

the acre, but to-day it is a question of growing the right variety.

Progress reported.

BILL—CITY OF PERTH SUPERANNUATION FUND.

Returned from the Council without amendment.

House adjourned at 10.55 p.m.

1929-30—288 men, 230 wives, 299 children;
1930-31—352 men, 281 wives, 342 children;
1931-32—365 men, 303 wives, 351 children;
1932-33—346 men, 316 wives, 323 children;
1933-34—316 men, 317 wives, 280 children.
(Note.—Wives include widows.) 2, 1925-26, 11; 1926-27, 26; 1927-28, 30; 1928-29, 38; 1929-30, 47; 1930-31, 42; 1931-32, 45; 1932-33, 42; 1933-4, 24. 3, 1925-26—109 men, 62 wives, 94 children; 1926-27—93 men, 60 wives, 103 children; 1927-28—68 men, 28 wives, 28 children; 1928-29—35 men, 25 wives, 42 children; 1929-30—85 men, 57 wives, 71 children; 1930-31—106 men, 55 wives, 72 children; 1931-32—50 men, 27 wives, 39 children; 1932-33—24 men, 15 wives, 24 children; 1933-34—7 men, 5 wives, 5 children. 4, The number of additional men prohibited each year on account of tuberculous.

Legislative Council,

Wednesday, 14th November, 1934.

	PAGE
Question: Miners' Phthisis Act	1312
Bills: Land Tax and Income Tax, 1R.	1312
Gold Mining Profits Tax Assessment, Con.	1312
Timber Workers, 2R., defeated	1318
Road Districts Act Amendment (No. 2), further report	1320
Financial Emergency Act Amendment, 2R.	1320
Dried Fruits Act Continuance, 2R., Com. report	1327

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

QUESTION—MINERS' PHTHISIS ACT.

Hon. C. G. ELLIOTT asked the Chief Secretary: 1, What was the number of beneficiaries in each class—men, wives, children—under the Miners' Phthisis Act who received compensation during each year from the inception to June, 1934? 2, What was the number of persons who died in each year? 3, What was the number of new beneficiaries in each class in each year? 4, What is the explanation of the increased cost in each year?

The CHIEF SECRETARY replied: 1, 1925-26—109 men, 62 wives, 94 children; 1926-27—191 men, 122 wives, 196 children; 1927-28—233 men, 150 wives, 212 children; 1928-29—239 men, 174 wives, 246 children;

BILL—LAND TAX AND INCOME TAX.

Received from the Assembly and read a first time.

BILL—GOLD MINING PROFITS TAX ASSESSMENT.

In Committee.

Resumed from the previous day. Hon. J. Nicholson in the Chair; the Chief Secretary in charge of the Bill.

Clause 6—Assessment (partly considered):

The CHIEF SECRETARY: Last night Mr. Miles raised the point as to whether Clause 6 conflicted with Section 6 Subsection 9 of the Dividend Duties Act. I placed the matter before the Crown Solicitor this morning, and he has replied as follows:—

1. Apparently it has been suggested that Clause 6 of the Bill is inconsistent with Subsection 9 of Section 6 of the Dividend Duties Act.

2. Clause 10 (1) of the Bill, however, expressly provides that the exemption given from dividend duty under Section 6 (9) of the Dividend Duties Act shall not apply to gold mining profits tax; and Clause 10 (2) of the Bill expressly provides that although a company is exempt from dividend duty under Section 6 (9) of the Dividend Duties Act, such company nevertheless shall, for the purposes of gold mining tax assessment, furnish a return of its profits in accordance with Section 6 (1) of the Dividend Duties Act.

3. In short, Clause 10 of the Bill provides expressly that although a company may be exempt from dividend duty it shall not be exempt from gold mining profits tax, and that although a company may not be required under the Dividend Duties Act to make a return of profits for the purpose of dividend duty, nevertheless it will be liable to make a return of its profits under the Dividend Duties Act for the purpose of assessment of gold mining profits tax.

Hon. G. W. MILES: I am satisfied with the explanation of the Chief Secretary. Had I read Clause 10 I would not have raised the point.

Clause put and passed.

Clause 7—Payment of tax:

Hon. R. G. MOORE: I move an amendment—

That in line 3 the word "fourteen" be struck out and "twenty-eight" inserted in lieu.

Many of the mining areas are a great distance from the office of the Commissioner of Taxation. It might be impossible to get a reply within 14 days, and I therefore think the time should be extended as set out in the amendment.

The CHIEF SECRETARY: I have no objection to the amendment, although the clause already contains provision for an extension of time.

Hon. J. CORNELL: Would a syndicate working a mine come under the heading of a company?

The Chief Secretary: No.

Hon. J. CORNELL: Would not the word "association" embody a syndicate under the Act? A syndicate could work a mine and show a profit; and many of these are working in remote districts, from which replies could hardly be received within 14 days.

The CHIEF SECRETARY: If it were an incorporated association it would be regarded as a company.

The CHAIRMAN: The definition suggests that it includes an incorporated company or an association. An incorporated syndicate would be regarded as a company.

The CHIEF SECRETARY: It seems to me that the Bill will only affect the profits of gold mining companies or associations.

Hon. J. J. Holmes: Is a syndicate a company?

The CHIEF SECRETARY: No.

Hon. J. Cornell: If it were an unincorporated syndicate it would not pay the tax.

Hon. H. S. W. PARKER: The definition is the same as appears in the Dividend Duties Act, and it seems unnecessary to embody it in this Bill. An incorporated association can only be one that does not carry on business and is not concerned in profits. I refer to friendly societies and suchlike organisations. The definition ought to embrace companies incorporated under the Companies Act, or foreign companies registered under the Companies Act.

Hon. J. J. HOLMES: Ten men may enter into partnership as a syndicate, and work a gold mine at a profit. Is there any reason why they should not pay the tax? This is a point worth looking into, for it is possible that a large number of gold producers would not come under the scope of the Bill.

Hon. C. F. BAXTER: I approve of the amendment. Such places as Ravensthorpe, Nullagine, Bamboo Creek and Port Hedland are far removed from Perth, and at least 28 days would be required to receive answers from those places.

Hon. G. FRASER: The intention of the Bill is to tax the profits made by companies. If it is desired to include syndicates the Bill will require to be amended.

The Chief Secretary: The definition is the same as in the Dividend Duties Act.

Hon. J. CORNELL: I know of a mine at Yilgarn owned by two men which is showing big profits. A mine that is individually owned pays a higher tax all through, but in regard to a company the shareholders pay dividend duties tax and income tax. Under the Bill a privately-owned mine would not distribute any more than it does now.

The CHAIRMAN: The individual owner will be assessed as an individual.

Hon. J. CORNELL: That is the position to-day, but a man who owns shares in a mine will pay both taxes.

The CHIEF SECRETARY: A syndicate, I presume, will consider whether it is more profitable to become incorporated, and he will decide according to his income. If the income is heavy he will form himself into a company, and thereby save 5d. in the pound.

Hon. J. Cornell: Two men cannot form a company.

The CHIEF SECRETARY: I have known of one man forming a company.

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

Clause 8—Provisions relating to first and subsequent assessments:

Hon. C. F. BAXTER: Under Subclause 1 the tax will be based on the year ending the 31st December, whilst Subclause 2 will place a six months penalty tax on those companies whose balance sheets are made up to the 30th June. For some years members urged that the two Taxation Departments, Federal and State, should end their year for taxation purposes on the 30th June. Eventually that was brought about, and a number of companies and individuals closed their books on that date. The clause will do one of two things. If the year ends on the 30th June, the balance sheets prepared to the end of June will pay six months' more taxation than the companies whose books close at the end of December. I do not think that is intended by the Government.

The CHIEF SECRETARY: From my own experience, that prevails to-day in connection with land and income tax. If a company's balance sheet is made up to the end of December, the return is sent in giving the statement to the end of that period, but if it balances its books to the 30th June, the return will be made up to that date. What Mr. Baxter suggests is not likely to occur, but I will look into the matter before the Bill reaches its final stage.

Clause put and passed.

Clause 9—Penalty for late payment of tax:

Hon. J. CORNELL: This clause is similar to the section in the Land and Income Tax Act, but there is a big disparity between Federal and State income taxation with regard to penalty for overdue payments. The clause applies to the State method. Say a man is given notice to pay within 28 days his tax which amounts to £100, and fails to do so; he is fined 10 per cent., which means £10. Under the Federal measure, the fine is 10 per cent. for the month. There we have the difference between State and Federal methods.

Hon. H. S. W. Parker: The State penalty is 10 per cent per annum.

Hon. J. CORNELL: Under the Federal Act the penalty is for the month.

Hon. G. W. Miles: That is all it is here.

The CHAIRMAN: It is until the date of such payment being made.

Clause put and passed.

Clause 10—Saving provision:

Hon. H. SEDDON: Do I understand that companies will be required to make returns, one under Subsection 9 of Section 6 of the Dividend Duties Act, and another under this Bill when it becomes an Act.

The CHIEF SECRETARY: It means that a company will have to supply the Commissioner of Taxation with a return of its profits in compliance with the provisions of the Dividend Duties Act.

Hon. G. W. Miles: One return will cover it.

The CHIEF SECRETARY: I will look into the matter.

Hon. H. S. W. PARKER: Subclause 2 of the clause will apply to a company that is making profits but has not yet made sufficient profits to cover its capital. It would not be required to make a return under the Dividend Duties Act, but would be bound to do so under this Act.

Clause put and passed.

Clauses 11, 12—agreed to.

Clause 13—Amendment of assessments:

Hon. R. G. MOORE: Subclause 2 reads—

If upon any re-assessment as aforesaid it is found that the company has paid gold mining profits tax in excess of the amount for which it is liable, the Commissioner shall refund the amount of the excess to the company.

I should like to add to that "within 28 days."

Hon. H. S. W. Parker: Within 28 days of what?

Hon. J. Cornell: Of the discovery.

Hon. R. G. MOORE: I move an amendment—

That the words "within 28 days" be added to the end of Subclause 2.

The CHAIRMAN: The company could issue a writ.

The Chief Secretary: From what date would the 28 days be calculated?

The CHAIRMAN: Mr. Moore will recognise that it would be difficult to adopt his suggestion.

Hon. R. G. MOORE: I recognise that it is difficult to get a refund. When the re-assessment was made, that would give the date.

Hon. H. S. W. Parker: Why specify 28 days when it might be paid sooner?

The CHAIRMAN: Does the hon. member wish to proceed with his amendment?

Hon. R. G. MOORE: I am not very particular about it.

Clause put and passed.

Clauses 14, 15—agreed to.

New clause:

Hon. H. SEDDON: I move—

That the following be inserted to stand as Clause 16:—“This Act shall continue in force until the 31st day of December, 1935, and no longer.”

I have two reasons for moving the new clause. The first is that the measure should come up for revision year by year and the assessment could then be revised. The second reason is that no limit is provided in the tax Bill, and once the tax is imposed, it will be there for ever. We insist upon the land tax and income tax being submitted for revision every year, and the same should apply to this tax. It is questionable whether we can amend the tax Bill, whereas we can amend this Bill.

The CHIEF SECRETARY: The hon. member's attitude is entirely inconsistent with his action last night when he supported Mr. Cornell's amendment in favour of paying the proceeds of the tax into a special fund to meet miners' phthisis expenditure.

Hon. H. Seddon: The Committee did not accept the amendment.

The CHIEF SECRETARY: The hon. member does not seem to have much confidence in the future of the mining industry.

Hon. H. Seddon: The measure would come up every year for review.

The CHIEF SECRETARY: I cannot conceive of the hon. member fearing that the mining industry will collapse within the next 12 months.

Hon. J. Cornell: Make it two years.

The CHIEF SECRETARY: I think any Government would recognise the position if, say in 10 years, the industry declined.

Hon. J. CORNELL: I cannot see how any charge of inconsistency can lie against Mr. Seddon. Even if the amendment I moved last night had been carried, it would

have been quite competent for me to move the new clause. This is admittedly an exceptional Bill.

Hon. J. J. Holmes: What do you mean by exceptional?

Hon. J. CORNELL: The high price ruling for gold is the justification for the introduction of the Bill. It would be as logical to say that the emergency tax should be imposed permanently. The emergency tax was passed because of the exceptional circumstances prevailing in the State, but we have a right to review that legislation each year. The gold mining industry is at the other end of the ladder. Though up today, it may be down in 12 months' time.

Hon. E. H. Angelo: Then there would be no profits to tax.

Hon. J. CORNELL: Why should this exceptional tax be made permanent? The tax Bill contains no limitation.

The CHAIRMAN: Could not that be considered at a later stage?

Hon. J. CORNELL: If members consider that this legislation should be reviewed year by year, the easier way is to make provision in the assessment Bill. If it is inserted in the tax Bill, it will have to go by way of a request to another place, and if another place objects, the Bill may be in danger. If the industry declined and this legislation remained on the statute-book, a profit made by a mining company might be taxed before a dividend could be declared. That is a contingency for which a safeguard is needed. There will be no disadvantage in limiting the duration of the measure.

Hon. C. F. BAXTER: Although I was strongly criticised by the Premier and by Mr. Seddon for originally suggesting a tax on gold, I intend to support the amendment. This measure goes further than I ever contemplated, because it provides for a tax on the profits of companies, and my proposal was to tax the value over and above £5 10s. an ounce. This is a new tax to raise a specific amount to cover the cost of victims of miners' phthisis.

Hon. G. W. Miles: That was only one of the reasons.

Hon. C. F. BAXTER: What other reason can there be unless it is to help the revenue? Let us try this legislation for 12 months, and then it can be reviewed in the light of the experience gained.

Hon. J. J. HOLMES: Yesterday Mr. Williams told us of the ever-increasing

liability on the State of the men suffering from miners' disease. He painted a picture that to me was alarming. The men will continue to leave the mines and become a charge on the State. Now Mr. Seddon and Mr. Cornell wish to limit the operation of the tax to one year. Mr. Cornell said that the justification for the tax was the value of the gold being produced. The justification for the tax is the disease existing amongst the miners, who have been a charge on the State for many years. Year after year I have claimed that the care of the diseased miners should be a charge on the mines and not on the State. It is for that reason I am inclined to make this a permanent measure. Perhaps another place will from time to time see justification for increasing the rate of tax to meet the expenditure involved.

Hon. H. SEDDON: There might be a great deal in Mr. Holmes's contention if the Chamber had decided that the purpose of the tax was to reimburse the State for expenditure in connection with disabled miners. But the Bill says, and the Chamber has decided, that the tax is to be an ordinary tax. Therefore, to contend that the tax is for the purpose of relieving disabled miners is, in my opinion, so much camouflage. Let the money that is to be raised by the tax be used to meet the liability in respect of diseased miners. The Bill simply says that the tax is a tax on gold mining profits, and it will be useless to claim in future that it is a tax for the benefit of disabled miners. I want people outside Parliament to know exactly what is being done.

The CHIEF SECRETARY: I believe I am in a position to state that the views expressed by Mr. Seddon and Mr. Cornell in support of the amendment have not the backing of the mining companies. The Government have been in communication with the companies, and they have expressed their willingness to pay the tax. They even expressed their opinion as to the form of tax that would cause least inconvenience to the industry. It was never suggested by the companies that this should be a temporary measure. I may recall that in 1924 we relieved mining companies of all dividend duties until the whole of the capital expended by them up to the 30th June, 1924, had been recouped. Should the mining industry be afflicted in years to come, similar

steps can be taken by any Government in power.

Hon. A. THOMSON: I support the amendment because I consider that as regards any tax imposed, Parliament should reserve the right to review the assessment. Income tax is reviewed yearly, and this tax can be reviewed similarly. If there should be, as forecasted by Mr. Williams, greater liabilities in respect of men afflicted with miners' disease, Parliament will have opportunities to increase the tax. Since other measures of this kind come up for review each year, this one should. Moreover, any taxing measure put forward as temporary is apt to become permanent. I believe this particular tax has come to stay. In this Chamber, though we cannot increase a tax, yet we can reduce it. We should be jealous of our privileges, and maintain our control as far as possible. I say that without reflecting at all on the present Government; the remark applies to all Governments.

Hon. C. B. WILLIAMS: I seem to be out of touch with my goldfields colleagues. I oppose the amendment because there is a liability to be faced in future. This is the only tax which has never been objected to by anyone. There is no objection to it on the part of the people who are to pay it. Let us get money while the going is good. Taxation has previously been removed from the mining industry—true, in the interests of the State. I know that the money to be raised by the Bill will go into Consolidated Revenue. The South African Government do not allow mining companies to retain all the wealth they raise. The South African Government take their share of that wealth. Our mining companies are afforded facilities of all kinds and are granted loans. Why should time and money be wasted in dealing with another measure like this next session?

Hon. G. FRASER: Although goldfields' members have indicated that the burden imposed upon the State by the mining industry will be practically permanent, they propose to limit the operation of the Bill to one year. I cannot understand that attitude in view of the liability that will extend over many years to come. It is true that legislation can be passed in 12 months time to re-enact the tax, but there is always a danger that the continuance Bill may not be passed. In 12 months' time an attempt

may be made to reduce the tax, and I am not prepared to take that risk. It can be left to the Government to introduce any amendments necessary once the Bill is passed. I have sufficient confidence in Governments irrespective of who they may be, to know that they will do the right thing in the interests of the mining industry.

Hon. C. F. Baxter: You played a different tune when another Government were in power.

Hon. G. FRASER: I gave the hon. member's Government a fair crack of the whip. I certainly oppose the amendment.

Hon. C. F. BAXTER: The only justification advanced in opposition to the amendment was that referred to by Mr. Fraser when he said that in 12 months time the House may see fit to effect a reduction in the tax. That is not the point that weighs with me. Every member has indicated his sympathy with the tax, but we are entitled to give the proposal a trial for 12 months, and then review the position in the light of experience. We do not know what tax will be included in the taxing Bill to be dealt with later on, although we have heard what is suggested. I agree with Mr. Williams when he asked whether the State has received adequate compensation from the mining industry on account of the toll it has taken of the health of those in the industry.

Hon. G. W. MILES: I oppose the amendment.

Hon. J. CORNELL: Naturally, I thought you would.

Hon. G. W. MILES: The companies are agreeable to the tax, and the Bill is merely a machinery measure setting out how the assessment of the tax is to be arrived at by the Commissioner of Taxation. If members desire to place a limit on the tax, that limitation should be included in the taxing Bill, not in the assessment Bill.

Hon. J. CORNELL: We could merely request the Legislative Assembly to agree to that proposal if we embodied it in the taxing Bill.

Hon. G. W. MILES: Then we could trust the Government to act fairly. Should the industry be reduced to such a parlous condition that it cannot be carried on would any Government continue to impose the tax? Certainly not. Why limit the Bill to a period of 12 months?

Hon. C. F. Baxter: Why are members afraid to review the legislation in 12 months time?

Hon. G. W. MILES: Will Mr. Baxter argue that way when, later on, we are asked to deal with the Dried Fruits Act Continuance Bill? Members of the Country Party are most inconsistent. They argue one way on one Bill and in a totally different way on another Bill.

Hon. J. CORNELL: The Bill sets out the basis upon which the tax is to be imposed. I hold no brief for the big mining companies in respect of this tax, which is now a revenue impost. On the other hand, members must remember that the enhanced price for gold is dragging into productivity many mining ventures that would have no earthly chance of carrying on but for the augmented value of their product. That point is worthy of consideration. I know a score of mines that have been floated that could not exist with gold at £5 an ounce. The proposal is that mining companies, in addition to paying dividend duty, must pay a tax on profits, thus placing them in a different category from other companies that are paying bigger dividends than the mining companies.

Hon. G. W. Miles: And those concerns are paying more dividend duty than the mining companies.

Hon. J. CORNELL: But those companies do not have to pay a tax on their profits.

Hon. G. Fraser: Do they impose a burden on the State like the mining industry does?

Hon. J. CORNELL: Yes. I can see no harm at all in limiting the application of the Bill to 12 months.

Hon. V. HAMERSLEY: Too much is being made of this tax upon profits. When I consider the position of those associated with the land who have had to pay enormous taxation, although confronted with heavy responsibilities and losses, I am surprised at the time devoted to this amendment.

The CHIEF SECRETARY: If I were a big shareholder in a mining company, I would grasp this Bill with both hands as it stands. I am surprised at the attitude of those who evidently have not thought deeply on this matter. They seek to have the Bill converted into an annual measure, forgetting that the tendency may be to add to the

taxation. That is what will occur. Strangest of all, those who are supporting the motion have been influenced by Mr. Baxter, who advocated a tax on gold production, including prospectors' production.

Hon. C. F. Baxter: You are wrong.

The CHIEF SECRETARY: It is a mistaken view. If this amendment be carried, the tax will certainly be increased.

Hon. C. F. BAXTER: Twelve months ago the Chief Secretary was very strongly opposed to any suggestion for a tax on gold. My suggestion then was to tax gold of the value of £5 10s. per ounce, and higher, and exempt genuine prospectors. But why all this fuss about a time limit on the Act? Why demand that it should be a permanent Act? Surely the country is entitled to make it experimental, at all events for the time being.

Hon. R. G. MOORE: At first I intended to support the amendment. However, I am beginning to think it might have a boomerang effect, because it would give the Government an opportunity to bring down an increased tax.

Hon. J. Cornell: They will still have that opportunity.

Hon. R. G. MOORE: But they would have a greater opportunity if we forced them to bring down a continuation measure next year.

Hon. H. V. PIESSE: I will oppose the amendment, for if the companies who are to be taxed do not object, I would put the tax on them for ever. The Government can bring in an amending Bill at any time, and when they do so I hope it will carry an increased tax.

Hon. C. H. WITTENOOM: Why should there be so much opposition to one of the fairest Bills ever brought before the House? I am entirely opposed to the amendment, which is quite unnecessary. The mining companies have not objected to this being permanent, so why should we?

Hon. J. CORNELL: Both Mr. Wittenoom and Mr. Piesse emphasised the agreement of the companies. But which companies? The Lake View and Star Company have paid half a million a year in dividends. If it were proposed to impose a tax on the pastoral industry, we should find Mr. Wittenoom and Mr. Piesse strongly against it.

Hon. J. J. Holmes: The pastoralists have plenty of disabilities already.

Hon. J. CORNELL: At all events, they have no income tax to pay, for they say they have no income.

Hon. E. H. ANGELO: I will oppose this amendment as being unnecessary. I am confident that this time next year we shall be discussing a totally different Bill to replace this one. The Acting Treasurer has told us that even under the tax the mining companies will be 5d. in the pound better off than syndicates and individuals.

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

Ayes	..	..	..	..	3
Noes	..	..	..	..	16
Majority against					13

AYES.

Hon. J. Cornell
Hon. A. Thomson

Hon. H. Scudon
(Teller.)

NOES.

Hon. E. H. Angelo
Hon. L. B. Bolton
Hon. J. M. Drew
Hon. C. G. Elliott
Hon. G. Fraser
Hon. E. H. Gray
Hon. E. H. H. Hall
Hon. V. Hamersley
Hon. J. J. Holmes

Hon. G. W. Miles
Hon. T. Moore
Hon. H. S. W. Parker
Hon. H. V. Piesse
Hon. C. B. Williams
Hon. O. H. Wittenoom
Hon. R. G. Moore
(Teller.)

Amendment thus negatived.

Title—agreed to.

Bill reported with an amendment.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—TIMBER WORKERS.

Second Reading.

Debate resumed from the 8th November.

HON. G. FRASER (West) [7.32]: I support the second reading. After considering the two small requests contained in the Bill, I am rather surprised at the opposition that has been advanced to it. No one will dispute that the men the Bill seeks to cover should be brought under the definition of "worker." They follow an occupation that is one of the most dangerous in the State. Their request for the protection that is sought on their behalf is undoubtedly a just one. The only reason for the opposition that has been put up is the excuse that those who have had anything to do with the industry have heard on numerous occasions. Whenever efforts have been made to

improve the conditions of the worker in any given industry, particularly for the first time, we have been told that the industry will be ruined as a result. Members have said during the debate that if the Bill is passed, the timber industry will be ruined. During recent years it has been in a parlous condition. One or two of those who are opposing the Bill upon this ground have admitted that during the past two or three years, notwithstanding that the men had not the protection they now desire, certain contracts have been lost to the other States. Had the men been receiving the protection sought no doubt they would have been blamed for that loss. At any rate, no blame can be laid at the door of the efforts of the men to secure this protection for the loss of those contracts. The men had this protection for about 25 years. Through the action that was taken by certain men who have done a great injury to the industry, they lost that protection. All the hewers ask for is the restoration of what they had prior to 1929.

Hon. J. J. Holmes: How did that alteration come about?

Hon. G. FRASER: I understand it was the result of an application to the High Court. That tribunal ruled against the men being included in the definition of worker under the industrial legislation. They were thus excluded from the benefits of any awards of the court.

Hon. J. Nicholson: At that time the men were held to be contractors.

Hon. G. FRASER: It was held they were not workers under the Act.

Hon. J. J. Holmes: They never were workers under the Act.

Hon. G. FRASER: Up to 1929 they enjoyed all the benefits of being so, and it was only when this action was taken that they were excluded from them. Up to that time no one thought the men were anything but workers under the Act. The Bill merely seeks to put the men back to where they were before that decision was given. Let them enjoy the benefits of the Act. We have been told that if this protection is accorded to them, they will endeavour to have their hours re-arranged. In answer to that contention, I say the men will work the same hours they have always done. The Bill will not interfere with that in any way, at all events with either the starting time or the finishing time

Hon. J. J. Holmes: They may not work at all.

Hon. G. FRASER: Then they would not be paid, because as pieceworkers they are only paid by results.

Hon. H. S. W. Parker: Why cannot they undertake piece-work if they want to?

Hon. G. FRASER: They are doing so.

Hon. H. S. W. Parker: Then why worry?

Hon. G. FRASER: Would the hon. member desire that they should be exploited as before?

Hon. H. S. W. Parker: You say they are piece-workers.

Hon. G. FRASER: They are being exploited by those who have done much to injure the industry.

Hon. J. Nicholson: Piece-workers are provided for under the Industrial Arbitration Act.

Hon. G. FRASER: These men are not contractors in the strict sense of the term, as has been said. They have only one thing to sell, namely, their labour. Their plant amounts only to a broad axe and a few wedges. That represents practically all their tools of trade. They do not work on their own premises or their own land. They work on Crown land or private property. Any trouble that has been caused in the industry has not been caused by these men. It is the sub-letting of contracts that has caused the trouble. If the Bill goes through, it will cut out the middleman who has been exploiting and injuring the industry. The claim is fully justified. All that the men ask is that they shall be granted permission to come under the Industrial Arbitration Act, and that a minimum rate shall be provided for their industry. They do not ask to be allowed to work shorter hours, or to interfere with the industry in any way.

Hon. J. J. Holmes: They want to go to the court, do they not?

Hon. G. FRASER: They would have to go there to get the minimum rate fixed.

Hon. V. Hamersley: They would have to belong to a union before they went there.

Hon. G. FRASER: Most of the men are already members of the union. They want their minimum rate fixed.

Hon. H. S. W. Parker: Is there no minimum rate already?

Hon. G. FRASER: Not for the hewer.

Hon. L. B. Bolton: There is an understood rate.

Hon. G. FRASER: That may be so, but apparently many of the sub-contractors are cutting under the understood rate.

Hon. L. B. Bolton: I do not think so.

Hon. G. FRASER: It is that which has brought the industry into its present condition of chaos. The only other request of the men is that they shall come under the Masters and Servants Act. Not much has been said against that. Mr. Parker said that the protection they would get under the Bill they already enjoy, except that it takes them longer to get it. If that is all, it is not much to ask the House to agree to give them protection that they can get much quicker than they can today. In this advanced age it is not much to ask members to give these men the concessions they seek. They are working in an industry in which they take grave risks. We should not scruple to grant them the two requests they are making.

Hon. E. H. H. Hall: Will the Bill affect clearers?

Hon. G. FRASER: No. Not even the fallers will be affected. These are the men who go ahead of the hewers and cut down the big timber. They are protected but the hewers are not, although both are engaged in the same class of bush.

Hon. J. Cornell: The fallers are on piece-work, too.

Hon. G. FRASER: Yes. There are many industries in which the men are engaged at piece-work, and they have the right to go to the court. The piece-work business has never been interfered with in their cases, so that there is no danger from that point of view in the case of the timber workers.

Hon. E. H. H. Hall: There would be a danger.

Hon. G. FRASER: Why should there be? The men engaged in mining and shearing are doing piece-work, and for years they have been able to go to the Arbitration Court.

Hon. H. S. W. Parker: You are not asking for piece-workers to be brought in but for contractors to be brought in.

Hon. G. FRASER: Why split straws? The hon. member calls the hewers contractors and I call them piece-workers. They have no protection against the exploitation that has been going on in the industry. A number of cases have occurred in recent years in which the men have had to sue for

their wages, and ever so many of them have not been paid yet.

Hon. H. S. W. Parker: That happens in every industry.

Hon. G. FRASER: Yes, but it happens more often in this than in any other.

Hon. L. B. Bolton: No.

Hon. J. J. Holmes: The Bill will not help in that case.

Hon. G. FRASER: It will give the men quicker access to the court than they have to-day. It will cut out a lot of those who have been battening on the industry. I refer to men who have not had one penny-worth of interest in it, but have taken contracts for the supply of sleepers. In other industries the man who works on piece-work is given protection, but not in this industry. They thought they enjoyed it, but they find they do not. They did enjoy it for about 25 years, and only in the last few years have they lost it. We are told, if the Bill is passed, many things will happen, that the men will want an alteration in their hours and will only want to work at certain times of the day. I have never known piece-workers to want their hours restricted. The man on piece-work likes to be able to work any hours that he wishes.

Hon. A. Thomson: That is not allowed.

Hon. G. FRASER: It is allowed in the shearing industry and in many others.

Hon. C. H. Wittenoom: No, it is not.

Hon. G. FRASER: I admit the shearers are restricted to a starting and a finishing time, but not to the number of hours they shall work during the period.

Hon. C. H. Wittenoom: Oh yes, they are.

Hon. G. FRASER: No, they are not. We find that men who count in the industry will be given protection. To my knowledge there has been no objection raised, at any rate, by the companies, against legislation of this description.

Hon. E. H. H. Hall: Oh yes, there has.

Hon. G. FRASER: Then they have been silent about it.

Hon. E. H. H. Hall: Does the hon. member claim to have any practical knowledge of this industry?

Hon. G. FRASER: Yes, I have lived among these workers for a number of years and I know the disabilities under which they suffer.

Hon. J. Cornell: How long ago?

Hon. G. FRASER: As far back as 1910, but the conditions then were similar except,

of course, that the bush was better than the bush they are working in to-day. To-day they are much more restricted in the country over which they can cut. They could have got an award in those days but the bush was good; now they have poor bush to work in and they cannot get the protection that was available to them before. I hope the House will pass the measure and give the men concerned the small protection they require.

HON. L. B. BOLTON (Metropolitan) [7.46]: Most of the ground for and against has been covered by previous speakers, but the fact still remains that although this is a very short measure, to my mind it is a very dangerous one. While the Bill aims to include workers on contract and piece-work in the timber industry, there is another danger, and it appears to be only the thin edge of the wedge, because if the Bill is passed into law, I can see in the very near future there will be a request to include clearers, fencers and well-sinkers employed in the agricultural areas. What that will mean to the agricultural industry those of us who are interested in it know only too well. I do not know of any great desire on the part of the employees for an alteration in this respect, while on the other hand the employers are very emphatic that this legislation will be detrimental to the timber trade. Now that we are experiencing somewhat of a revival in the industry, it seems to me a great pity that we should attempt to give it a setback as undoubtedly the Bill will. I am informed on the best authority that quite a large number of men employed in the industry under these conditions are likely to lose their employment if the Bill becomes law. It must undoubtedly increase the cost of output. Other members in their speeches have given several instances of contracts having been lost to Western Australia and have gone to the Eastern States and other parts of the world through our inability to compete. This legislation will make the position much worse than it is to-day.

Hon. G. Fraser: Pure assumption!

Hon. L. B. BOLTON: Recently I had the opportunity of visiting other parts of the world and being able to confirm those statements. Last year in the Near East I interviewed several Governments and endeavoured to see if there existed a possibility

of securing some of the timber orders that we had had in the past. I had only one opportunity of submitting a quotation, but was informed that it was much too high under present conditions.

Hon. R. G. Moore: For sleepers?

Hon. L. B. BOLTON: Yes. Early in this year, when in India I interviewed high railway officials and also leading timber people in Bombay and other cities, and asked whether it was possible for Western Australia once again to get some of the timber business it had had in the past. I was informed, as in the Near East, that there was no possibility whatever at present prices. On my return to India in September last, while at Bangalore I learned with interest that the Government of Mysore were very favourably disposed towards a proposed railway extension to open up a port that was being developed on the western side of India, at Cochin. This would considerably reduce the travelling distance by rail from Ceylon to Bombay; it would mean that it would not be necessary to go to Madras, but that one could make the journey direct and thus save a day or even more. When this development finally takes place it will be of great advantage to Western Australia in securing more of the business of Southern India; it will give us another distinct advantage over the rest of the world. When I received this information I interviewed in turn the Director of Industries, the Dewan or Premier of the Mysore Government and also Sir Mirza Ismail, and later I saw the private secretary of the Maharajah of Mysore, Sir Charles Todhunter, and I suggested that if the railway extensions were proceeded with it would be necessary to have sleepers. I inquired whether there was any possibility of Western Australia being able to quote again. I was informed that unfortunately costs from Australia were much too high and that they were able to use their own timber which they had found by treatment quite satisfactory, and the cost of which would be much less than that at which we could supply.

Hon. J. J. Holmes: Then why worry?

Hon. L. B. BOLTON: I am worrying to this extent, that if we are to go further, as we propose to do under this suggested legislation, and increase the cost of sleepers, what hope have we of ever getting the trade back?

Hon. G. Fraser: On what do you base such an assumption?

Hon. L. B. BOLTON: My information is from the other side, not from the side from which the hon. member obtained his, and I am convinced that if the Bill were to pass the costs would increase. There is one matter on which I would like to take this opportunity to congratulate the Government, and that is the fact of their being alive to the necessity of meeting competition in this industry by reducing railway freights, releasing inspection fees and cutting down royalties. While in London recently I secured first-hand knowledge that due to this consideration our State was able to obtain a very big contract for timber that otherwise would have gone somewhere else. In my opinion it is much better to attempt to rehabilitate the industry on the lines I have suggested than to continue to pay to the unemployed the objectionable dole. The reductions have enabled the mills to be re-opened after a long period of inactivity and provide work for hundreds of men. All this will benefit the Government and ultimately the State. If responsible Ministers and heads of departments had only decided on this course sooner, we should not have had to face the great losses we are experiencing to-day. Now the Government want to undo some of the good I have given them credit for. Why not leave well alone and not risk losing further business by eliminating contracts and piece-work as the Bill will do? Trade must not be hedged in any further by crippling taxes and restrictions. I regret that in the circumstances I shall not be able to support the second reading of the Bill.

HON. E. H. H. HALL (Central) [7.55]: I asked Mr. Fraser whether he had any practical knowledge of the industry, because I knew that for some years before he entered this Chamber he had not had anything to do with it. He was, however, able to assure the House that he had some practical knowledge of it. I am just wondering whether the Bill will have the effect upon hewers that it would have on the wood-cutters in the Province I represent. Some few years ago the recognised rate for woodcutters in the Geraldton district was 6s. per ton, and when the depression came about, because there was no award governing the industry and because

the men, notwithstanding what we frequently heard to the contrary, were anxious to obtain employment, I know of my own knowledge that men went into the country within a radius of 40 miles of Geraldton and cut wood for a rate at which it was not possible to make a living. We have often been told that competition is the spice of trade, but like a lot of other old sayings, this can be done to death. Competition is all right in its place, but when men have to go a great distance from the railway line to cut wood, knock off and prepare their own meals, and are not able to make a decent living, then it is to the interests of all concerned that something should be done to enable those workers to receive a fair wage for the work they are doing, more especially in view of the fact that people using this wood are well able to pay a fair rate for it. The biggest consumers of wood in the Geraldton district are the railway authorities. We have there a condenser which condenses sea water into fresh water for use in locomotives. I came into the industry in Geraldton with the object of preventing the Railway Department bringing coal all the way from Collie because they said they could land it cheaper than the wood cost them. The price of wood then was 14s. a ton on rails at the siding. The Leader of the House can check my statement very easily by referring it to the Railway Department and finding out the rates they are paying for the same jam wood which many people say it is a shame to burn. I would be prepared to vote for the second reading of the Bill if it would rectify the conditions which obtain in and around Geraldton to-day; but I shall be guided by the reply of the Chief Secretary as to the course I shall eventually take.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [8.0]: I listened very attentively to Mr. Baxter, but found it difficult to follow him. He indulged largely in vague generalities. He talked a lot about the spirit of democracy, and then left us in the air. Anything in the nature of specific criticism of the Bill was entirely absent from his speech. He told us that even in a crisis we could not recover by cutting down wages. Then he asked himself a series of questions:—"How can there be a working man's paradise or a democracy when our workers have no freedom?" "Can

any one work harder to earn a little more money?" "Can he accept work in most of our industries on the basis of payment by results?" I could point to one great industry in which many men are paid by results. However, it is not necessary for me to do so. The men who are to be brought under this Bill have been paid by results. If the Bill becomes law, they will still be paid by results. It is because they are piece-workers, because they are paid by results that it is necessary to bring them under the Bill. Mr. Baxter said the man of energy had now to carry the idle, indolent workman who did not trouble to do a fair day's work or keep up the quality of the work. In the first place, a sleeper-hewer, in the course of his daily toil, carries no one on his back. He is paid in proportion to his output. In the second place, if the quality of his work is not satisfactory to his employer, all that the employer need do is to dismiss him from his service. As a matter of fact, the sleepers he hews have to pass an inspector of the Forests Department and if they fail to pass, they are rejected and he is not paid for them. Under Regulation 32 all hewn timber from Crown lands must be inspected by an inspector of the Forests Department. The Forests Department have no control over timber hewn on private lands, but it is a general practice for contractors to insert a provision in such contracts that timber hewn shall be accepted subject to inspection by a Forests Department inspector. Mr. Baxter stated:—"This Bill prevents those who desire to work longer hours from adding to their income." I should like him to point out where the Bill imposes such a restriction. The Bill is a recognition of piece-work, and the secretary of the Timber Workers' Union informed me that the abolition of piece-work is not desired by the hewers. He said this type of work could not very well be carried on under any other system. He pointed out that, in addition to its impracticability, nearly 30 per cent. of the hewers were men who, on account of age and infirmities, could not stand up to the requirements of a good day's work. Mr. Baxter said the sleeper-hewers had had freedom from the Higgins Award since 1919. That is not correct. In 1923 the question of altering rates came before Mr. Justice Webb. He did not alter the rates for hewers but, at the request of the employer, he in-

creased the fallers by 1d. per load. Since then the courts have not altered the rates, contenting themselves by saying "existing rates to continue." They exercised their jurisdiction, however, and continued to do so until the hewers severed their connection with the Federal Arbitration Court in 1927. Mr. Baxter declared that the Bill would mean practically the death knell of the export of timber. He did not give one reason why that should happen, apart from the implication that piece work would cease. The hon. member is under a misapprehension. If this Bill becomes law piece work in the hewing industry will not cease. Its cessation is not sought by the union, and I have been told by the secretary that the hewers would rebel against the abolition of piece work. The hon. member concluded by saying that the Bill would not meet the difficulties the sponsor wished to overcome, although he admitted that he was in favour of granting relief. One would have thought that having gone so far, he would have made suggestions as to what form the relief should take, but as I said earlier in my remarks, he left the hewers and everyone else suspended in the air. Mr. Craig, unlike Mr. Baxter, was satisfied that if the Bill were passed, there would be no interference with the hours worked by sleeper-hewers. Mr. Craig has had long experience of the hewers in the district where he lives. He said—"The attempt to bring the workers under the Masters and Servants Act is a mere gesture," but the hon. member appeared to consider it unnecessary. He stated that sleeper-cutters had the same right as farm labourers or any other labourers with regard to action for payment. That is not correct. If they had, there would be no necessity for portion of the Bill. A farm labourer can take speedy action in a police court to recover the wages due to him, but the sleeper-hewer cannot. He has to sue in the local court, and local courts are not held frequently and are often remote from the place where a man is working. In some districts they are held once a month and in other districts in alternate months.

Hon. H. S. W. Parker: Every day in Perth?

The CHIEF SECRETARY: But in the Donnybrook district a man might have to wait for two months before he could take action.

Hon. H. S. W. Parker: No, he could apply for summary judgment straight away.

The CHIEF SECRETARY: It has to be registered in the local court and then proceedings ensue.

Hon. H. S. W. Parker: The man could apply for summary judgment after five days.

The CHIEF SECRETARY: That is news to me, and I have had a good deal of experience of cases of the kind.

Hon. H. S. W. Parker: Apparently you have not owed any money.

The CHIEF SECRETARY: Mr. Craig admitted that two or three years ago sub-contractors employed hewers and did not pay them. He said the percentage of defaulters was small to-day. Mr. Craig should remember that history has a bad habit of repeating itself, and that what happened before may happen again under a similar set of circumstances. The hon. member stated that if a higher rate were paid than at present, no contracts would be obtained overseas. As Mr. Moore pointed out, it is a principle of the Arbitration Court, when fixing rates, to take into account the condition of an industry. That happened in the miners' case on the goldfields. Mr. Nicholson referred to New South Wales having secured a contract for sleepers some time ago. Mr. Craig gave one reason for that, and it was a good reason. He said that in bad times sleeper-importing countries must be satisfied with an inferior article. Mr. Craig said that Western Australian sleepers were the best in the world and there are facts and figures to prove that assertion. I have figures relating to the replacement of sleepers in the Trans. line, and they are astounding. Seventy-two per cent. of the sleepers required replacing, and replacements of the various kinds were found to be necessary as follows:—Tasmanian stringy bark 66 per cent., powellised karri 2.3 per cent.

Hon. J. Cornell: Is stringy bark powellised?

The CHIEF SECRETARY: It is not stated.

Members: No.

The CHIEF SECRETARY: Jarrah 4.3 per cent.

Hon. G. W. Miles: Is jarrah powellised?

The CHIEF SECRETARY: No. If information of this kind were given to the

world a much higher price would be obtained for our sleepers.

Hon. C. F. Baxter: Most countries know it already.

The CHIEF SECRETARY: I appreciate what Mr. Bolton said regarding the action of the previous Government and the present Government in reducing charges on the timber industry all round. I am pleased to say that the results have been gratifying.

Hon. C. F. Baxter: That is where the trouble lies. A few shillings make all the difference.

Hon. G. W. Miles: Do the same with the pearling industry.

The CHIEF SECRETARY: Mr. Nicholson said that the hewers were contractors. They are not contractors; they are piece-workers. Firewood cutters on the goldfields work under a piece-work award; mining piece-workers enjoy the same privilege, and shearers are similarly protected. There is one class of hewer who does not come under the provisions of this Bill, and he is the man who obtains bush independently and undertakes contracts for supply.

In the industry there are a number of independent contractors such as team owners and tractor owners, who are cartage contractors. These are not and could not be in any way affected by the passage of the Bill. The contractual nature of their service places them in an altogether different category. In most cases, they are employers and are excluded from the union. They are ineligible to be members of the union, because they are regarded as employers. Mr. Nicholson says the men will become members of a union if the Bill becomes law. He seems to regard that as a danger. The majority of them are members of the Timber Workers' Union now. They could have caused trouble long since if they had wished. They could cease work at an inopportune time and hold up a ship or allow her to go away half-loaded. But they are peaceful men and they wish to enjoy the rights of the Arbitration Act, which was passed to preserve peace and has done so most effectively. As Mr. R. G. Moore pointed out, the Kurrawang woodcutters perform piece-work and are under no supervision. They work when they like, and are under an Arbitration Court award. It is fortunate for the mining companies that they are.

Mr. Parker tells us nothing is to be gained as regards speedy action by taking ad-

vantage of the Masters and Servants Act. I will admit that the penalty for a breach of that Act is not so drastic as it was prior to the 1932 amendment, which I strongly opposed without getting any support. But the process under the Masters and Servants Act is still much more speedy than proceedings taken in the Local Court. As a rule in the country districts, a Local Court is not held oftener than once a month, and, as I have already said, in some instances, only once in every two months. A man might have to wait a month, or even two, before he could take action. But per medium of the Masters and Servants Act, even as it has been amended, he can go to the Police Court and, within a few days, get a decision in his favour—if his case is sound—and then have the judgment registered in the Local Court and probably get his money before long. Mr. Parker says he would not like to place matters of such importance before honorary justices. Well, we have had honorary magistrates doing the work, in the absence of resident magistrates, for over 40 years, and I have never heard of a single appeal against a decision of honorary magistrates in a case of this kind. Besides that, they exercise to-day in other directions greater powers than they are entrusted with under the Masters and Servants Act. The hon. member is quite right in saying that the bulk of the hewers are under the Workers' Compensation Act. They were so brought by a Bill introduced by the Mitchell Government. The only exception is the hewer, who obtains bush work on his own account and takes contracts for supply.

The hon. member says an award of the Court binds everybody, and that a man who wants to carry on sleeper-hewing and is not able to earn a full and sufficient wage cannot be employed at all, because he has to be paid the full rate. That argument has no application here. The men will be on piece-work, and, if this Bill does not say so in effect, I shall be only too glad if Mr. Parker will assist me to make it say so. That is a fair proposition. Mr. Mann's speech was a very fair and interesting one. He realises the necessity of something being done for these men, and, as a result of his personal observations, the injustice from which they suffer. The men in whose interests this Bill is introduced are worthy of consideration. They are not, and so far

as I know have never been, strikers. They wish to observe peaceful methods, and, because they do, are they to suffer in consequence? It was only through their mistake in severing themselves from the Federal Arbitration Court that they lost their rights and privileges as workers who would be recognised under the State Arbitration Act. They could strike at an inopportune time, and thereby do a lot of injury to the timber industry. They could strike when a boat was half loaded, and hold her up. But under the Arbitration Act they could not do that with impunity.

Hon. G. W. Miles: They do it now.

The CHIEF SECRETARY: The men on the fields cutting wood for the mines went on strike; but they could not remain on strike for any length of time, because the Labour movement is behind the Arbitration Act and the Arbitration Court. Under our Arbitration Act, no strike can exist for any length of time. I had a strike on one of the ships. I sat tight. The strike lasted ten days. It could not last any longer. I said that the matter at issue would have to be decided by the industrial magistrate. I said that if the men did not accept that decision of mine, which was sound and in accordance with custom and the Arbitration Act, the Labour Party would not be behind them in their action. I repeat, our Arbitration Act is capable of settling any strike or industrial dispute quickly, no matter where it occurs. All these men want is to come under the Arbitration Act. I hope members will decide that they shall do so.

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

Ayes	9
Noes	11
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Majority against ..	2
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AYES.

Hon. J. Cornell	Hon. E. H. H. Hall
Hon. J. M. Drew	Hon. R. G. Moore
Hon. C. G. Elliott	Hon. C. B. Williams
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	(Teller.)

NOES.

Hon. E. H. Angelo	Hon. J. Nicholson
Hon. C. F. Baxter	Hon. H. S. W. Parker
Hon. L. B. Bolton	Hon. H. V. Piessie
Hon. V. Hamersley	Hon. A. Thomson
Hon. J. J. Holmes	Hon. C. H. Wittenoom
Hon. C. W. Miles	(Teller.)

Question thus negatived; the Bill defeated.

**BILL—ROAD DISTRICTS ACT
AMENDMENT (No. 2.)**

Reports of Committee adopted.

**BILL—FINANCIAL EMERGENCY ACT
AMENDMENT.**

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [8.33] in moving the second reading said: The purpose of this Bill is to extend the partial restoration of salary reductions of servants of the Crown. A start was made last year by extending a certain measure of relief to all Government employees drawing up to £293 per annum. It is now proposed to extend this relief to all drawing up to £500 per annum. Owing to the fact that the emergency cuts were all based on the 1930 classification, it was necessary to provide a means of overcoming the operation of the 1931 reclassification of the Civil Service and teachers, which reduced all salaries by 6 per cent., in order that the Act should be made effective, and so that it should overcome the limitations between the different services. At the present time civil servants and teachers on the goldfields are debarred from receiving the full benefit of basic wage adjustments, this being due to the altered maximum automatic range. The variation in the basic wage on the goldfields since the 30th June, 1930, is £8 per annum, and railway officers and others whose rates varied with the basic wage have had their range reduced from £288 to £280 per annum, whereas civil servants were debarred from receiving more than £270. The amendment will enable civil servants and teachers to receive the same treatment as railway officers on the goldfields. The Bill provides that pro rata reductions shall apply in the case of those receiving less than the maximum male adult basic wage, £186 in the metropolitan area and £214 on the goldfields. This will operate on the same system as that which applies in the case of junior workers under awards. The fall in the basic wage since 30th June, 1930, amounts to £42 per annum. That is a factor that has been taken into consideration with this Bill. Those officers who benefited from last year's amendment will not receive any further immediate benefit under the present proposals, but in the event of

any rise in the basic wage aggregating £5 per annum they will benefit proportionately.

Hon. J. Cornell: Some got an increase of £1 last year.

The **CHIEF SECRETARY**: Junior officers receiving rates less than the basic wage will not suffer by any fall in the basic wage rate as this is considered to be the most equitable way of apportioning variations to them. In the case of officers in receipt of salaries of over £500, the portion in excess of that amount will still be subject to the percentage deductions as provided in the original Act, and the benefits granted will in no case exceed £58 per annum. Provision is made for an additional reduction of £12 10s. in the case of officers receiving over £1,000 per annum, making a total reduction of £54 10s. on the first £500 of their salaries.

Hon. J. Cornell: "Officers" include members of Parliament?

The **CHIEF SECRETARY**: Yes.

Hon. C. B. Williams: Let us hope so.

The **CHIEF SECRETARY**: This is necessary to adjust the difference between 22½ per cent. and 20 per cent. on the first £500 of salaries. If this adjustment were not made, the benefit to an officer in receipt of a salary exceeding £500 per annum would be £12 10s. greater than that of an officer receiving less than that rate. Variations of the basic wage will be applied in the same way as under the 1934 Act, except that provision is made to aggregate variations until they represent £5 per annum in order to avoid adjustments necessary to reflect minor variations to the basic wage. The provisions in the 1934 Act for the adjustment of anomalies has been deleted as it will no longer be required. Although the present amendments will not restore the margins in full, in no case will there be a total loss of the margin. The conditions applying to salaries will also be extended to pensions, but there will be no alteration to other sections.

Hon. J. Cornell: Pensions are not provided for in the Bill.

The **CHIEF SECRETARY**: Yes, they are. It is proposed that the existing measure, subject to the amendments provided in this Bill, shall be re-enacted for a further period of 12 months. Provision has been made in the Estimates for the estimated additional cost of £45,000 for the balance of this financial year. It is esti-

mated that the annual cost will amount to £90,000. I move—

That the Bill be now read a second time.

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

BILL—DRIED FRUITS ACT CONTINUANCE.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [8.40] in moving the second reading said: It is intended by this Bill to extend the period of the operation of the Dried Fruits Act, 1926, for a further term of three years. In 1926 the dried fruit industry was in an extremely parlous state, and, owing to urgent and repeated requests by the growers, the original Act was introduced. Provision was made under Section 35 of the Act for it to remain in operation until the 31st March, 1930, in order to ascertain if the control of the industry would be in the best interests of the growers. The control provided undoubtedly has had a beneficial effect, and, as a result, the measure was re-enacted at various times up to March, 1935. The effect has been to distribute the total value of crops more evenly between the producers, and it has eliminated the chaotic conditions that existed previously, when a few growers did exceptionally well and the remainder were unable to secure a reasonable return for their products. Now, by reason of the provisions of the Act, every grower gets practically the same price per ton for fruit, and, as the growers each export a fixed percentage of their tonnage, they share equally in any loss occasioned by lower returns from the fruit exported. Some growers were originally opposed to the measure, but it can now be definitely stated that practically every one of them agrees that it has been beneficial, and the great majority are in favour of control being continued. The production figures indicate that the position has definitely improved under the system of control that has been exercised. In 1927, the quantity of dried fruits produced was 1,597 tons, whilst in 1933 the total was 2,236 tons—an increase of 639 tons. These figures include sultanas, of which a sufficient quantity is not yet produced to meet local requirements. In 1927 only 93 tons were produced, whereas for 1933 the production

amounted to 441 tons. It can confidently be claimed that the increased production is due to a feeling of security engendered by the operations of the Act. Prior to that a grower could not be certain that he would be able to market his fruit in the State, and, failing to do so, his only other course was to send it overseas, with a consequent reduced return of approximately £13 per ton. The favourable results attained under control have given growers more security and an incentive to devote the whole of their time and effort towards improving their methods of production. At the present time there are 371 growers engaged in the industry and the area under production is 2,390 acres. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

House adjourned at 9.18 p.m.

Legislative Assembly,

Wednesday, 11th November, 1931.

	PAGE
Question: Electricity supply	1327
Bill: Land Tax and Income Tax, 3a.	1328
Annual Estimates: Votes and Items discussed	1328
Agriculture	1328
Police	1337
Child Welfare and Outdoor Relief	1342
Unemployment Relief and State Labour Bureau	1367
Council of Industrial Development	1368

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

QUESTION—ELECTRICITY SUPPLY.

Mr. SAMPSON asked the Minister for Railways: 1, Has any decision been reached regarding the acceptance of tenders for the purchase of equipment for the Electricity