plains was booming in that year.

The DEPUTY PRESIDENT: Order! I ask members to permit the hon. member to proceed with his speech.

Hon. W. H. KITSON: I could quote publication after publication to prove that in all countries where the eight-hour day has been established——

Hon. H. Stewart: Following our example.

Hon. W. H. KITSON: Increased production has followed as compared with what was obtained with a longer working day. With Mr. Cadbury, I maintain it is in the interests of the community as well as of the worker that this improvement in hours should be put into operation as quickly as possible.

Hon. G. W. Miles: On condition that the men give a fair day's work for the pay they get, which they have not done up to date.

Hon. J. Nicholson: You argue that a man should be paid by time instead of by results or production.

The DEPUTY PRESIDENT: Order!

Hon. W. H. KITSON: I claim the right to present my case in my own way.

Hon. T. Moore: They do not like it. That is why they are interjecting.

Hon. W. H. KITSON: I could quote more authorities, of some of whom members might take more notice than of me.

Hon. A. Lovekin: You are making some of us squirm.

Hon. W. H. KITSON: Let me quote from awards and findings of the National War Labour Board, Vol. 7, No. 5, page 29, as follows:

> The opinion by the umpire, issued under date of 16th September, is noteworthy in that it places the National War Labour Board definitely on record as in favour of a real eight-hour day as distinguished from a basic eight-hour day.

On page 30 it states—

> The object of the eight-hour law is to protect the health and lengthen the lives of employees, which would be seriously compromised by an excessive length of the day's work. President Wilson, in his address before a joint session of the two Houses of Congress, 29th August, 1916, said "The whole spirit of the time and the preponderate evidence of recent economic experience spoke for the eight-hour day." Previous to that time the Federal eight-hour law, approved 19th June, 1912, limited the hours of daily service of labourers and mechanics employed upon work done for the United States, for any territory or for the district of Columbia to eight hours, provided that no labourer or mechanic so employed should be required or permitted to work more than eight hours in any one calendar day upon such work. The public policy of the eight-hour work day has been given oft-repeated sanction by legislation in the majority of the States, as well as by Congress, through enactments of various kinds too numerous for specific mention, and quotes the unanimous report of the President's meditation Commission on 9th January, 1919, which declared that the eight-hour day is the established policy of the country.

While members may be of opinion that the authorities I have quoted are not substantial enough to justify the House in agreeing to the 44-hour week, let me appeal to them on the ground that the workers of this State have on all occasions been credited with being the equal of workers in any other State of the Commonwealth. It is a fact that much of the machinery used by the workers here is out of date, and that many employers do not improve their machinery until compelled by economic pressure to do so. If employers gave attention to that and to the better organisation of their businesses, there is no doubt that a 44-hour week or an 8-hour day would result in such an increase of production that it would redound more to the benefit of the employer than of the worker. There are aspects of the Bill with which I have not dealt; but I believe I have at least shown hon. members that underlying the measure is a desire on the part of the Government so to amend the parent Act that it will give more satisfaction to the workers than it has done in the past, so to amend it as to speed up the process by which the Arbitration Court can be approached, thereby doing away with 75 per cent. of the congestion now manifested in the court. Further, I believe I have shown that the Bill is the outcome of the experience of men who have been concerned with industrial matters in every State of the Commonwealth. I suggest that the Bill, being such a measure, should be given every consideration. I know of no piece of legislation which has been given the same amount of thought from the point of view of what has proved beneficial in other States of the Commonwealth. I commend the Bill to the House. I trust that it will meet with a favourable reception in Committee, and that

when it has passed through all its stages it will represent a great advance on existing legislation. I have pleasure in supporting the second reading.

On motion by Hon. H. Stewart, debate adjourned.

House adjourned at 10.43 p.m.

Legislative Council,

Thursday, 13th November, 1924.

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

BILLS (3)—THIRD READING.

1, Treasury Bills Act Amendment.

Returned to the Assembly with an amendment.

2, Bunbury Electric Lighting Act Amendment.

3, Carnarvon Electric Lighting.

Passed.

BILL—ROADS CLOSURE.

Second Reading.

The HONORARY MINISTER (Hon. J. W. Hickey—Central) [4.37] in moving the second reading said: In 1884 the holders of lots 5 and 6 of location 390 and Fremantle lots 159-161 were allowed to erect their fences along a certain alignment, shown on the accompanying litho, thereby including portion of Fitzgerald-terrace. The Fremantle council desires this alignment to be permanently adopted and those portions of the street (coloured blue) to be closed and submitted to auction as town lots to enable the adjoining holders to acquire them. The necessary survey has been effected and there is no departmental objection. It is merely a matter of convenience and all the parties concerned have agreed. By the Road Closure Act (No. 2), 1923, portion of Patterson-street, Collie, was closed to enable it to be granted as a Trades Hall site. It has since been pointed out by Mr. A. A. Wilson, M.L.A., that the truncation of the corner allows a very limited frontage to Throssell-street. It is therefore proposed to make the intersection an angle by closing the portion (coloured blue) and thus provide a greater frontage to Throssell-street. All parties concerned have agreed to the alteration. At a conference between the Mayor of Perth, the Chairman of the State Gardens Board, the City Engineer and the Vice-Chancellor of the University, it was agreed that the Government be asked to deviate the Perth-Fremantle-road in the vicinity of Crawley to provide a better contour for the road, round off a dangerously sharp corner and provide a better curve for the tramline. The land for the deviation will have to be taken from the University area, and after closure of the present road as provided in the Bill, it is proposed to grant certain land north of the new line (coloured blue) to the University in exchange for that taken (coloured green). The area to be taken from the University lands totals 3 acres 14 perches, and the area in the closed portion of the road to be granted to the University is one acre and nine-tenths perches. A survey has been made and there are no departmental objections. In the subdivision of Swan Location 1,227 certain streets are shown as Angus, Flora and Jessie streets on the deposited plans in the Titles Office. Those streets do not agree with the subdivision on the ground, nor with the litho. from which the lots were sold by the vendors. The streets are in different positions, and those shown on the plan have been disposed of as lots. In order to issue the titles, it is necessary to close the streets. The road board has agreed to the closure, provided that Wodonga-road is extended to Vincent-street. This arrangement will suit all parties. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

Clause 1—agreed to.

Clause 2—Closure of portions of Fitzgerald-terrace, Fremantle:

Hon. J. J. HOLMES: I want to know whether the local authorities have in all instances approved of these alterations. I make a point of asking this question upon