

Recommittal.

On motion by Hon. J. M. Drew, Bill re-committed for the purpose of further considering the Schedule.

In Committee.

Hon. J. Cornell in the Chair; the Minister for Country Water Supplies in charge of the Bill.

Schedule:

Hon. J. M. DREW: I should like the Leader of the House to explain what is meant by the last few lines of the amendment reading, "In accordance with the terms and conditions of Sections 3, 8, and 10 to 22 inclusive of the said Act." Which Act is meant by "the said Act"?

The MINISTER FOR COUNTRY WATER SUPPLY: The Commonwealth Act.

The CHAIRMAN: "The said Act" means the Commonwealth Debt Conversion Act, 1931.

Schedule put and passed.

Bill again reported without further amendment, and the report adopted.

Read a third time, and returned to the Assembly with amendments.

BILL—STATE MANUFACTURES DESCRIPTION.

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

House adjourned at 9.23 p.m.

Legislative Assembly,

Tuesday, 21st July, 1931.

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

QUESTION—UNEMPLOYED.

Work at Poison-grubbing.

Mr. NORTH (for Mr. Griffiths) asked the Minister for Agriculture: 1, Has consideration been given to utilising unemployed in country districts for the grubbing of poison plants along roads, stock routes, and reserves. 2, Will not the lessened activities of road board officials now enable them to supervise such work with no extra expenditure from local funds? 3, Seasonal conditions being especially favourable for the work, will he consider whether it can be undertaken? 4, As sheep husbandry will prove one of the main industries through which Australia will rehabilitate itself financially, will he investigate this matter with the Minister for Labour to determine whether action as suggested can be taken?

The MINISTER FOR AGRICULTURE replied: 1, Yes. 2, I am unable to say. 3, Answered by No. 1. 4, Yes.

QUESTION—STOCK REGULATIONS.

As to inquiry by Royal Commission.

Hon. W. D. JOHNSON (for Hon. M. F. Troy) asked the Minister for Agriculture: 1, Is he aware that a resolution was passed by the Legislative Council, with only one dissentient, recommending the appointment of a Royal Commission to investigate the administration and application of regulations under the Stock Diseases Act, 1895, as gazetted on the 11th October, 1929, particularly as they relate to the restriction of the movement of cattle from the Kimberley district? 2, Do the Government propose to act upon the recommendation?

The MINISTER FOR AGRICULTURE replied: 1, Yes. 2, Yes.

QUESTION—MIGRANT, REPATRIATION.

Mr. SLEEMAN asked the Premier: 1, Regarding Mrs. Guy, whose circumstances were personally brought under his notice, and the request either to repatriate her and her family or provide rent for a home, as she is unable to pay rent out of ration orders and the court is unable to grant her further relief, will he take the necessary steps to have Mrs. Guy repatriated immediately so that she and her family may not be homeless? 2, If not, what action is he prepared to take?

The PREMIER replied: 1, As the repatriation of Mrs. Guy and her family would cost £117, and every penny available is necessary for unemployment sustenance, a decision from the Prime Minister on the general question of repatriation is awaited. 2, In the meantime, the Child Welfare Department is attending to this woman's immediate requirements.

LEAVE OF ABSENCE.

On motions by Mr. Wilson, leave of absence for three weeks granted to Miss Holman (Forrest) and Mr. Lutey (Brown Hill-Ivanhoe) on the ground of ill-health, and to Mr. Lamond (Pilbara) on the ground of urgent private business.

BILL—FINANCE AND DEVELOPMENT BOARD ACT AMENDMENT.

First Reading.

Introduced by the Premier and read a first time.

Message.

Message from the Administrator received and read recommending appropriation for the purposes of the Bill.

BILL—FINANCIAL EMERGENCY.

In Committee.

Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

Clause 1—agreed to.

Clause 2—Commencement and operation:

Hon. P. COLLIER: 1 move an amendment—

That all the words after "proclamation" in line 2 be struck out.

The clause means that all Government employees will suffer reduction as from the 1st July. The Bill has not been considered in detail by this Chamber, and cannot receive the assent of both Houses for the next two or three weeks. Having regard to the caution of another place and its practice of referring important Bills to select committees, it is not only possible but probable that the measure will not finally pass both Houses for some months. Another place examines all Bills from this Chamber minutely, on the plea that measures are rushed through here. With the utmost expedition, both here and elsewhere, the Bill cannot receive assent for another four weeks at the earliest; so that for a period of seven or eight weeks the Government will have been applying to Government employees the reductions without their being authorised. No legislation of this kind should take effect except from the day it finally passes Parliament. The position under the Bill will be all the harder on Government employees, because in the meantime they will have been drawing their full pay and for the remainder of the year will have not only the percentage reductions stated in the Bill but also the reductions accumulated while the measure is under consideration. There is no right to deduct from the pay of any Government employee until Parliament has authorised it. Such retrospective legislation is most unfair, and will penalise with peculiar severity employees on salaries of £2 or £3 per week, which are subject to a reduction of 18 per cent. It would be outrageous to deduct from public servants retrospective reductions as from the 1st July if the Bill passes in September or October. Had the Government of which I was a member applied a similar retrospective reduction to rent, interest and dividends, there would indeed have been a howl. Although we all know that this Treasury, in common with all other Australian Treasuries, is desperately in need of money, surely we are not so badly off that the reduction must be applied from the 1st July even though Parliament should agree to it only in October or November. I well recollect that the Attorney General, when he was a younger member of this House, ex-

pressed keen dissatisfaction with some of the things we were doing. I also remember whispering to some of my colleagues, "He will not be many years in this Chamber before he will be fathering Bills of this sort himself."

Hon. W. D. Johnson: He is going one better.

Hon. P. COLLIER: A search of "Hansard" would reveal trenchant criticism from the Attorney General on legislation of this kind. We ought to begin fairly and say that whatever the Bill may ultimately contain shall operate only from the date the measure is assented to by the Administrator. Public servants now do not know what their incomes are.

The Premier: They do know; and their pay is down 10 per cent. now. The difference is comparatively small.

Hon. P. COLLIER: If the amount is so small that it will make no difference to the officer, surely it will make no difference to the Treasurer.

The Premier: I do not say it is small. It will be comparatively small. It will not be 18 per cent. Public servants know full well they have to stand the reduction.

Hon. P. COLLIER: If they know full well, it is because they know the Government.

The Premier: It is not our Government.

Hon. P. COLLIER: The proposed reduction is in direct contradiction of all that the Premier told the electors would happen. Mr. Lang is not the only Premier who has failed to carry out his election promises. I am sure the Attorney General will accept the amendment. The clause represents a try-on.

The ATTORNEY GENERAL: I do not propose to agree to the amendment, but am prepared to say that the date from which the Bill shall become operative shall be the 9th July instead of the 1st July. If the amendment moved by the Leader of the Opposition is lost, will I be in order in moving for the deletion of "first" with a view to inserting "ninth"?

The CHAIRMAN: If the amendment is put as moved, the word "first" must stand. The Leader of the Opposition may agree to move his amendment in a different form and move to strike out all the words from "proclamation" down to "the" in the fourth line.

The ATTORNEY GENERAL: If the Leader of the Opposition will meet me to that extent, I shall take advantage of the

opportunity to modify the clause to that extent.

Hon. P. Collier: I will agree to that course, and the amendment may be put as suggested by the Chairman.

The ATTORNEY GENERAL: I accept the reproof of the Leader of the Opposition regarding the retrospective character of the Bill, and agree that retrospective legislation is much to be deprecated. I little thought that I should be found introducing a measure involving such an unpleasant principle, but, as I said when I moved the second reading of the Bill, the measure includes all sorts of unpleasant phases I would not dream of dealing with in normal circumstances. There are several precedents. Naturally I would not suggest that precedents constitute an excuse, but the fact remains that the Federal Government have adopted an exactly similar clause, with the addition of the amendment I shall move later on. The Federal Government made their Bill effective as from the 9th July despite the fact that it did not become law until yesterday. Furthermore, it has always been the practice in dealing with tariff matters, to make the new schedule operate long before the new imposts actually became law.

Mr. Sleeman: That does not make it right.

The ATTORNEY GENERAL: I am not arguing that it does. Personally, I strongly disapprove of that phase of the Federal Government's activities, but still there is that precedent. The Bill under discussion is introduced in pursuance of the Plan to attempt to balance Budgets this year, and if it is to become operative at a future date that will depend upon the enduring capacity of the Opposition and perhaps upon delays in another place, the Plan might not come into force for many months, as the Leader of the Opposition himself suggested. The hon. member, in stressing the delays that could possibly occur in another place, made out a good case for definitely fixing the date from which the Bill shall become operative. Should his prognostications be true and the Bill be held up for five or six months, the whole scheme for securing a reduction in Governmental expenditure with a view to balancing the Budget, must go by the board this year. It is with the greatest possible regret that I have to adhere to the clause with the modification that I shall move later on.

Hon. A. McCallum: The Attorney General is hard pushed for a comparison when

he cites the practice of the Federal Government in dealing with tariffs. I do not know how he can reasonably compare tariffs with money, which represents actual taxation. It can readily be understood that when a new tariff schedule is introduced, it must become operative as from the date of the tabling of the schedule and not from when it is actually agreed to by the Federal Legislature. We can imagine what manipulation and manoeuvring would take place in the Customs House if that were not the practice. The effect would be to disorganise trade, and the Federal Government would naturally be outwitted. That practice is never adopted when taxation measures are dealt with. I well remember the Attorney General's arguments against our proposal that the Arbitration Court should be given power to apply awards retrospectively. In that instance, the proposal was that where a union had been waiting for months and could not secure a hearing for their application for a new award, by agreement with the parties concerned, the court could make the award, when issued, apply retrospectively, and in the meantime the industry was to be carried on without interruption. The attitude of the Commonwealth Government does not provide any parallel with the position that obtains with respect to the Bill now before the Committee. The Federal Bill was introduced long before our Bill was placed before members.

The Attorney General: Your argument does not apply to principles, but to time.

Hon. A. McCALLUM: It answers the interjection by the Premier when he said that the Government employees knew what they had to meet.

The Attorney General: Until yesterday, the Federal civil servants did not know exactly what their position would be.

Hon. A. McCALLUM: They had a good idea long before, but, at any rate, the Federal Bill is law now, whereas we are merely commencing the discussion of our Bill. Where is there a parallel between our Bill and that of the Federal Government? What will be the position of the wages men, quite apart from the civil servants? Are they supposed to be putting aside something from each pay to make provision for the retrospective deductions from their wages? Those deductions will be at least 8s. in the pound in many instances, practically 50 per cent. of their wages.

The Attorney General: That is not correct. Wages have already suffered a reduction of 10 per cent. You are speaking as if the whole 18 per cent. were to be deducted.

Hon. A. McCALLUM: And I still say that if the Bill stands as it is now, the wages men will suffer much more than a 20 per cent. reduction. At present, housewives are pinching and scraping to make both ends meet. What will their position be when they find out that 50 per cent. of the weekly wages will have to go to meet the deductions? How does that position fit in with the Attorney General's argument, when dealing with the Arbitration Act Amendment Bill that we introduced, that the employer would not know where he stood financially if Arbitration Court awards were to be made retrospective. I do not know how long the Attorney General anticipates it will take to pass the Bill. To my mind, it warrants a few weeks of discussion before it leaves this Chamber. If we rush it through, it will provide the Legislative Council with more time for discussion. That is how the position worked out with the Workers' Compensation Act Amendment Bill. We discussed it at great length here, and it did not survive long in the Upper House.

Mr. Panton: The same result may follow with this Bill.

Hon. A. McCALLUM: There is an omen, at any rate. The Attorney General did not reply to the debate on the Workers' Compensation Act Amendment Bill, and he did not reply to the debate on the Bill now before us! Never before has the Parliament of Western Australia been asked to cut down wages and salaries and take back wages already paid out to employees under an Arbitration Court award. There is in the history of the country no parallel for that. It would be bad enough to say the deductions shall obtain from the day the Bill receives the Royal assent. We have not given our employees anything like so favourable treatment as that received by the Federal employees. To get on the same footing as the Commonwealth law, the Attorney General's amendment should make the operation of the Bill date back only a fortnight from the date of the Royal assent being given; because it will be so long before this measure can become an Act. This is a most pernicious principle, this taking back of wages, the making of drastic cuts and then doubling them in order to get back money already

paid out as wages to men already rationed, men who have been living on part-time wages for the past 12 months. The whole thing is vicious, and I hope the Committee will agree to the amendment moved by the Leader of the Opposition.

The ATTORNEY GENERAL: There are just one or two facts which the Committee ought to know. This measure was read the second time on the 8th July, hence the proposed date of operation, the 9th July. The Victorian measure corresponding to this one was read a first time on the 30th June, the date on which this measure was read a first time. I do not know the date on which the Victorian measure was read a second time, but I do know it has not yet been passed.

Hon. P. Collier: The second reading has been passed; they are not in Committee on it yet.

The ATTORNEY GENERAL: Their proposal was that the Act should come into operation on the 5th July.

Mr. Sleeman: That doesn't make it right, either.

The ATTORNEY GENERAL: Of course not. I am merely referring to the criticism of the member for South Fremantle. I am not making any apologies for the principle. It is not a good principle, except in the most extraordinary circumstances. The principle is recognised in only three measures with which I am acquainted, namely, the Federal measure, the Victorian measure, and this measure. The arguments of the Opposition would carry a lot of weight in normal times, but I cannot agree to them in these times of stress.

Mr. HEGNEY: The attitude of the Minister, even on this Bill, is very inconsistent. Under his amendment the reduction in salaries and wages will be made retrospective to the 9th July, whereas the variation of contracts will not apply until the Bill is proclaimed, and there is no provision as to when mortgagors can apply to the court for a reduction of interest. They will have to suffer until the Bill is proclaimed, whereas reductions in wages and salaries are to operate from the 9th July. We have no guarantee that the Bill will pass. Many members on the Government side are much concerned about its effect, and they are not going to support all the arguments used in favour of the Bill. Many housewives are still trying to finance from week to week, having no cognisance of the fact that they

are to suffer a further reduction in their incomes. Thousands of people who will be affected by the Bill do not know the extent to which they will be mulcted under it. If it is good enough to make retrospective the reductions in wages and salaries, it is equally good to have interest reduced straight away.

The CHAIRMAN: I ask the hon. member to confine himself to the clause. There is in it no mention of mortgagors.

Mr. HEGNEY: By implication there is. The clause seeks to make retrospective the reductions in salaries and wages, whereas it says nothing about the other proposals. It is most inconsistent, and I will vote against it.

Hon. W. D. JOHNSON: The Government are under no obligation to follow the example of other Governments, neither are they in any way directed by the Premiers' Conference. It is no part of the Plan that the Bill should be retrospective; that part has been left to the discretion of the Government.

The Premier: The Federal Government and the Victorian Government are doing the same.

Hon. W. D. JOHNSON: But it does not follow that the Government of Western Australia should accept their example.

The Attorney General: We are expected to make the reductions over the full period of this financial year.

Hon. W. D. JOHNSON: I do not deny that. Still, the fact that the Federal Parliament and the Victorian Parliament are doing this does not make it part of the Plan; it is for the discretion of this Government. In a general sense it is objectionable to introduce retrospective legislation at any time. At present the people are justified in expecting a continuance of their incomes, for the Arbitration Court awards have directed it so. Only a few weeks ago the Arbitration Court directed that the existing basic wage should continue for at least three months. In view of that assurance the housewife, naturally, is conducting her domestic expenditure on that basis. In addition to that, she has been led by the remarks of the Premier not to expect any further reduction. On several occasions the Premier has said that he had already effected a 20 per cent. reduction in Government expenditure.

The Premier: Not in salaries and wages, but in other expenditure.

Hon. W. D. JOHNSON: I am aware of that. But the Arbitration Court has decided that the basic wage shall continue, that there is no justification for a further reduction. The Premier has already stated that a 20 per cent. saving in Government expenditure has been effected. When we take that in conjunction with the fact that the basic wage was to have continued for the next three months, this retrospective provision becomes grossly unfair. The Government have no right to expect that the people will anticipate the decision of Parliament. A Bill does not become law when it has been read a second time. The public take no serious notice of a Bill until it has been proclaimed an Act. This measure takes something from the individual long before it is put upon the statute-book. It gives people no chance to realise what is happening. The Salaries Tax Act was discussed a long time before it came into force, and people knew all about it, except how much would be deducted from their pay.

The Premier: They knew of this, too.

Hon. W. D. JOHNSON: Only within the last few days.

The Premier: You have had meetings all over the country to tell them about it.

Hon. W. D. JOHNSON: We have tried to play our part in bringing the meaning of this Bill prominently before those who will suffer. I do not want Parliament to depart from the sacred principle of refusing to pass retrospective legislation. The public should be notified in proper form when Parliament has authorised the notification. The Government promised faithfully not to attack wages or salaries, but to maintain the existing industrial standard. But what do we find?

The Premier: Mr. Scullin fixed the date for this to come into operation.

Hon. W. D. JOHNSON: The Bill is quite opposed to the utterances of the Premier. He has already told the people that he has received his 20 per cent., and they have not realised that still further cuts will be made in their earnings. If it is right for notice to be given in respect of mortgages, it is right that notice should also be given of an intention to deprive people of portion of the earnings they have already received.

Mr. SLEEMAN: The Attorney General, up to this stage, has been a determined opponent of retrospective legislation. Refer-

ence has been made to Mr. Lang, but in my opinion the Government of this State are worse repudiationists than he is. They are not satisfied to repudiate agreements and awards that have been made with the workers, but want to date back the effects of that repudiation. We can imagine the feelings of a young man, who has been assisting his people out of his 28s. a week, when he finds that not only is this wage to be reduced but that he must pay back some of that which he has already received. The Attorney General has quoted the Commonwealth and Victoria as examples of what we should do here. Seeing that some parts of this Bill go infinitely further than either the Commonwealth or Victoria, I hope that the Government will agree to those parts being amended or struck out altogether.

Hon. S. W. MUNSIE: The Attorney General is willing that the Bill should date back to the 9th instead of the 1st July. This will give the employees of the railway service only two days' grace. The men received their pay on the 16th of this month. There is nothing in the Bill to say they shall not suffer the percentage reduction on what they have received between the 3rd and the 16th inclusive. The Bill as it is drafted, and if the amendment is carried, will give the wages staff only two days' respite, the 1st and 2nd, and from the 2nd onwards the deductions will be made. The 9th is no different from the 1st; I would sooner have the 9th than the 1st, because it would give some respite. In any case, the principle is wrong, and the amount of money that will be got in should not weigh in the judgment of members in deciding that the legislation should not come into operation until the Act is actually proclaimed. I hope the amendment moved by the Leader of the Opposition will be carried.

The Attorney General: I will promise that what you say is the position will not be permitted to remain.

Hon. S. W. MUNSIE: I am glad to have that victory, anyway.

Mr. KENNEALLY: I have a distinct recollection of having waited on the present Premier when he was previously in office at the time when there was a congestion of work before the Arbitration Court, and when the deputation of which I was a member asked that the decisions of the court should operate from the date of that deputation. The Premier said definitely that he would never have anything to do with retrospection

because it could not be charged up to the people who had already had the services. How can the Government now support their contention to eat back into the wages of the people? If the amendment is carried in the form suggested by the Attorney General the number of weeks will depend on how long it takes to get the legislation through. The Federal Parliament made their legislation operative as from the 9th. It was originally intended that it should operate from the 1st July, but the Federal Government were a little late in getting the Bill through, and so they altered their date from the 1st to the 9th. With regard to this measure, we do not know when we shall be able to get it through, but when we get it through it will be operative as from the 9th. The Federal Government are not even collecting the whole of their tax from the 9th, because that date applies to salaries only. Other portions of the Plan are being made operative at a later date. Thus it cannot be claimed that it is part of the general scheme. The pensions reduction will operate from the 30th. Both the Premier and the Attorney General admitted at the conference that, as compared with June, 1930, a saving of 20 per cent. had already been effected in Western Australia. That was in spite of the Federal wage reduction and the fact of its affecting a large number of workers in the Eastern States and only a few in this State.

The Attorney General: What was said was that the Budget for this year would show a reduction of 20 per cent. in the gross expenditure of the Government as against last year.

Mr. KENNEALLY: That is what I said.

The Attorney General: That is by retrenchment and so forth.

Mr. KENNEALLY: A good portion was due to the reduction of wages.

The Attorney General: It was thoroughly realised that the 20 per cent. which this Bill proposes to achieve had nothing to do with the savings effected by retrenchment.

Mr. KENNEALLY: Then workers here, who have suffered seriously by way of retrenchment, are going to suffer more than those in the other States.

The Attorney General: No; I understand that in Victoria 4,000 railway men have been retrenched.

Mr. KENNEALLY: The Premier said he had saved 20 per cent.

The Attorney General: Victoria, South Australia, and Queensland showed similar savings.

Mr. KENNEALLY: No, South Australia and Western Australia were the only States that showed such a reduction. The reductions in the other States were considerably lower. The reduction proposed in the Bill will be sufficiently serious without making it retrospective. The reduction of interest on mortgages and bonds is not to be made retrospective. If the Debt Conversion Bill becomes law, three weeks' notice will be given to bondholders. As against that, salary and wages employees are to suffer reduction from the 9th July. If the Bill has retrospective effect for three or four months and a worker suffers a reduction of 4s. in the pound, he might be better off on sustenance.

Mr. Marshall: Scores would be better off on sustenance.

Mr. KENNEALLY: The Bill will force many more men on to sustenance. The Attorney General described the measure as obnoxious. Why should he seek to increase its obnoxiousness by giving it retrospective effect?

The Attorney General: It would be extremely nice, when taking a dose of nasty medicine, to say that it should be deemed to have been taken before.

Mr. Panton: It would not be so nice if it reacted a fortnight ahead.

Mr. KENNEALLY: If the Attorney General neglected to comply with the doctor's order to take a spoonful of castor oil and had to take a bottle full a month later, he would find it decidedly less agreeable.

Hon. J. C. WILLCOCK: It is scandalous to prescribe different treatment for different sections of the community, and members should not be asked to consider such legislation. While for centuries the rights of property have been regarded as sacrosanct, though the rights of workers could be altered at any time, we should break down that principle. Conversion by bondholders is voluntary, but this reduction is compulsory. Surely we should not differentiate between people who have money and people who have not! We should insist upon equality of sacrifice. If we must have money from the workers and from the bondholders, let it be taken equally. Mortgage interest rates should be reduced at the same time. If certain people have their wages reduced and others have not, discontent must arise.

Mr. Angelo: That is why the Bill is extended beyond the Civil Service.

Hon. J. C. WILLCOCK: The Premiers did not agree to that. I believe the people are prepared to make a sacrifice, but not unless it is equitable. There is no equality if the workers suffer reduction three weeks before the bondholders or ten weeks before other people. If the reductions are to apply from the 9th July, let them apply to all, and bring in the landlord also. The proposals are so manifestly unjust that I marvel at the Attorney General's persevering with them.

Mr. MARSHALL: The Attorney General quoted Victoria in support of his contention that the Bill should be retrospective, but the measure in that State is in as great jeopardy as is this Bill.

The Attorney General: A Government of the same party as yourself should be all right.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. MARSHALL: What may be happening in other Australian Parliaments cannot be accepted by this Chamber as a guide, especially in view of the fact that the very State instanced by the Attorney General has its legislation of this nature at the same stage as our Bill. The Federal Government alone have completed the placing of the Plan on the statute-book, and their arrangements with their employees are of a far more liberal nature than those suggested by this Bill. The Attorney General intimated that the intention of the Bill was to secure a balancing of the Budget this year.

The Attorney General: I said nothing of the sort.

Mr. MARSHALL: Then I hope the hon. gentleman will check "Hansard" closely, or he will find himself credited with that statement, or one to the same effect. If that is the expectation, the matter of a retrospective payment over a short period can easily be foregone. In that case there is no need for extreme measures. The Attorney General's sympathies can be deduced from the nature of the Bill. His utterances indicate deep sympathy with the wage earners, but his deed, in introducing the Bill, is to penalise them severely. Under this clause he proposes to call upon earners of small wages, even junior workers, to make a retrospective sacrifice over at all events two months. The Government and their supporters lean to-

wards a certain class. This Bill represents the third of the measures involved in the Plan. Another Bill is permissive, but this Bill involves compulsion.

The Attorney General: What other measure are you referring to?

Mr. MARSHALL: That dealing with loans.

The Attorney General: The Bill which is already passed?

Mr. MARSHALL: Yes.

The Attorney General: It has nothing to do with loans.

Mr. MARSHALL: It deals with interest, and it is merely voluntary. But there is nothing voluntary about the present Bill. Wage earners are not given any option. They are to pay as from the 9th July. There remains a large section of the community far better able to make sacrifices than those whom this clause touches. With that other section the Attorney General has not yet attempted to interfere.

The Attorney General: Interfere with whom?

Mr. MARSHALL: The landlords. Nor has the Attorney General attempted to interfere with the bankers. These facts show how much reliance can be placed on the hon. gentleman's professions. Probably he would like to concede the amendment of the Leader of the Opposition, but he has received his instructions. The eyes of certain people outside this Chamber are upon him. His sympathy for the workers is like that of cemetery worms for cremation. The tramway men have already suffered a reduction of 7s. per week, but in order to avoid putting 30 or 40 men on sustenance, those remaining in employment volunteered to support their mates while out prospecting. The tramway employees contribute 10s. per week towards the support of those prospectors, thereby reducing themselves well below the basic wage. But the Attorney General makes no allowance for that fact. His consideration is reserved for people in good positions, well able to bear sacrifices. When the member for South Fremantle introduced his Bill to amend the Arbitration Act, he argued that the Arbitration Court should be empowered to make retrospective awards when the cost of living was increasing rapidly and a congestion of cases involved delay in the making of decisions. One of the bitterest opponents of that retrospective power was the Attorney General. It threatened to inter-

fere with the rights of his particular acquaintances, those whom he expects to champion him when fighting an election. Those people get behind him, and finance him, and help him in every way. Consequently he has to obey their dictates, and he does it nobly. To-day, when those on the lowest rung of the industrial ladder can be persecuted, he has not the slightest hesitation in doing it, and moreover doing it retrospectively. It seems that the Minister has made up his mind to retain the clause, apart from the small amendment that he himself will submit. It is a bad principle to indulge in legislation passed in accordance with the social standard of the people affected. While one section of the community is to be treated as suggested under the Bill, others, who are in a position to make a sacrifice without affecting their standard of living, are not to share an equal burden.

The Attorney General: Does the hon. member suggest that departmental heads are—

Mr. MARSHALL: Nothing of the kind. I suggest that the hon. member's friends in St. George's-terrace—the bondholders—are not to be subjected to any retrospective legislation of this description, but merely the unfortunate toilers who are not all civil servants, but some, such as nurses, merely semi-civil servants.

The Attorney General: The nurses do not come under this clause at all.

Mr. MARSHALL: Of course they do. They will be subject to the cut. I do not care what the Minister says; I know what is in the Bill.

The Attorney General: I wonder if you do!

Hon. J. C. WILLCOCK: I hope the Attorney General will not sit silent, but will advance some explanation of the points that have been raised by members of the Opposition. I trust that on this Bill we shall not have a repetition of the spectacle of Government members sitting dumbly behind their Ministers. Grave accusations have been made regarding the effect of the Bill in the differentiation of treatment meted out to employees on the one hand and bondholders on the other. If the Attorney General can justify the proposal, it will be in the interests of the State to do so. We have heard a lot about equality of sacrifice, but there will be no such sacrifice if the clause be agreed to as printed. Everyone acknow-

ledges the necessity for sacrifice owing to the financial position, and all must accept their share proportionate to their ability to bear it. On the other hand, the wages and salaried men are to make their sacrifice practically straightaway, whereas the bondholders will not be called upon to make their sacrifice except as from some future date when legislation is passed. That position warrants some explanation. We know that from time immemorial property interests have always been regarded as sacrosanct, and, in fact, the property owners have their own House of Parliament. On the other hand, the wages men can be attacked at any time.

The ATTORNEY GENERAL: I have already made some remarks on the points raised, and I do not propose to speak in Committee every time a member repeats a point.

Hon. J. C. Willcock: You did not reply to the debate on the second reading of the Bill.

The ATTORNEY GENERAL: That is true. Perhaps there were some hon. members sitting on the Opposition side of the House who desired to speak, but did not do so. At any rate, I do not propose to reply to each reiterated argument advanced by Opposition members.

Mr. Kenneally: That attitude is quite understandable, when there is no reply to make.

The ATTORNEY GENERAL: Even if I had the best reply in the world, I am not one who will get up and make it over and over again. I pay Opposition members and Government members alike the compliment of thinking that having heard an explanation once, they are intelligent enough to understand it. The Leader of the Opposition moved his amendment and I replied to him to the best of my ability. The member for Geraldton complained that there was differentiation in the treatment meted out to the salary and wages men, and that accorded to the bondholders under the conversion scheme.

Hon. J. C. Willcock: And people who are paid interest.

The ATTORNEY GENERAL: They can be regarded as in the same category as bondholders. The member for Geraldton knows perfectly well that after a lengthy debate the Premiers' Conference decided that the loan conversion should be voluntary. Of course, it could have been accomplished by a straight-out statutory reduction

of the interest payable to bondholders. That might, or might not, have been the correct way. The point is that conference decided that in the interests of the prestige of Australia and with a view, if possible, of not shaking confidence abroad, we should give the bondholders, who have not thrust their money upon Australia but had lent it in response to strenuous appeals for monetary assistance, an opportunity to submit to the sacrifice voluntarily, before force should be applied to them. Who am I and who are Parliament that we should turn down that proposition?

Hon. A. McCallum: We have just as much right as the Premiers' Conference.

The ATTORNEY GENERAL: You have the right to criticise.

Hon. A. McCallum: And deal with the Plan.

The ATTORNEY GENERAL: I agree, but for my part, conference having decided that it shall be a voluntary conversion, that ends it, as far as I am concerned.

Mr. Sleeman: That is what you wanted: you and the other representatives from this State. You did not want compulsion applied to the bondholders.

The ATTORNEY GENERAL: We debated the question for many weeks, and it was not until the very end that the decision was arrived at that the conversion should be voluntary.

Hon. W. D. Johnson: That was when you were fortified by the presence of the Leaders of Opposition.

The ATTORNEY GENERAL: The Opposition cannot place the blame for the voluntary nature of the conversion upon Sir James Mitchell or myself.

Hon. W. D. Johnson: You played your part very consistently.

The ATTORNEY GENERAL: I played a very small part in that question. Up to the concluding stages, it was a very open question with everyone at the conference.

Hon. J. C. Willcock: When will the conversion come into force?

The ATTORNEY GENERAL: The sooner we get this measure passed, the sooner will the conversion take place. We have to-day received a message from the Prime Minister, Mr. Scullin—

Hon. J. C. Willcock: Can you give us the approximate date when the conversion will take place?

The ATTORNEY GENERAL: I cannot.

Hon. J. C. Willcock: Will you make this Bill apply from the same date as the conversion?

The ATTORNEY GENERAL: No.

Hon. J. C. Willcock: That is my complaint.

The ATTORNEY GENERAL: The point is that the voluntary conversion was agreed to. Then it was agreed that the Governments should, for this financial year, achieve a reduction of 20 per cent. in adjustable governmental expenditure.

Hon. P. Collier: Did it not occur to the Premiers' Conference that the date of the voluntary conversion for the bondholders should at least not be later than that on which the wage-earner was to be dealt with compulsorily? Why should the compulsory deduction apply as from an earlier date than that applying to the voluntary conversion?

The ATTORNEY GENERAL: How could you decide to achieve the conversion on the same date as the compulsory wage deduction took place?

Hon. P. Collier: By fixing it in this Bill, so that it should apply as from the same date as the conversion.

The ATTORNEY GENERAL: How would it be possible to say on what date a voluntary conversion would come into effect?

Hon. P. Collier: By saying, as the Federal Government have in their Act, that it shall be as from three weeks after the date of the passing of the Act.

The ATTORNEY GENERAL: No conversion could be fixed as for a certain date, seeing that it is voluntary. Apparently the Leader of the Opposition wants the proposition advanced by Mr. Lang.

Hon. W. D. Johnson: And that may have been all right.

The ATTORNEY GENERAL: Mr. Lang said, "I will not agree to make any reduction in governmental expenditure until the voluntary conversion has happened and proved to be a success."

Hon. P. Collier: I would not support that.

The ATTORNEY GENERAL: That is the proposition he put up. And, logically, the attitude taken up by the member for Geraldton and the Leader of the Opposition by interjection is that the others ought to take up the same attitude—

Hon. J. C. Willcock: No, no.

The ATTORNEY GENERAL: That until there is a guarantee that this voluntary conversion is going to be a success, the wage and salary reductions should not be made.

Hon. J. C. Willecock: The interest must be reduced at a certain date if one person converts at that date. Then, to be consistent, this Bill should apply at that same date.

The ATTORNEY GENERAL: That attitude is not taken up by those members of the Commonwealth Government who are charged with the duty of putting through this conversion. Only to-day we have received an urgent message from Mr. Scullin asking us to put through and complete this legislation and other legislation of the sort because a great number of bondholders have indicated that they will not convert until they are satisfied that the reductions are going to be achieved.

Hon. A. McCallum: That is a nice attitude!

Hon. P. Collier: We might as well say we will not pass this Bill until we see how the conversion is going.

The ATTORNEY GENERAL: Let us get it all going. If we do our part, we can reasonably expect other people to do their part. It must be remembered that unless these reductions are made, all sorts of catastrophies are going to happen. The position in respect of this measure is that the State Governments and the Federal Government have definitely promised to achieve this 20 per cent. reduction for this year. If the prediction of the Leader of the Opposition is correct, that the passage of this measure may take months, then unless we fix a date on which it is to commence we cannot possibly hope to achieve the 20 per cent. reduction this year. We must have a definite date for the commencement of the Act.

Hon. J. C. Willecock: Yes, the date when the lower interest commences.

The ATTORNEY GENERAL: How can we fix a date for a voluntary conversion?

Hon. J. C. Willecock: Some people must convert.

The ATTORNEY GENERAL: It must be remembered that unless something be done, the States will not be able to pay salaries. They are faced with default.

Hon. P. Collier: And part of their troubles in defaulting is interest—just as much as wages.

The ATTORNEY GENERAL: That is so. If there were in Australia a dictator

determined to achieve the benefits of the majority of the people, we might get over our difficulties.

Mr. Sleeman: He would require a good supply of castor oil.

The ATTORNEY GENERAL: All members know that I detest importing a principle like this into any measure. But these are not normal times. We have undertaken to get our 20 per cent. reduction for this year, and if we are going to leave indefinite the date on which the reduction is to start, we shall be unable to achieve the promise the Government have given. I regret I cannot agree to the amendment moved by the Leader of the Opposition.

Hon. A. McCallum: The first stand the Attorney General takes is that because the Premiers' Conference has done something, we must submit, and that this Committee dare not question, much less attempt to amend, the measure. If that is his attitude, if he holds that a body of men sitting in Melbourne can deprive this Parliament of its sovereign rights, it is a very weak argument indeed.

Mr. H. W. Mann: A good argument for secession.

Mr. Panton: For unification, not secession.

Hon. A. McCallum: The Attorney General said this Bill was not to be questioned by this Parliament. Then what is the Bill here for? His whole attitude is that the decisions arrived at in Melbourne have to be accepted by this Parliament.

The Attorney General: No.

Hon. A. McCallum: That is the Minister's statement, his whole case. The conference undertook to save 6½ millions by the conversion; but if that conversion does not take place for another six weeks, how is the 6½ millions to be saved?

The Attorney General: It cannot be done.

Hon. A. McCallum: Yet the hon. member is afraid that the workers might put a few shillings in their pockets. The Attorney General in his opening remarks talked about equality of sacrifice. He said we all had to contribute. Well, why cannot all contribute from the same date? The bondholders have to accept a lower interest from a certain date, three weeks after the Bill becomes law. There the date is fixed and there is no difficulty. I can forgive a sinner if he repents, but the Attorney General shows no repentance for a remarkable change of attitude.

I want to remind him of some of his own statements when this principle was being discussed in relation to the power of the Arbitration Court to make an award retrospective. This is what the hon. member said on the 11th September, 1924, as reported on page 751 of "Hansard"—

The next provision that appears to me to be wrong—there are two of them—confers on the court the power to make retrospective awards. In the first place, such awards must inevitably be one-sided. If the award means an increase of wages, of course the employee will recover it from the employer. But suppose the almost unimaginable thing happens, and there be a reduction of wages: where does the employer come in? Of course he does not come in at all. So, the first objection to retrospective awards is their one-sidedness. The next point is this: in a manufacturing business, contracts for the delivery of goods are made sometimes up to a year or more ahead, and they have to be made on the basis of a certain price. The contractors have fixed the price, and have been delivering goods for some time at that price. Then, suddenly, out comes the retrospective award, and not only all the profit the contractors made by fixing the price for a year or more is gone, but the contractors may be involved in a huge loss. That is unjust and will put us in a difficult position when we come to compete with manufacturers abroad.

Every argument the hon. member then used can now be applied to the wage-earner and the housewife, both of whom have entered into domestic obligations and contracted ahead. The wife has contracted for the responsibilities of the home, but she has now to refund that money to the Government, no matter if her husband is working only quarter time. And the Premier on that occasion spoke very strongly against the principle of retrospection, notwithstanding which we have it here applied in all its force. The Attorney General has not attempted to answer the point that this measure ought to begin from the same date as the conversion begins. The Government boasted before the Melbourne Conference that this State had already saved 20 per cent. According to Professor Copland's statement at that conference, the 20 per cent. was achieved as the result of sacking men. Still, he said the Government of Western Australia had practically achieved a saving of 20 per cent. If that was correct, why is this Bill necessary? And in any event, why should it be made to date back to the early part of this month? Only the day before yesterday the Premier in reply-

ing to Professor Copland, said we had already saved our 20 per cent. and so could not afford extra taxation. If the economies have been effected, where is the trouble about balancing at the end of the year? We have the King of Deficits in office now, the man who was going to show everyone else how to balance Budgets. Why is it necessary to date back this Bill in order to get an extra £10,000 a week out of the employees of the Government? If all sections of the community are to be asked to contribute on the level, the point taken by the member for Geraldton is unanswerable. Let us declare that the reduction shall take place three weeks from to-morrow, and apply equally to the drawers of interest and the earners of salary and income.

Mr. KENNEALLY: The Attorney General ought to have sufficient data now to enable him to make up his mind when to bring this measure into operation. No matter what deductions may be made, it should take effect on the same day for wage and salary earners as for those who draw their reduced interest. If the reduction dates back, numbers of people who have committed themselves financially in certain directions, will find the position most awkward. They may indeed have to lose their life savings in the effort to redeem their positions. If the wages of the workers are to be reduced and interest rates are also to come down, the sacrifice should be made at the same time for all.

Mr. MILLINGTON: We understand from the Attorney General that the conspiracy, which was entered into by the Premiers in conference, left each State with a certain amount of discretionary power. Here indeed is a case in which discretion should be exercised.

Hon. J. C. Willcock: With justice.

Mr. MILLINGTON: The Attorney General admits that the measure is revolutionary in character, and does away with his preconceived ideas of the sanctity of agreement. I remember when I sat in another place they had a phrase "the sanctity of mortgage bonds" which they were constantly using. I do not know what they will say to this Bill. One would have thought the Attorney General would have gone through the procedure of getting Parliament to pass this Bill before attempting to put it into effect. Whilst he has not desired to repudiate the arrangement made with the Pre-

miers' Conference, he does not seem to mind repudiating other things. The 1st July has been fixed as the date from which this repudiation shall take place, but the Attorney General has agreed to go as far as the 9th July. Owing to the difficulty of ascertaining the feelings of bondholders, it has been decided first of all to pluck the wage and salary earners. If the bondholders do not agree to this conversion, this will not be a plan, but a confidence trick. There is a prospect that the bondholders will not carry out their part of the deal. What, then, will the wage and salary earners feel if they have been deprived of part of their earnings? We all know that these reductions will not enable Governments to make ends meet, and there will therefore be further Premiers' Conferences and further compacts before the finances of Australia are rehabilitated. Tremendous hardships will be suffered by those on the lower rungs of the ladder. To ask them to refund something that has been paid away will have a most disquieting effect. This legislation is obnoxious and must be avoided. Another place has a rooted objection to the principle of retrospective legislation.

Mr. CORBOY: Do you think their objection applies to reducing wages?

Mr. MILLINGTON: I cannot say, but I know they are very definite on retrospective legislation. Instead of permitting them to give us a snub we should knock the proposal into shape here.

Mr. CORBOY: A more extraordinary attitude than that of the Attorney General is that of the Prime Minister, who has asked us to push this Bill through as rapidly as possible, because the bondholders require to know what has been done before they decide upon conversion. In other words the workers are to be cut 20 per cent. before the bondholders will say whether they will convert or not. It seems to me the Government are seizing on this opportunity to make the conditions for the workers as harsh as possible. It shows that the Government have no consideration whatever for the wage earners of this country. The Government are left with some discretion in this matter because the legislative needs of the State and the Commonwealth vary widely. In no other State is any attack being on those below the basic wage. How can the Government justify the dating back of legislation of this sort against men on £200 per annum and at the same

time tell us they cannot ask bondholders to agree to a reduction of interest until such time as they have compelled the worker to accept a 20 per cent. cut? The sole anxiety of the Government is to bind down the workers.

Amendment (to strike out all the words from "proclamation" to "the" in the fourth line) put and a division taken with the following result:—

Ayes	..	..	..	21
Noes	..	..	..	21
				—
A Tie	..	..	..	0
				—

AYES.

Mr. Collier	Mr. Pantou
Mr. Corboy	Mr. Raphael
Mr. Coverley	Mr. Sleeman
Mr. Cunningham	Mr. J. H. Smith
Mr. Hegney	Mr. Troy
Mr. Johnson	Mr. Walker
Mr. Kenacally	Mr. Wansbrough
Mr. Marshall	Mr. Willcock
Mr. McCallum	Mr. Withers
Mr. Millington	Mr. Wilson
Mr. Munie	

(Teller.)

NOES.

Mr. Angelo	Mr. J. I. Mann
Mr. Barnard	Mr. McLarty
Mr. Brown	Sir James Mitchell
Mr. Davy	Mr. Parker
Mr. Doney	Mr. Piesse
Mr. Ferguson	Mr. Sampson
Mr. Griffiths	Mr. J. M. Smith
Mr. Keenan	Mr. Thorn
Mr. Latham	Mr. Wells
Mr. Lindsay	Mr. North
Mr. H. W. Mann	

(Teller.)

PAIRS.

AYES.	NOES.
Mr. Lamond	Mr. Scaddan
Miss Holman	Mr. Teesdale

The CHAIRMAN: I give my casting vote for the Noes.

Amendment thus negatived.

The ATTORNEY GENERAL: I move an amendment—

That the word "first" be struck out with a view to inserting "ninth" in lieu.

Amendment put and passed.

The ATTORNEY GENERAL: I move an amendment—

That "ninth" be inserted in lieu of the word struck out.

Hon. J. C. WILLCOCK: I wish to move an amendment to insert "the date when the reduced interest under the Commonwealth Debt Conversion Act takes effect." If the Attorney General's amendment is carried, shall I have an opportunity to move mine?

The Attorney General: If it is defeated, you will.

Mr. Corboy: Perhaps the Attorney General would withdraw his amendment and allow the member for Geraldton to move his.

The ATTORNEY GENERAL: I take it that no other amendment can be moved until mine is disposed of, but it could be argued that another word would be more suitable and the hon. member could debate whether the formula would be better than mine.

The CHAIRMAN: The trouble is that the two amendments are so dissimilar. I will take the Attorney General's amendment and will allow discussion on the suggested amendment by the member for Geraldton.

Hon. J. C. WILLCOCK: I desire to ensure that the sacrifice for all shall begin on the same date. My proposal is so manifestly fair that it should be accepted by the Government.

Hon. S. W. MUNSIE: I hope the suggested amendment will be agreed to. The Prime Minister has asked the Government to expedite the passage of the Bill. The report of the Premiers' Conference proceedings shows that Mr. Lang signed the Plan with the condition that he would not reduce wages until he knew whether bondholders would convert. He was given that permission by the rest of the Premiers.

The Attorney General: He was not given it; he took it.

Hon. S. W. MUNSIE: Anyhow, Mr. Lang is not going to reduce wages until he knows whether the bondholders will convert.

The Attorney General: I do not think he is going to do anything.

Hon. S. W. MUNSIE: I think the desire for expediting this measure arises from a fear on the part of bondholders that, if they convert, the other reductions will not be made. Conversely, might not we fear that if we agree to these reductions, the bondholders will not convert? To make the Bill retrospective would affect the finances of the State, but would not affect the Plan. Why treat the wage-earners differently from the bondholders?

Hon. P. COLLIER: I believe the conversion will prove an immense success. If a considerable number of bondholders fail to convert, I do not think they will escape their share of the scheme of economy. I am satisfied that at least they will not escape their share of contribution to the rehabilitation

Plan. It is, however, entirely reasonable to ask that the application of the Plan to those who will contribute by way of reduced wages and salaries shall not ante-date its application to the bondholders. In refraining from fixing a specific date in the Bill, we do not leave the whole thing in the air. We know with tolerable certainty when the Bill will apply, because the Commonwealth Parliament provides that its measure shall operate three weeks after it becomes law. The Commonwealth measure will be assented to immediately it passes the Senate, in view of the Federal Government's anxiety to hurry on this legislation. In three weeks' time, therefore, bondholders will have an opportunity of converting. I hope the Committee will refuse to insert the word "ninth" and will insert the word suggested by the member for Geraldton.

Hon. J. CUNNINGHAM: We should have further information from the Attorney General concerning the application of his proposal. We have heard a great deal from him as to a 20 per cent. cut in salaries. Does the Minister for Forests intend to carry on the State Sawmills with an output reduced by 20 per cent. after the proclamation of this Bill? The same Minister controls the State Brickworks. If the Bill becomes operative, there will be a 20 per cent. cut in the wages and salaries of those employed at the works. Will the Minister arrange for a corresponding reduction in the price of bricks? Do the Government intend to make the sacrifice equal, so that people out-back may secure the advantage of a 20 per cent. cut in railway freights consequent upon the 20 per cent. cut in railway wages? If not, how can we deal honestly and justly with the people struggling for a living out-back? When we were on the crest of land values, the very limit was reached in the price fixed for conditional purchase land. The Minister for Lands should announce that he is prepared, as a result of the outcome of the Plan, to bring about a reduction of not less than 20 per cent. in the price of conditional purchase land.

The CHAIRMAN: I am afraid the hon. member is getting rather beyond the limits of the amendment.

Hon. J. CUNNINGHAM: No, Sir. I am dealing with the question whether the Bill should be proclaimed on the 9th or the 20th July. But we are getting no information from Ministers on the points I have men-

tioned. I wish to hear from the Ministers concerned that they are prepared to make the necessary adjustments, so that the people dependent upon the activities in question may know where they will stand after the proclamation of the Bill. The Minister for Lands is worried about the reduction in the price of conditional purchase land.

The CHAIRMAN: Order! We are not discussing the price of conditional purchase land.

Hon. J. CUNNINGHAM: It will assist me greatly if I can obtain from Ministers the assurances that I desire. I support the suggestion of the member for Geraldton.

Mr. RAPHAEL: I also support the suggestion. When Ministers are prepared to give anything to the workers one becomes suspicious, seeing how the Government have hounded the workers down during the past 12 months. There is not a ghost of a chance of such concessions being accepted by the gentlemen above. We have been told, time and again, that they will not in any circumstances accept retrospective legislation. Here is retrospective legislation with regard to girls working in hospitals and earning 7s. a week besides board and lodging. Under the Bill as it stands, those girls will have to pay the Government so much per week in return for the honour and glory of working for the State. Ministers always tell us to wait a little. At the Premiers' Conference every opportunity was taken to attack the workers' interests, and now we have the spectacle of the Attorney General laying the blame at the doors of Labour Governments. He has told us of the attitude adopted by the Premier of South Australia who had the foresight to see what was before Australia. He gave him credit for what he had done. The Premier grasped every opportunity to assist the bondholders. During the conference proceedings when it was suggested that it was a terrible thing that the workers should be asked to make further sacrifices, the Premier said, "Yes, it is a terrible thing for the bondholders." There was no kindly word for the workers. One can respect a man like Mr. Lang who has attempted to keep his pre-election promises, unlike our own Government. There would not be so much objection to the clause if it were not for its retrospective application. It should date as from the time the Act is proclaimed and not from the 9th July.

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

Ayes	..	..	..	23
Noes	..	..	..	21

Majority for .. 2

AYES.

Mr. Angelo	Mr. McLarty
Mr. Barnard	Sir James Mitchell
Mr. Brown	Mr. Parker
Mr. Davy	Mr. Patrick
Mr. Doney	Mr. Plesse
Mr. Ferguson	Mr. Sampson
Mr. Griffiths	Mr. Scaddan
Mr. Keenan	Mr. J. M. Smith
Mr. Latham	Mr. Thorn
Mr. Lindsay	Mr. Wells
Mr. H. W. Mann	Mr. North
Mr. J. I. Mann	

(Teller.)

NOES.

Mr. Collier	Mr. Panton
Mr. Corboy	Mr. Raphael
Mr. Coverley	Mr. Sleeman
Mr. Cunningham	Mr. J. H. Smith
Mr. Hegney	Mr. Troy
Mr. Johnson	Mr. Walker
Mr. Kenneally	Mr. Wansbrough
Mr. Marshall	Mr. Willcock
Mr. McCallum	Mr. Withers
Mr. Millington	Mr. Wilson
Mr. Munsie	

(Teller.)

PAIR.

AYE.	NO.
Mr. Teesdale	Mr. Lamond

Amendment thus passed.

Clause, as amended, agreed to.

Clause 3—Acts repealed:

The ATTORNEY GENERAL: If the clause remains, the Salaries Tax Act and the Parliamentary Allowances Amendment Act will be repealed, but we require them to operate until the Bill becomes effective. I move an amendment—

That after "repealed" in line 2 the words "as from the 9th day of July, 1931" be inserted.

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

Clause 4—agreed to.

Clause 5—Interpretation:

Mr. PANTON: I move an amendment—

That after "1919-1931" at the end of the interpretation of "Grant," the words, "or any payment authorised by the Hospital Fund Act, 1930, to be made out of the Hospital Fund" be inserted.

I would like to know how far the Treasurer proposes to take advantage of the definition of "Grant." I would cite the position of the Institute for the Blind and the Braille Society who secure, on a pound for

pound basis, a subsidy from the Government of about £2,100. I am particularly interested in those bodies and desire to know if the 20 per cent. reduction is to apply to them. The Plan will hit the unfortunate people concerned both ways. The Commonwealth Government propose to reduce invalid pensions by 2s. 6d. a week, and if a reduction of 20 per cent. is to be applied by the State Government to the grant, it will be almost impossible for the bodies to function. The 20 per cent. deduction will make it more difficult to secure donations upon which the subsidy is calculated. I am afraid the Premier will have to realise that if the deduction is applied to the institute and the society, the Government will have to take them over.

The Premier: It is not a statutory grant.

Mr. PANTON: No, but the definition clause provides power to the Government to reduce all grants.

The Attorney General: If the hon. member turns to the section of the Bill that deals with grants, he will see that it applies only to grants provided under any Act or regulations.

Mr. PANTON: I realise that, but if the Government have the right to levy a 20 per cent. deduction, they may do so.

The Attorney General: We have that right already.

Mr. PANTON: That is so, and I want to know if the Government intend to exercise that right if the Bill be agreed to. The Premier will find it difficult to differentiate between various subsidies and grants. If the subsidy is reduced in this instance, the position of the institution will be hopeless.

The Premier: This will not affect the position.

Mr. PANTON: I presume I will have to be content with that, and wait till later on. We have in this State a hospital tax fund, which is a special tax for a special purpose. The money collected goes into a fund for the purpose of financing hospitals.

The Minister for Health: And is used exclusively for that purpose.

Mr. PANTON: I want to be sure that under the Bill there will be no reduction in that fund. If the Minister is certain the fund will still be used exclusively for the hospitals, he will agree to my amendment.

The Minister for Health: It is unnecessary.

Mr. PANTON: It is never unnecessary to protect funds from a Treasurer who may be in want of money.

The Minister for Health: Under the Act he could not possibly get at that fund, even if he wanted to.

Mr. PANTON: If the money paid by the people of this State for the financing of hospitals is to be used purely for that purpose, then the Government have no right to interfere with the wages paid at hospitals so long as there is sufficient in that fund to finance the hospitals. The Bill should in no way affect a special tax collected for a special purpose. The whole of this Plan is to reduce governmental expenditure by 20 per cent. But this is not governmental expenditure.

The Attorney General: I agree.

Mr. PANTON: Then you will agree to the amendment?

The Attorney General: No. The Bill does not touch the hospital fund, which is a trust fund.

Mr. PANTON: Have we any guarantee that we shall not get from the Health Department an intimation that the management of hospitals will have to reduce salaries?

The Attorney General: No, it will be left entirely to you.

Mr. PANTON: I want to be sure it will be left to me and the other members of the Perth Hospital Board, and I am trying to secure that by having the amendment inserted. If we are asked to make an 18 per cent. reduction in the wages of the nurses of the Perth Hospital, it will leave a first-year nurse with 3s. 7d. per week. Now is the time for the member for Perth, who at election period is the biggest advocate of all for the nurses, to come forward and do something for them.

Mr. H. W. Mann: You look after them yourself.

Mr. PANTON: I am looking after them now, not at election time.

Mr. H. W. Mann: You will not bounce me.

Mr. PANTON: Despite what the Attorney General may say, the Health Department has made up its mind that the employees of the Perth hospital are to suffer a reduction of 20 per cent. It may be asked why should they not. My answer is, because the people of the State have agreed to pay a special tax for the maintenance of the hospital. A nurse in her first year receives

a wage of 10s. per week, for which she works 52 hours. Then she gets board and lodging, which is estimated at £1 5s. 9d., or £1 15s. 9d. per week in all. If we subject this to a reduction of 18 per cent., it has to come out of the 10s. which is paid her, and so it leaves her with 3s. 7d. per week. I challenge the member for Perth to vote against this amendment and then come out at the next election and advocate improved wages and conditions for the nurses. Dr. Stow, the Parliamentary Draftsman, who drew up this amendment for me, is quite satisfied that the hospital fund comes under the Bill.

The Attorney General: Did he express that opinion to you?

Mr. PANTON: Yes. He said there was no shadow of doubt that the fund came within the scope of the Bill.

The ATTORNEY GENERAL: I am surprised to hear that any lawyer thinks this expression "grant" covers a sum of money paid to the hospitals out of the hospital fund. I suggest to the hon. member that I take an opportunity to see Dr. Stow, and if after discussion with me he is of opinion that the amendment is necessary, we can deal with it at a later stage. The moneys paid out of the hospital tax must be regarded as a trust fund, and can be paid out only in accordance with the Act. If reductions were made, I do not see what would happen to the balance. It would be quite wrong that the 20 per cent. should be taken into Consolidated Revenue.

Mr. Kenneally: Can the hon. member explain the definition "provided for by any Act of Parliament"?

The ATTORNEY GENERAL: Yes, it means payable out of the public moneys of the State.

Mr. Panton: The hospital fund is public money.

The ATTORNEY GENERAL: I do not think so.

Hon. S. W. MUNSIE: Perhaps one of the two legal gentlemen opposite can tell me why the Parliamentary Draftsman saw fit to include the paragraph at all, if the amendment be not necessary. The Attorney General says the hospital fund is not public money.

The Premier: No, it does not come out of general revenue.

Hon. S. W. MUNSIE: The paragraph reads—

The term does not include any payment made to a local authority under paragraph (c) of Subsection 2 of Section 13 of the Traffic Act, 1919-31.

That is legislation which was passed by this Parliament, giving the traffic fees to the local authorities. So those contributions are no more public money than is the hospital fund.

The Attorney General: I think you are right in that.

Hon. S. W. MUNSIE: If it is necessary to protect the local authorities from a reduction of 20 per cent. in the traffic fees they receive, then surely it is necessary to protect the hospital fund in the same way.

The Attorney General: I will promise that the hospital fund will not be interfered with under this measure. If the amendment is found to be necessary it will be inserted.

Hon. S. W. MUNSIE: I am prepared to accept that assurance.

The Attorney General: You made a good point when you called attention to those traffic fees. Let me look into it.

Hon. S. W. MUNSIE: The hon. member might look into this also: For a number of years the Perth Hospital has been receiving an annual subsidy of £37,500 from the Government. I should like to know whether the whole of that sum is coming out of the hospital fund.

The Minister for Health: Yes, every bit of it.

Hon. S. W. MUNSIE: If that is so, the Government have no right to interfere with any of the wages paid by the Perth Hospital Board to their employees. The Government have provided for £21,000 from Consolidated Revenue Fund.

The Minister for Health: Up to the 31st December.

Hon. S. W. MUNSIE: But there is £21,000 outside of that.

The Minister for Health: Provision is made for the Wooroloo Sanatorium, which is outside the hospital fund.

Hon. S. W. MUNSIE: If the hospital fund is not affected, the Government have no right to interfere with the wages paid to hospital employees.

The MINISTER FOR HEALTH: Section 3 of the Hospital Fund Act provides that all moneys belonging to the fund shall be paid into a special account at the Treas-

sury. Section 13 provides for the appropriation of the fund. We have never had enough money to provide for new buildings; the whole of the money has been used for maintenance. I cannot see any chance of there being a credit balance. The Treasury is not paying anything at present, except for the Woorloo Sanatorium, the Old Men's Home and the King Edward Memorial Hospital.

Hon. S. W. Munsie: Would you claim the right to make a reduction in hospital employees' wages?

The MINISTER FOR HEALTH: Quite likely we would.

Hon. S. W. Munsie: Then we want the amendment inserted.

The Attorney General: What you desire would not be achieved by the amendment.

Mr. PANTON: I am not worrying about a possible reduction of the fund. What I am worrying about is that, when this Bill becomes law, Panton, Mooney and his colleagues on the Perth Hospital Board will have to take the responsibility of reducing the wages of employees. Before I would be a party to reducing nurses to such a sweated wage—

The Minister for Health: I will undertake that you will not be asked to reduce the probationers to the rate to which you said they would be reduced.

Mr. Raphael: You will give them a shilling a week more.

Mr. PANTON: If the Minister proposes to bring hospital employees under the 18 per cent. reduction, I will not be a party to it. Much as I would regret relinquishing my position on the board, I would resign rather than consent to the reduction being applied to any one of the nurses. The Minister is after every pound of flesh and every pint of blood that he can sweat out of the workers.

The Minister for Health: You have no right to say that. You have been associated with the hospital board during the 18 months I have been in charge, and have you had reason to complain?

Mr. PANTON: I can only judge the Minister by what he proposes to do under this measure.

The Minister for Health: Judge by past experience! Do not work on your imagination too much!

Mr. PANTON: My trouble is that I have no imagination; I am too practical. I accept the Attorney General's assurance, but

I do not agree with him that the amendment will not accomplish what I desire. The amendment will do no harm and I hope the Committee will accept it.

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

Ayes	..	..	..	20
Noes	..	..	..	24

Majority against .. 4

AYES.

Mr. Collier	Mr. Munsie
Mr. Corboy	Mr. Panton
Mr. Coverley	Mr. Raphael
Mr. Cunningham	Mr. Sleeman
Mr. Hegney	Mr. Troy
Mr. Johnson	Mr. Walker
Mr. Kenneally	Mr. Wansbrough
Mr. Marshall	Mr. Wilcock
Mr. McCallum	Mr. Withers
Mr. Millington	Mr. Wilson

(Teller.)

NOES.

Mr. Angelo	Mr. McEarty
Mr. Barnard	Sir James Mitchell
Mr. Brown	Mr. Parker
Mr. Davy	Mr. Patrick
Mr. Doney	Mr. Piesse
Mr. Ferguson	Mr. Sampson
Mr. Griffiths	Mr. Scaddan
Mr. Keenan	Mr. J. H. Smith
Mr. Latham	Mr. J. M. Smith
Mr. Lindsay	Mr. Thorn
Mr. H. W. Mann	Mr. Wells
Mr. J. I. Mann	Mr. North

(Teller.)

Amendment thus negatived.

The ATTORNEY GENERAL: I move an amendment—

That after "property" in the definition of "mortgage," the words "or any interest therein" be inserted.

This extends the meaning of "mortgage."

Amendment put and passed.

The ATTORNEY GENERAL: I move an amendment—

That in paragraph (c) after the word "real" the words "or personal" be inserted.

Amendment put and passed.

The ATTORNEY GENERAL: When introducing the Bill which I referred to as being complementary to this. I explained why judges, Ministers, etc., were excluded from its operations. I forgot that provision would have to be made to protect the pensions of the judges, for instance, so that they might not suffer, not only a reduction in their salaries, but a cut in their subsequent pensions. We have put in a special provision to cover civil servants who may be about to retire on a pension, but I forgot to include the special people I was referring to.

Hon. P. Collier: This will apply to judges only.

The ATTORNEY GENERAL: The amendment I propose to move will apply to judges. I move an amendment—

That the paragraph reading "the term does not include any person holding any office mentioned in Schedule 1 of the Constitution Acts Amendment Act, 1899," be struck out and the following inserted in lieu:—"Wherever the term 'officer' is used in Part 2 of this Act, such term shall not include or apply to any person holding any office mentioned in Schedule 4 of the Constitution Acts Amendment Act, 1899, but otherwise the term shall include such person."

Hon. W. D. Johnson: I think we ought to see this amendment.

The ATTORNEY GENERAL: If members opposite really desire to study this amendment, I am prepared to report progress, but I should like to have made a little more headway. There is no catch about this.

Hon. J. C. Willcock: What effect will this have upon the salary of a judge?

The ATTORNEY GENERAL: But for this amendment a judge might have his salary as well as his pension cut.

Hon. W. D. Johnson: Civil servants are already protected against the double cut, are they?

The ATTORNEY GENERAL: Yes. All I want to do is to afford the same protection to judges.

Hon. A. McCallum: Who are included in the Second Schedule?

The ATTORNEY GENERAL: The Governor, his Private Secretary, the Clerk to Executive Council, Judges and Ministers.

Hon. P. COLLIER: I have no objection to the amendment if I understand it aright. I think the Bill provides that there shall not be a double cut in the case of civil servants, both as to their salary and their pensions, and that the amendment provides for a similar safeguard in the case of judges.

Amendment put and passed.

The ATTORNEY GENERAL: I move an amendment—

That the following be added to the definition of "Retiring allowance":—"The term shall not apply to a retiring allowance which had been granted and not paid in full before the commencement of this Act."

In certain cases, I am informed, retiring allowances have been fixed, and then, instead of being paid in a lump sum, have been paid out at so much per fortnight or

per month. The Public Service are fearful that the reduction might be made in instalments which have not yet been paid. It is not proper that those instalments should be subject to reduction. If the Treasury had had the funds, the amounts would have been paid out then and there; and that would have been the end of the matter.

Amendment put and passed.

Progress reported.

House adjourned at 10.19 p.m.

Legislative Council,

Wednesday, 22nd July, 1931.

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

LEAVE OF ABSENCE.

On motion by Hon. G. W. Miles, leave of absence for six consecutive sittings granted to Hon. J. J. Holmes (North) on the ground of urgent private business.

PERSONAL EXPLANATION.

Hon. C. B. Williams and the Labour Party.

Hon. C. B. WILLIAMS: I desire to make a personal explanation. The report of the speech I delivered on the Debt Conversion Agreement Bill that appears in the "West Australian" this morning, may leave a totally wrong impression of what I was endeavouring to convey. My only object in using the language I did was to definitely dissociate myself from the decisions of the