

# Legislative Council,

Wednesday, 7th August, 1935.

	PAGE
Committees for the Session ... ..	54
Address-in-reply, President to present Address ...	54
Bills: Constitution Acts Amendment Act, 1909	
Amendment, 1R. ... ..	54
Industrial Arbitration Act Amendment, as to	
leave to introduce ... ..	54
Supply (No. 1), £2,200,000, Standing Orders Sup-	
pension, 2R. ... ..	57

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

## COMMITTEES FOR THE SESSION.

On the motion by the Chief Secretary, Sessional Committees were appointed as follow:

*Standing Orders.*—The President, the Chief Secretary, Hon. J. Cornell, Hon. C. F. Baxter, and Hon. J. Nicholson.

*Library.*—The President, Hon. C. F. Baxter, and Hon. G. Fraser.

*Printing.*—The President, the Honorary Minister, and Hon. W. J. Mann.

*Joint House.*—The President, Hon. J. Cornell, Hon. E. H. Gray, Hon. V. Hamersley, and Hon. G. W. Miles.

## ADDRESS-IN-REPLY.

*President to Present Address.*

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [4.35]: I move, without notice:—

That the Address-in-reply, as agreed to by the Council on the 6th August, be presented to His Excellency the Lieutenant-Governor by the President and such members as may desire to accompany him.

Question put and passed.

## BILL—CONSTITUTION ACTS AMENDMENT ACT, 1899, AMENDMENT.

Introduced by the Chief Secretary, and read a first time.

## BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

*As to Leave to Introduce.*

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [4.38]: On behalf of the Honorary Minister, I move—

That leave be granted to introduce a Bill for an Act to amend Sections 6 and 21 of the Industrial Arbitration Act, 1912-1925.

**HON. J. J. HOLMES** (North) [4.40]: I rise to oppose the motion. I am not establishing a precedent in adopting this course. If my memory serves me correctly, when a Labour Government were in power and Mr. Colebatch was a member of this House, he successfully opposed a motion for leave to introduce a Bill. The House is quite within its rights in challenging the motion; otherwise the opportunity would not present itself for leave to introduce the Bill. On reference to the Notice Paper we can, fortunately, ascertain what the Bill proposes to do, and it is clearly set out that the object is to amend Sections 6 and 21 of the Act. Section 6 defines what societies may be registered, and Section 21 deals with amendments to rules of unions. I need only refer to recent happenings in the industrial world to justify me, in my opinion, in adopting my present attitude. In fact, I go further and say that I think it is impudence on the part of a Government who have set an Arbitration Court at defiance, and have helped to undermine the Arbitration Court itself, to ask this Chamber at the present early stage of the session, for leave to amend an Act they have set at defiance. If the object of the Bill were the repeal of the Arbitration Act, I would accept it with both hands, and would be a strong advocate in assisting the Government to pass the measure.

Hon. E. H. Gray: You would be sorry afterwards.

Hon. J. J. HOLMES: The Bill, so far as I can understand, gives special consideration to the Australian Workers' Union. If I understand the position correctly, it is that union that has been responsible for all the recent trouble on the goldfields. That union set out to conduct a ballot to determine whether its members would obey the Arbitration Court award or refuse to abide by its terms. The members of that union only participated in the ballot, and free labour was not given an opportunity to vote. The cost of that ballot, the object of which was to set the Arbitration Court at defiance, ran into some hundreds of pounds, and the amount involved has been paid by the taxpayers of the State. It was the A.W.U. that caused that trouble on the goldfields. It was the members of that organisation that set the Arbitration Court award at defiance, and the union and its followers said

they were in a position to defy the Arbitration Court. I do not know why they should defy the Arbitration Court unless, in their contention to that effect, they knew they had behind them the Government of the State. One of their members, in a jeering tone, when it was declared they could set the Arbitration Court at defiance, said "And won't the judge of the Arbitration Court like it!"

Hon. E. H. Gray: That was a member of your party.

Hon. J. J. HOLMES: No, a member of the hon. member's party. That is what the union did. What did the Government do? The Government are sworn to administer the laws of this country and see that they are carried out, but the Government aided and abetted the union in this matter. It is stated that the Government threatened the mining companies that if they did not come to heel, confiscation would follow. In that way the mine owners were also compelled to disobey the award of the court. When the mine owners accepted something other than the award of the court, they disobeyed the award of the court. It would be a simple matter to give reasons why the Government adopted that attitude, but to do so will not get us anywhere. The fact is that the Government adopted the wrong attitude, and having done so at that stage, they brought further difficulties on themselves and the country, and we now have another strike in progress on the goldfields and no attempt made to enforce the law. That there has been damage to the mining industry, and to the interests of the country, nobody can gainsay. So much was the impression of damage in the minds of the mining community in London, to whom we are looking for investments in the industry, that the Government found it necessary to send the Minister for Mines Home post haste to see whether he could rectify some of the damage that had been done. The cost of the Minister's trip abroad will have to be borne by the taxpayers of the State, and all because an award of the court has been defied. According to a Press report, the Minister for Mines, when questioned in London, said it was absurd to suggest that the Government were going to abolish the Arbitration Court, because the court was a tribunal of their own creation. While the Government are not proposing to abolish

the Arbitration Court, they have done what is worse: they have set at defiance the awards of the court. A London financial paper, dealing with this matter, said—

This heads-we-win-and-tails-you-lose Labour policy adds to the risk of ordinary mining risk, and it is advisable that investors should be aware of its existence.

The damage that has been done to the mining industry, which, owing to the increased price of gold, is certainly in a flourishing condition, is beyond my powers of deduction at all events. The damage must be very considerable indeed. If we admit this Bill, what will it amount to? We shall be asked to give further advantages to a union that has set the laws of the country at defiance. That is the very last thing we ought to do. The union ought to obey the laws of the land, and when they have accomplished that, we might set out to amend the Act, if amendment be necessary. The position is that the Arbitration Act, instead of being amended, ought to be repealed. The court, in my opinion, has no right to function if it cannot enforce its awards, or, if the Government of the country, instead of enforcing the awards, helps to set them at defiance. In such circumstances, I say, the court has no right to function. To ask us to amend the Arbitration Act is absurd. It is wasting the time of the House. Ministers, if they can read the writing on the wall, must know that there is little hope of securing an amendment of the Arbitration Act except by way of repealing it. A plain statement of fact was recently put to the Minister for Labour. I read the statement carefully; it was neither more nor less than a plain statement of fact. When a deputation went to him with that statement, its members were refused a hearing. The Minister said he took exception to the statement. He was asked to indicate his objection. He would not point out any objectionable clause because he could not do so. That is one side of the question. The other side is that one can pick up almost any paper any day and find reports of employers being prosecuted. They are being dragged before the court for trivial offences.

Hon. E. H. Gray: For beating men for their wages.

Hon. J. J. HOLMES: I said for trivial offences.

Hon. E. H. Gray: That is not a trivial offence.

Hon. J. J. HOLMES: It may or may not be. Employers can be prosecuted for trivial offences, but employees are allowed to go free, though guilty of offences of a very grave nature. After the trouble on the goldfields, there was trouble amongst the Collie miners. According to a Press statement, 144 Collie miners were fined £2 each for a breach of the law. As the fines were not paid in due course, the prosecuting company set out to secure judgment summonses to enforce the payment of the fines. When they went to the Court, they were advised by the Clerk of Courts, Collie, that he was under instructions from the Crown Law Department not to issue warrants. That is a nice position of affairs. A statement to that effect appeared in the Press on the 5th February last and I have seen no denial of it. Consequently, I must accept it as being correct. This points to the fact that the employer has to toe the mark and walk the straight and narrow path, while the employee can do as he likes. I could elaborate this subject at length, but I do not propose to do so. By the remarks I have made, I think I have shown sufficient justification to induce the House to refuse leave to introduce this Bill. I shall vote against the motion.

HON. J. CORNELL (South) [4.54]: I intended to offer a few remarks on the Address-in-reply debate but the motion has been disposed of. Therefore I claim the indulgence of the House briefly to deal with a few matters which appear to me to warrant inquiry. First of all I wish to refer to the mining industry. I think we may all congratulate ourselves that the price of gold is remaining almost stationary.

The PRESIDENT: I think the hon. member does not realise that the question before the House is that leave be granted to introduce a Bill for an Act to amend Sections 6 and 21 of the Industrial Arbitration Act, 1912-25.

Hon. J. CORNELL: I was under the impression that the Supply Bill was being discussed.

The PRESIDENT: I thought that was the hon. member's impression.

Hon. J. CORNELL: However, I have a few remarks to offer on this motion. I

understand that a Bill is to be introduced to amend the Arbitration Act.

Hon. J. J. Holmes: Provided the permission of the House is granted.

Hon. J. CORNELL: Yes. I understand also that the Government contemplate introducing a Bill to give legal status to a union that is out of court, and that that would form part of a Bill to amend the Arbitration Act. Members are more or less at a loss to know what the Bill will contain, but I consider that an amendment of the Arbitration Act is necessary. The Amalgamated Engineering Union, which has been registered on the goldfields for some 26 years, has been ruled out as an unregistered union because of a mass of technicality. When the recent award was being considered, the union was brushed aside by legal technicality. Then it was thought that the union would be able to get into the court subsequent to the general award being delivered, but a further technicality was raised and the court practically squashed the union entirely. After 26 years of registration the Amalgamated Engineering Union of the Eastern Goldfields is declared an unregistered union, because of some technicality and fault on the part of the registering authority. I have been given to understand, not by the Government but by members of the union, that in order to overcome a mass of verbiage and technicality, a Bill would be introduced asking Parliament to restore the union to the status that had never been questioned for 26 years.

Hon. J. J. Holmes: What is the good of giving it to the union if members will not obey the awards when they have got registration?

Hon. J. CORNELL: I shall not discuss the foundry trouble. All I desire to say is that one of the main contributing causes of that trouble is the unfortunate position in which the Amalgamated Engineering Union has been placed.

Hon. J. Nicholson: Is this Bill intended to amend that feature?

Hon. J. CORNELL: Until I know what the Bill contains, I shall support its introduction. I think members are bound to support the introduction of the measure. We shall certainly bring down the wrath of the heavens on our heads if we reject a Bill without being aware of its contents. To do so would be very injudicious. So far as the

Bill may seek to rectify the difficulty I have mentioned, I would support the measure. I was given to understand that the Bill was to be opposed at the opening stage, and I say from my knowledge of this institution of which I have been a member for so long, I did not think it would put up any serious objection to indemnifying a Labour union or restoring legislation which we have had for 26 years, provided of course that that was the object of the Bill. I intend to support the introduction of the Bill, and I wish to add that as far as the members of the union are concerned I have had contact with them for many years and amongst them I have never found any Bolsheviks.

On motion by Chief Secretary, debate adjourned.

### **BILL—SUPPLY (No. 1) £2,200,000.**

#### *Standing Orders Suspension.*

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central): I move—

That so much of the Standing Orders be suspended as is necessary to enable the Supply Bill to pass through all stages at one sitting.

Members will realise the necessity for passing the Bill as speedily as possible. Authorisation for expenditure has already been exhausted, and we are now in August. I realise that some members were absent yesterday, and did not have an opportunity to speak on the motion for the adoption of the Address-in-reply. They may wish to discuss various matters. My object in moving for the suspension of the Standing Orders is that when the second reading of the Bill has been passed and the Committee stage completed, we can finalise the consideration of the measure as soon may be. I should like that work to be completed by to-morrow night, if possible.

Question put and passed.

#### *Second Reading.*

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [5.5] in moving the second reading said: This is the usual Supply Bill presented at this time of the year. Its object is to enable the Government to finance operations until the passing of the Estimates. They will be presented with the Budget as early as possible. The Supply

Bill is for three months, the same as was granted last year. This provision obviates the necessity for a further Bill in two or three weeks time. The amount of Supply asked for is £2,200,000 made up as follows:

		£
Expenditure on Consolidated		
Revenue Fund .. ..	1,300,000	
General Loan Fund .. ..	600,000	
Treasurer's Advance .. ..	300,000	
		<hr/>
		£2,200,000

The amount of £1,300,000, it is anticipated, will be spent as follows:—July, £450,000; August, £430,000; September, £420,000. This expenditure does not cover amounts under Special Acts such as interest. It is estimated that the General Loan Fund expenditure will be approximately £200,000 per month. Treasurer's Advance represents expenditure which cannot be charged against either Consolidated Revenue or General Loan Fund. The estimated deficit for 1934/35 was £644,452. The actual deficit was £167,095, thus showing an improvement on the estimate of £477,357. The estimated expenditure was £9,491,059, and the actual total expenditure was £9,498,525, a small excess on the estimate of £7,466. The estimated revenue was £8,846,607; the actual revenue was £9,331,430, an increase of £484,823.

The improvement in revenue is accounted for as follows:

		£
Increase in taxation .. ..	260,436	
Increase in Territorial .. ..	63,241	
Increase in Public Utilities .. ..	344,252	
		<hr/>
		£667,929
Less decrease in other revenue .. ..	183,106	
		<hr/>
Net increase .. ..	£484,823	

The shortage in other revenue was mainly accounted for by less interest being received from the Agricultural Bank. The Loan Council has approved of the following Loan funds to this State for 1935/36:

		£
Gross .. ..	2,680,000	
Less loan repayments .. ..	80,000	
		<hr/>
Net for works .. ..	2,600,000	
For deficits .. ..	260,000	
		<hr/>
		£2,860,000

The provision of this money is contingent on the necessary loans being floated. Of the Commonwealth June Loan of £12,500,000 floated at 3½ per cent., due 1949, at £99 10s., this State's proportion is approximately £1,326,110. Up to the present, £1,270,000 has been received. Of the amount received, £130,000 was in cash and of the balance £1,080,000 has been applied to the temporary redemption of Bills, and £60,000 to permanent funding of Bills. A further loan will be floated during the financial year, and if successful, sufficient funds will be provided to meet the State's loan programme, and to continue in employment all men now on Government relief works. I move—

That the Bill be now read a second time.

**HON. J. CORNELL** (South) [5.10]: As I indicated a few moments ago I had intended saying a few words on the Address-in-reply, but I will avail myself of the opportunity of referring to one or two matters on the Bill we are now discussing. Amongst other subjects I wish to deal with is the question of Supply in its application to the goldmining industry. As I have already said, it is pleasing to find that the price of gold has remained for some time more or less stationary, and I was glad to read your remarks, Mr. President, the other day, in the course of which you optimistically expressed the opinion that the price of gold would go still higher. I can recollect a few years ago your venturing a forecast that the price of gold would inevitably rise. I trust that again your prophecy will be correct, because gold at its present price will mean much to Western Australia. While on the subject of goldmining I could not help but smile to myself at Mr. Baxter's remarks last evening relating to the expenditure of loan funds and revenue funds. I do not think everyone has accurately measured the value the goldmining industry has been to Western Australia during the last five years. Had it not been for this industry I tremble at what would have happened to our vast State with its handful of people. Regarding the mines, it can be said that relatively a lot of them are now on a good wicket, but there are certain centres in which the mines can be put upon a workmanlike basis only by the provision of an adequate water supply. For some time there has been much controversy and

agitation regarding a water supply for the Dundas goldfield. You, Sir, know only too well that the bugbear of that district has been the water question. Never since its inception as a mining district can it be said that it has had an adequate water supply. It has been shown beyond a shadow of doubt that not even with a downpour and a run-off from the surface has it been possible to conserve anything like an adequate supply. There is only one way in which a supply can be obtained, and that is by an extension of the goldfields' water main through Widgiemooltha to Norseman. I understand that negotiations have been going on for a considerable time to bring this about, and that overtures were made to induce the Federal Government to find half the required amount of money if the State would find the other half. Subsequently it was proposed that a grant of £45,000 given by the Commonwealth to the State could be used for the purpose and the balance to be provided by the mining companies. The position to-day is that one of the companies has recanted, and therefore that company will not put up any money. Thus a water supply for the Dundas goldfield is as far off as ever and water has to be conveyed from Salmon Gums to keep not only the mines going but the people as well. If there is one direction in which we might well advocate the expenditure of money which will mean the absorption of some of our unemployed, it is that of providing a water supply for the Dundas goldfield. Perhaps not many men would be employed in putting down the scheme, but when the scheme was completed and the mines got to work, many more men would be absorbed. In endeavouring to develop lodes, the Western Mining Corporation has spent over £100,000 in the Norseman district, whereas other companies in the past have simply floated shows and taken the rake-off. I believe the Western Mining Corporation have decided to take over the Phoenix, although no shares have been offered to the public yet. Unless something is done to increase the water supply at Norseman, I think we can wipe it off the map. I was recently in Ravensthorpe at the Beryl group of mines, for which £350,000 has been subscribed. There to-day in mid-winter they are at their wits' end for domestic water. The same thing applies at Mt. Monger and at other places right through the Central Province. When one makes a retrospect

and finds what the Mines Water Supply Department did in the old days in providing local supplies, and when one then turns to what is being done to-day, he sees it is as nothing compared with what the State gave in the old days. It appears to me the powers to-day are prepared to give a water supply if those who want it will first put up the money. That is not the way to encourage mining, yet we are spending thousands of pounds in taking mud out of the Swan River in order to give employment to a few men. At Palmer's Find the water is going in, but I understand the Federal Government provided half the cost in order to absorb the unemployed. The position at Ora Banda is that the water supply is not adequate for future commitments. A big mining company which has taken over recently is finding the money to put in the necessary supply. That was not the policy of the past. On the other hand we have unemployed sent from the metropolitan area to the goldfields to earn their daily bread, with the result that many of the goldfields unemployed cannot get any work at all. The provision of water supplies should form part of the Government's policy for the absorption of the unemployed, and local men should be given preference. Another thing: Under the existing company laws the would-be investor is getting a very raw deal, and it is about time some of the company promoters got what the secession delegation got, namely a warning to get off the course. To-day there is absolutely no protection whatever for the general public, nothing is done to prevent them from being gulled and taken down. If the diamond drill is put in on a show and certain discoveries are made, they are cabled to London, but we here have no means of finding out whether or not the development is what it is claimed to be. Consequently the share market is up and down and nobody here can discover the true position. We have reached the stage where we ought to cry a halt and endeavour to regulate the development of our mining areas as is done in South Africa, in an attempt to confine it to a speculative investment and not allow it to be made a vast gamble. A mining company has promoted the Yellowdine leases, and unwittingly one of our Ministers accepted the position of chairman of directors. The result was that 17 options were taken, the company was formed, but not

one of the options was exercised. They had something like £32,000, but no mine. That is going on in other districts also. I know a company with no mine that hopped in and got dud leases at Yellowdine, floated them, but did not exercise the option. It is about time we gave the public a better deal in regard to gold mining than it has been getting. Also it is about time the question of reservations had a thorough overhauling. There is a reservation at Mt. Monger which has been held for three years and practically nothing done. The Mt. Monger district has not been noted for big lodes, but it has been noted for many rich leaders and there are quite a few men working there with good results, but a big slice of territory is held up by a mining company with superior interests elsewhere. There should be a period after which the reservation must lapse unless something tangible is done by the holders. Another phase of mining which needs close inquiry is the law relating to miners' industrial diseases. I have already stated here what I think ought to be done, and I am prepared to repeat that and say that now is the time to put our industrial diseases laws on a proper basis and a sound footing. I am satisfied that when the test comes, the legislation we are now working under will be found incapable of doing the work expected of it. Another regrettable phase which does not redound to the credit of the mining companies is the virtual impossibility of a man 45 years of age or over getting a laboratory ticket, or if he should succeed in that respect, the impossibility of his getting a job. What does that indicate? It indicates that men of that age or over are being kept out of the mining industry, and that men below that age are going to be brought into the industry. It has an economic conclusion, which is that the young man, being less liable to disease, is the sounder investment to employ than is an elderly man. But what is to become of the elderly man? The only elderly men who can get jobs in gold mining now are experienced machine men or timbering men. It was not always so, for to the credit of mine managers it must be said that all down the years they have given every consideration to the elderly men. However, that has now gone by the board and we have in official positions men who believe the mining industry is only for

the younger workers. Any old miner will tell you that mining is going to kill all miners eventually. If so, it is better to keep the young men out of the industry and leave it to the older men. Another remarkable feature of the industrial diseases legislation is that a successful applicant for relief under the old Act can draw a pension until the moment he dies, but after he is dead his friends or his relatives have to bury him. Surely that is a glaring anomaly. One of the last altercations I had with the late Mr. Scaddan was on that very point. If the State is prepared to take a man out of the mines and keep him during life, it is obviously the duty of the State to give him a send-off when he dies. At present, however, that man, if he is to be buried at all, has to be buried by his friends or relatives. Another regrettable feature of mining is the frightful increase in blasting accidents. A deputation recently waited on the Minister and recommended the adoption of certain appliances, such as electrical firing. An opinion generally held amongst the working miners is that a lot of those accidents are due to inexperience, to the employment of young men, and it is urged that blasting and firing should be left to experienced men. That is one of the legacies we are getting through the exclusion of the older miners. I have no remedy to suggest, for although I meet hundreds of working miners they themselves have no remedy for the minimising of blasting accidents. Now I wish to refer to some points raised by Mr. Holmes a few minutes ago. The question of the enforcement of industrial arbitration awards has been one of contention and controversy ever since the introduction of conciliation and arbitration, and so it will remain until the end. It must of necessity have shortcomings and contradictions. We want no better illustration of the shortcomings and contradictions that are inseparable from compulsory arbitration than what we see going on in the League of Nations concerning Italy and Abyssinia. Something similar has existed ever since man became articulate, or began to kill his fellows with a stone in his hand. I think it will go on to the end. Compulsory arbitration and industrial disputes are only a replica in miniature of the larger arguments and battles that are inseparably associated with mankind. I have no desire to condone

anything or disparage anyone. My considered opinion of the January trouble is that the award was unsatisfactory in quite a number of its features. The award gave practically nothing to the underground man in comparison with what it gave to the surface man. The breaking point, the 88-hour fortnight versus the 44-hour week, was not the actual cause of the cessation of work. A few enterprising gentlemen with red leanings got the men to strike on a side issue. I and others warned the men not to be side-tracked by side issues. They, however, resented getting practically nothing in comparison with what the surface men received. My opinion is that had the court left out the industry allowance, and reduced the underground men four hours a week, as the surface men were reduced four hours a week, the situation might have been saved. Most working men are fairly reasonable and would agree that they could not get an advantage both ways, that they could not have a reduction of hours and an increase in wages. But the court left the underground men where they were. I do not think the companies cared twopence, in most instances, whether Saturday work was cut out altogether or allowed to remain. The fact is the men were induced to strike on a side wind, at a time when they were resenting the larger issue. When they were out, they realised they had been brought out on a side issue. The trouble then was to get them back again. I neither condemn nor condone the method whereby they were got back to work. Something can be said in mitigation of the actions of both sides. It was a catastrophe for the State, and something that went on too long. Working men may express their opinions, either individually or collectively. When it comes to expressing an opinion in bulk, I think most men who have worked for their livelihood realise that there is often an aftermath of a strike. The main trouble, therefore, was to get the men back to work.

Hon. J. J. Holmes: Are you claiming that the court was not able to give a competent award?

Hon. J. CORNELL: The court is only human. The simplest method of giving satisfaction in an industry so intricate as that of mining, is to resort to the method employed in connection with the Colliery miners, namely an industrial board. The board consisted of a representative of the company who knew mining from A to Z, a

representative of the union, who also knew mining from A to Z, and the Industrial Registrar, Mr. Frank Walsh, as chairman, one of the greatest industrial authorities in the State. Those gentlemen worked out an award satisfactory to all concerned. I am not condemning the court. The court is not infallible. Whether it be a court of law or any other tribunal, the individual concerned is not going to accept a decision with the best of grace if he thinks he is getting a raw deal or is not getting a fair deal. My candid opinion is that the future of arbitration on the goldfields is a precarious one. That is the opinion of some of the oldest industrialists on the fields, men who are still arbitrationists, and who move amongst the working miners. Can anyone wonder that this change has occurred? I visit many towns on the goldfields. I have sat for an hour on a bench in one of those townships and have not known three of the men who have passed.

Hon. H. S. W. Parker: Have they not invited you in?

Hon. J. CORNELL: The miners are drawn from all parts of the Commonwealth. Some have come from Broken Hill, where they have the 35-hour week. In Broken Hill the miners have won lots of things for themselves without arbitration, and have won them by their own acts. We also have cane cutters from North Queensland engaged in the industry. Men are in it from all parts of Australia. There is one section of thought there that I venture to say is totally out of tune with the Labour Party in the metropolitan area.

Hon. J. J. Holmes: Out of tune with the Arbitration Court?

Hon. J. CORNELL: The Chief Secretary, who has recently visited the goldfields, will agree that there is a community there quite apart from Western Australia, people who are not too particular about their politics, either. The foundry trouble is the outcome of the January trouble. If anything, I am a little with the foundry man. He has a better case than the other fellow had, but is not getting the backing the other man had. The foundry worker is more or less an Ishmael or parasite. No one wants him at present, although he has the better case.

Hon. G. W. Miles: Why does he not go to the court and put up that case?

Hon. J. CORNELL: I think he was told if he went to the court he would not get what he asked for.

Hon. J. Nicholson: How does he know that before a decision is given?

Hon. J. CORNELL: The court seemed to hold the view that owing to the condition of the goldmining industry for many years, it was unable to provide any increases for the workers, and it intended to make up to them a little for that, and was prepared to give them an industry bonus of 2s. a day. We now find that the fitter who marshalls a job at the Kalgoorlie foundry and sends it to be erected at the mine, is at a disadvantage of 2s. per day compared with the man who is erecting the plant. That comes of making an award that cannot apply in a general way. Take the tram conductor and the motorman who convey the miners to work. They cannot get the industrial allowance. If the miner was not there to be taken to work, the motorman and the conductor would not be there. That is the real reason for the foundry trouble. It has been argued that the foundry has to compete with the Eastern States. We find, however, that the Lake View company, which makes a profit of £50,000 a month, is paying out on the award, and the Western Mining Corporation, which has spent £100,000 and has not yet got anything out of that expenditure has also to pay the same rates.

Hon. J. J. Holmes: Is that not in favour of abolishing the court?

Hon. J. CORNELL: I do not think the goldfields worker cares whether the court is abolished or not.

Hon. J. J. Holmes: He is a law unto himself.

Hon. J. CORNELL: He thinks he can get better conditions without the court. The foundrymen are almost unanimously of the opinion that if they went to the court they would not get the industry bonus. Of what use is it to go to the court if there is to be no outcome from the appeal?

Hon. J. J. Holmes: Of what use is it to maintain the court if the workers will not use it?

Hon. J. CORNELL: The other side have said they will accept no decision unless it comes through the court. Why do the mining companies say that? If the mining companies had stuck out for that, it would have been all right; but the mining companies did not stick out.



Hon. J. J. Holmes: Do you know why?

Hon. J. CORNELL: Why? Because they thought they were going to lose something. Evidently the powers behind the foundry do not care what they lose. I warned the foundry workers before they took the last step which was left to them to take, that they would get the backwash of the others and would probably be used to demonstrate over-*ea* that the Government could enforce the law. I warned them of that beforehand. I told them, "You may be used as monkeys to pull the chestnuts out of the fire." They replied, "We will stand up to that, but we are not going to work for less than is paid for similar classes of work performed on the Golden Mile." Let us go back a little, back to times prior to this trouble. I may say that I myself worked in the Kalgoorlie foundry for a considerable period. The basic wage then was 10s. per day on the mines and £3 10s. per week in the foundry. No foundry worker ever worked for the wages that the mines paid, until this award came along; and now the foundry workers are asked to work for less. I speak not at random, but of what I know. Moulders got more money; fitters and boiler-makers got more money; and now they are asked to work for considerably less than the mine employees are paid. So can we wonder at their endeavouring to resist?

Hon. G. W. Miles: Is not the mine worker's a more dangerous occupation so far as health is concerned?

Hon. J. CORNELL: No.

Hon. G. W. Miles: But you have always said so.

Hon. J. CORNELL: I have always maintained that the miners' phthisis regulations should not apply in the fitting shop.

Hon. G. W. Miles: Therefore the miner takes more risk, and should be paid more.

Hon. J. CORNELL: The miner is not getting more because of that aspect, but because of the price of gold.

Hon. G. W. Miles: And on account of the dangerous nature of his occupation.

Hon. J. CORNELL: The position now is that a foundry worker who is building a stack for the Kalgoorlie power house has to build it for two bob a day less than is paid to the fellow who works in a mine. What risk of miners' phthisis is involved in putting up a chimney stack? The foundry workers are not to be roundly condemned. Finally on this subject, I would ask hon.

members who have a long memory not to make that memory too convenient. When Governments of another political complexion were in power, men were out on strike for many weeks in Western Australia without being had up and fined. It is beside the question to say that if men were not had up and fined 15 years ago for doing something contrary to the Arbitration Act, men now infringing that Act should be had up and fined to-day. I ask hon. members to be fair all round. Since industrial arbitration became an accomplished fact in Western Australia, the State has had Governments of many complexions and there have been many phases of strikes, and practically no Government during the last 15 or 20 years has had a union up and fined for striking: they were all the same—Liberal, Country Party, Nationalist, and Labour Governments. Next, I wish to make a few remarks on the Agricultural Bank. The position with regard to that institution is, to say the least, distressing. Little did this House, and perhaps another place, think when passing the measure relating to the Agricultural Bank that a then client, and a considerable client of the Agricultural Bank a few weeks prior to appointment, would be appointed chairman of Commissioners. I do not think any member can have given that possibility a thought. Evidently the age of miracles is not past. However, I wish to point out that one of the first actions of the new Commissioners was to state publicly that they did not want members of Parliament interfering with them. I understand that the chairman of the Commissioners has declared that he did not say that. Still, that is the generally-received opinion. For my part, I know of no better helpmeets for the administration of the Agricultural Bank than country members of Parliament, not being Ministers. They have proved themselves in the past. They were the means of assisting the former trustees to rectify grave anomalies that had occurred in administration.

Hon. C. F. Baxter: But the chairman of the Commissioners receives members of Parliament now.

Hon. J. CORNELL: Recently there came under my notice an astounding case of a settler, a returned digger, who was established on a virgin block—one of the best farmers in the district—and who had ap-

plied for sustenance, with the result of receiving the reply "Refused. An incompetent farmer." Had the former trustees been still in office, I would have said to them, or to the general manager of that period, that a grave error had occurred; and the matter would have been rectified. What I wish to emphasise most of all is that, wittingly or unwittingly, the present authorities of the Bank are creating a most injurious effect by the sending around of that inventory to the clients of the institution. I do not say that I know of any case where the Commissioners have endeavoured to enforce their powers under Sections 51 and 52 of the Act; but at the back of the head of the average settler there is an idea that those powers might be applied to him. That is the case throughout the wheat belt. Can one marvel at the resultant lack of confidence? For the space of eight months a Royal Commission, which by no stretch of imagination could be considered qualified for its job, tore the bowels out of the then trustees. All that the Commission looked for, was something bad to say about the trustees. The Commission's report declared that the Bank must be put on a new basis, that the ship must be set on an even keel. Then Parliament passed an amending measure, which lay in abeyance for about three months. Thereupon the measure was proclaimed. Next, the Bank client is asked to furnish an inventory of everything he has. He is told that everything on his location belongs to the Bank, and that he cannot part with one iota of it except by permission of the Bank. I do not think that is the intention, but that is the effect, of the demand for that inventory. Can one wonder that the morale of the settler has broken down? As regards the province of which I am a representative, to me it is a marvel that one client there has remained on the land. Yet the man who has remained on the land is the chap we ought to encourage. Unwittingly, no doubt, the new powers that he have completely broken down his morale. He is losing heart. Having recently discussed the position with numbers of settlers, I venture the opinion that, taking the individuals by and large, I have not encountered such a condition of mind since the closing days of the war. One cannot wonder at it. At least, I cannot after five years of no return. In those circumstances the busi-

ness must become disheartening. Another aspect of the Commissioners' attitude to which I desire to draw attention is that, so far as my personal inquiries have gone, those gentlemen have got in every shilling of interest they possibly could. They have demanded their pound of flesh in every possible way. Every shilling of interest collected has been taken into Consolidated Revenue or applied to square the Budget. But now, when it comes to Commonwealth money and necessitous relief, fictitious claims are being put up to conform with the law and secure relief. Settlers are being pretty well told, "Don't state what you actually did with your bonus, because that may prevent you from getting necessitous relief." The wheat bonus granted by the Commonwealth Government is being used as a set-off whether or not a client can get necessitous relief to tide him over to the next harvest. Even in my own district, the Esperance district, where practically nobody is left, the same pound of flesh in the shape of interest is being demanded. There was one thing I did castigate the former trustees for—their declaration that they must draw a dividing line and that therefore any settler who had a motor car could not be considered in necessitous circumstances. I know of many people in town who are in necessitous circumstances because they have motor cars. If the settler takes the back seat out of his car and makes a runabout of the vehicle, he gets relief. I know of Agricultural Bank clients having old cars for which one would not give five bob who have not taken out the back seat and thrown fertiliser into the conveyance. They are regarded as not being in necessitous circumstances. In that respect the new Commissioners are continuing the policy of the old trustees. I recognise that impossibilities cannot be expected of the new Commissioners, but I do counsel them that in endeavouring to formulate a survey of the actual position of Agricultural Bank clients they should not kill the dinkum settler who has stopped on the land for the past five years.

Hon. G. W. Miles: The Commissioners want to keep out political influence.

Hon. J. CORNELL: I will not be hasty and condemn the new Commissioners, but I heard it said not long ago that if those gentlemen were modern Josephs they still

could not accomplish anything, simply because all confidence in their power to accomplish anything had vanished from the minds of Bank clients. Those clients have just about as much time for the new Commissioners as the troops in the Great War had for certain generals: that is to say, no time at all.

Hon. J. J. Holmes: Do not you think the political aspect has something to do with it?

Hon. J. CORNELL: Nothing whatever. The political aspect as regards the former administration of the Agricultural Bank amounted to just this: One of the wisest and most humane of the former administrators of the institution took successive Cabinets not at face value but at a wrong value, and when he was asked by a Cabinet to do certain things to which he and his fellow trustees were opposed, he bowed to Government policy and did what Ministers of the day wished him to do.

Hon. L. B. Bolton: And then got all the blame.

Hon. J. CORNELL: If he had acted other than in the manner he did and had matters reduced to writing, he would not have been so scarified by the Royal Commission. If he had asked that instruction and directions be in writing, they would have been placed on record. I claim that the most maligned man in this State has been the former General Manager and Managing Trustee of the Agricultural Bank, Mr. McLarty. His greatest failing was that he took the word of various persons and did not get them to put what they said to him in writing. Had he done so, Mr. McLarty would have been assessed at his true value by the Royal Commission. There are a few things I wish to say with regard to secession.

Hon. A. M. Clydesdale: I thought that was dead.

Hon. J. CORNELL: While you, Mr. President, were absent from the State, an implementing Bill was passed and, at the time, I was asked if I would vacate the Chair and say something on the floor of the House. I contented myself with making a public statement at the conclusion of the session, in which I intimated that I would remain inarticulate until I saw how the petition was dealt with. I am rather pleased to think that I was one of the few on the winning side. I thought at the time that when it came to a real show-down, the old crock

"Secession" would not be allowed to go to the barrier and, in fact, would not be allowed on the course. That is what happened in London. The old hack was not allowed to start.

Hon. J. J. Holmes: There was a good starting price for some.

Hon. A. M. Clydesdale: They got money both ways.

Hon. J. CORNELL: Now we see that this secession futility has cost the State in the vicinity of £5,500. We find that that great patriot who said he would not leave England until there was a successful issue to the secession petition, even though it meant that his beard would grow to reach the ground, has received £1,022.

Hon. G. W. Miles: He is on his way back.

Hon. J. CORNELL: Yes, and I presume he has drawn his Parliamentary salary as well. We also find that Mr. H. K. Watson, in addition to a similar amount, has received £1,709 in remuneration.

Hon. J. M. Macfarlane: He received £1,022 as a travelling allowance as well.

Hon. J. CORNELL: As far as I am aware, Mr. Watson does not belong to any recognised firm of accountants in this State, and I doubt if any such firm would have him. If members can suggest to me that what has been paid to Mr. Watson represents a fair remuneration, then I think there are a lot of well-known accountants whose mouths must have watered when they read the statement that appeared in the Press. When the Chief Secretary replies, I want him to indicate whether all the expense set out in the return has been incurred since the delegation left Western Australia, or whether Mr. Watson received any remuneration for preparing the "Case for Secession."

Hon. L. B. Bolton: I should think he would be paid something for preparing the Case, too.

Hon. J. CORNELL: We were told that it was prepared gratuitously. When we have regard to the fate of the secession petition, it must have been patent to anyone taking the slightest interest whatever in constitutional history and the development of the British Parliamentary institution, exactly what would happen. None who had ever spent a few moments in contemplation of the diplomatic powers of those in authority in the British Parliament could think that they would arrive at any but one in-

evitable conclusion. They would know that the British authorities had too much commonsense to interfere with what was purely a domestic, political squabble. I cannot understand why the Government did not deal with the subject in a totally different manner. They could have started out by asking the Judicial Committee of the House of Lords for guidance. The Government should have asked, assuming that Parliament consented and that the people, at a referendum, approved of secession, whether the British Parliament would consider a petition submitted with that objective. That course was not followed, however, and the delegation were sent forward, with the inevitable result that they did not secure their objective. Now they are bringing back the petitions, and I do not know what they have done with the caskets. It seems to me a most extraordinary thing that a man like Mr. Ferguson, the Deputy-Leader of the Opposition in the Legislative Assembly, could allow himself to indulge in such a statement as this—

He hoped that the State would not relax its efforts to secede from the Commonwealth. He regretted that the petition had been turned down—

The petition was not turned down—

—which prevented the case from being considered on its merits. He approved of the Premier's suggestion that Western Australia should co-operate with South Australia and Tasmania in an effort to secure more equitable treatment from the Commonwealth. The only way to secure progress and prosperity was for Western Australia to paddle her own canoe.

Members will see what a string of negatives there is in Mr. Ferguson's statements. One statement negatives the other. When Mr. Ferguson proceeded to deal with the export of 147,000 lambs from Western Australia last year, I presume he dealt with the meat contract. He seemed to overlook the fact that it took the full authority of, and arduous labour on the part of the biggest delegation that has ever left Australia, to get any consideration for the growers of the Commonwealth. Mr. Ferguson also said—

It would be a catastrophe if any constitutional difficulty arose in the way of beneficial marketing legislation. While I am adverse to conceding any further powers to the Commonwealth, I feel that it is necessary, at any price, to maintain the benefits which have been received, for it would be ruinous to return to chaos under the haphazard marketing methods of days gone by. A general Bill is required to give the producers control, and I

would include in it every commodity which producers wanted brought into it.

In one breath he says that the only hope of progress and prosperity for Western Australia is to be found in the secession movement, and in the next breath he says that we cannot possibly keep up our exports unless we fall into line with the Commonwealth and have the full advantage of the influence and weight of the Commonwealth. When will logic enter into the heads of some of our legislators? At any rate, I think we should drop this question of secession altogether and fight out our difficulties in a proper manner.

Hon. G. W. Miles: Where did Mr. Ferguson say all that?

Hon. J. CORNELL: I do not know exactly where Mr. Ferguson made the speech, but I know I read the report of his remarks. I would point out to those misguided individuals who were told by eight King's Counsel that secession was a certainty, that they forgot to read the restrictions. The opinion of those eight learned King's Counsel contained a reservation that their remarks were subject to the approval of someone or other in the Eastern States. Now that we have been definitely turned down on the question of secession, we are thrown back on our own resources. We should return to the only sane method of dealing with our difficulties.

Hon. L. B. Bolton: Do you not think that all this has been of some benefit to the State?

Hon. J. CORNELL: It has certainly been of benefit to Mr. Watson and Mr. J. MacCallum Smith, M.L.A. They are the only two people who have benefited. I have ever held that this State has not had a raw deal from the Federal Government. We have had as good, if not a better, deal from the Commonwealth than other States.

Hon. A. M. Clydesdale: That statement can be queried.

Hon. J. CORNELL: People who say the Commonwealth has not given us a fair deal merely content themselves with viewing one side of the problem. They have no regard whatever for any other phase. Does Mr. Ferguson consider that had it not been for the united action taken by the Commonwealth delegation, Western Australia would have been able to export those 147,000 lambs last year? Of course, we could not have done so.

Hon. W. J. Mann: There are two lambs we should have got rid of.

Hon. J. CORNELL: I think they were the sheep, and we were the lambs.

Hon. W. J. Mann: Rather were we the goats.

Hon. J. CORNELL: The principal problems that confront the civilised world to-day relate to the finding of markets for surplus goods, and to the proper disposal of surplus population. If we consider our position for one moment, we must arrive at the conclusion that, bearing in mind our small population, there is no other country in the world that produces as much as Australia does, or exports so much per capita as she does. Our problem is not so much that of feeding our people, but what to do with our surplus products. We must market our surplus goods so that we can meet our commitments to other countries. What earthly chance would we have of coping with that situation if it were not for the assistance of the Commonwealth in various directions? None whatever. We can make progress only as a united whole. If Australia were broken up into six separate parts, she could not possibly cope with the present situation. However, I am prepared to let bygones be bygones, but should anyone desire to talk secession to me in future, I shall feel inclined to insult him.

On motion by Hon. J. J. Holmes, debate adjourned.

*House adjourned at 6.13 p.m.*

## Legislative Assembly,

*Wednesday, 7th August, 1935.*

	Page
Temporary Chairmen of Committees ... ..	66
Questions: Bulk handling; 1, Additional leases; 2, Cost of Royal Commission ... ..	66
Hospitals Tax ... ..	66
Committees for the Session ... ..	67
Leave of absence ... ..	67
Address-in-Reply, Third day ... ..	67

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

### TEMPORARY CHAIRMEN OF COMMITTEES.

The SPEAKER: I desire to announce that I have appointed Mr. Withers, Mr. Hegney and Mr. J. H. Smith to be temporary chairmen of committees for the session.

### QUESTIONS (2)—BULK HANDLING.

#### *Additional Leases.*

Mr. FOX asked the Minister for Railways, -Will he refrain from granting more leases to Co-operative Bulk Handling Ltd., until the House has had an opportunity to discuss the Royal Commission's report?

The MINISTER FOR RAILWAYS replied: This whole matter is receiving the active consideration of the Government.

#### *Cost of Royal Commission.*

Hon. P. D. Ferguson asked the Premier: 1, What was the cost to 30th June, 1935, of the Royal Commission on Bulk Handling? 2, What is the estimated total cost of the Commission?

The PREMIER replied: 1, £724 10s. 9d. 2, Approximately £900, exclusive of cost of printing report and evidence.

### QUESTION—HOSPITALS TAX

Mr. CUNNINGHAM asked the Minister representing the Minister for Health: 1, To what purpose is the present hospitals tax devoted? 2, What is the average annual expenditure on the Kalgoorlie Hospital? 3, What is the annual amount of hospitals tax collected in the Kalgoorlie-Boulder districts?