whelming majority the people of this State decided on two big issues by way of a referendum. It cannot be said that the judgment of the people was warped by party divisions or party distinctions. We have it from the Leader of the Opposition that he, the member for Boulder, and the member for Nedlands were on the same platform.

Hon. C. G. Latham: No, no!

Mr. LAMBERT: Were on the same platform.

Members: No, no.

Mr. LAMBERT: They were there in a political embrace that has possibly never been known before. Fancy those three hon. members embracing each other.

Hon. C. G. Latham: I was not there.

Hon. P. Collier: He paired with us that night.

Mr. LAMBERT: If the Leader of the Opposition was not there, and he says he was not, to a large extent he was in sympathy with the other two hon. members. The people of the State definitely, and every time on which they have been consulted by a referendum, decided that they were reasonably competent to manage their own affairs. In voting on these questions they were more or less removed from the squabbles and inconsistencies of party politics, and were actuated by commonsense and a knowledge of their own convictions. We know that the evolution of aircraft is ever widening in scope. It is essential, in view of the position of the world's affairs, that there should be some uniform control by regulation or by enactment. By the evolution of aircraft it is possible to challenge all our forms of transport. We have seen far-reaching changes in one decade, and may see many more in the next decade. We should tighten up our legislation in such a way that there can be no doubt in the minds of this legislature. There should be no abrogation of our powers to the Commonwealth authorities. I hope that if hon. members feel more or less inclined to pass legislation stated in the nebulous fashion of the Preamble to the Bill, they will at least see that precautions are taken that we shall never say the Federation shall have unlimited power. Let me recall to hon. members what was done with regard to our State Savings Bank and our power to borrow. We should have some thought for the people who will in time to come occupy Western Australia and will never be able to wrench away from a central form of government. Let us look at the wars waged for freedom. Even within the British Isles wars have been fought for political freedom. Many instances could be quoted to show that where power is delegated to a central Government, wars are needed, and sometimes very bloody wars, to wrench that authority away again. In delegating this power, particularly as the Bill is worded and as it relates to Section 98 of the Federal Constitution Act, we should clearly and definitely, in language that can never be misinterpreted, lay down that the legislation shall operate only from year to year, or from triennium to triennium. As long as this measure is terminable at the will and commonsense of the people of Australia and of the Parliament of this State, I shall be quite satisfied.

On motion by Mr. McDonald, debate adjourned.

House adjourned at 9.48 p.m.

Legislative Council,

Wednesday, 15th September, 1937.

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

QUESTION—POLICE, COMPENSATION.

Hon. H. SEDDON asked the Chief Secretary: 1, What are the conditions of compensation applying to the members of the Police Force who are injured in the course

of their duties, particularly with regard to the provision of medical and hospital facilities, and also medical, surgical, and other requisites incidental to their injuries. 2, What compensation is paid by the Government to the men while incapacitated? 3, What compensation is paid by the Government where men are permanently incapacitated, or to their dependants in case of death as a result of their employment?

The CHIEF SECRETARY replied: 1, All costs for medical and hospital expenses for members of the Force injured on duty are borne by the Department. 2, Members of the Force injured on duty draw their pay and allowances whilst off duty as a result of such injury in addition to the expenses mentioned in No. 1. 3, Where permanent incapacity necessitates retirement, members of the Force receive compensation from the Police Benefit Fund not exceeding 12 months' pay, in addition to the usual gratuity from the Fund. In the case of death as a result of their employment, the dependants would receive a similar gratuity from the Police Benefit Fund to that mentioned in the preceding paragraph, and in certain cases the Government have given a pension to widows of deceased members of the Force.

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. L. B. BOLTON (Metropolitan) [4.35]: As with a previous measure introduced by the Government, there are certain clauses in the Bill before us that meet with my approval. There are many others to which I am definitely opposed, but I feel there are sufficient acceptable clauses to warrant my supporting the second reading. With regard to Clause 2, from time to time I have been criticised by other members of this Chamber for supporting the amendment to the definition of "factory" to enable it to cover small factories, the suggestion being that I hold a brief only for the big employer. I desire to make it perfectly clear that I advocate no interference whatever with individuals if working singly or together under a properly drafted partnership agreement, but when an individual or individuals employ any person or persons in a particular industry, then, in my opinion, they should be covered by an award as is the position with regard to any other factory. For that reason I shall support that part of the clause. It may not generally be known amongst members that the smaller shops, which are mostly referred to as "backyard factories," are usually overlooked by union officials, and any breach of an award committed therein is seldom noticed. On the other hand, the larger factories are accorded much more attention, and are generally policed by very live shop stewards. Apprenticeship and junior worker regulations in particular are much disregarded in the smaller factories. Many such instances have been brought under my notice from time to time, and although I shall refer only to one that has been brought under my notice, it may surprise members to know that, in this particular case, it is the boast of one working employer that he has but one other journeyman in his factory, although he employs seven junior workers, including apprentices. As one apprentice only is allowed to every two or part of two journeymen, it will be seen that at most that employer could employ two apprentices, which means that he must have five junior workers. Although the law is supposed to operate respecting the small shops of the description I complain of, there is not the same opportunity to bring under the notice of officials the work done there by juniors as there is in the larger factories. Members will agree that in the larger shops, in whose interest I have been accused of working, the smallest breach is noticed, and rightly corrected. More often than not it is unnecessary for the breach to be reported to the union. The shop steward may notice an apprentice or a junior worker engaged upon some task or handling some tool he is not entitled to operate, and upon the matter being mentioned to the employer, the position is immediately corrected. Very often the competition engaged in successfully by the smaller shops is achieved by such methods. That particular instance was brought under my notice quite recently, but I can assure the House there are many such occurrences, particularly in the furniture industry. Reference was made by one hon. member to the training of apprentices, and Mr. Seddon, whose opinion I value very highly, suggested it would be better to train apprentices in the small shops, where perhaps there was only

one employer, than in the large factory or shop. He mentioned also that most of the factories these days engaged in mass production which, of course, was not of advantage to the junior who was learning the trade. Unfortunately Mr. Seddon probably went from the sublime to the ridiculous because, in my opinion, it is just as difficult for the apprentice to be thoroughly trained in the small shop as in the factory of the type referred to by him. Workers in mass production factories are not, in most instances, considered skilled operators. They are what are termed "repetition workers." They are tradesmen, if they can be designated as such, who operate their machines day in and day out, always doing the same type of work. Although those men are paid reasonably good wages, and necessarily are adult workers, they are not skilled operatives in any sense of the term. Neither are they able to do work other than that allotted to them. They are not in a position to teach apprentices. If in Western Australia we had a large population and the requisite volume of work in our factories, we, too, could undertake mass production and repetition work, but that, unfortunately, is mostly done in the Eastern States. My experience is that the apprentice trained in either type of factory is quite useless in most of the factories in this State. Another point regarding the apprentice and junior worker in the smaller shop is that there is not the necessary variety of work available, so that the lad can never become a tradesman to the same extent as another lad who receives his training in an up-to-date factory. The result is that the former remain for many years a drug on the labour market. Under applicable industrial awards, those young fellows must be paid award rates despite the fact that during the first year or two after they have completed their training, it is impossible for them to give from 60 to 80 per cent. of the service that the well-trained artisan can.

Hon. J. J. Holmes: Then how can young men learn the trade, if not in the big factories?

Hon. L. B. BOLTON: I think Mr. Holmes has misunderstood me.

Hon. J. J. Holmes: I want you to clear up that point.

Hon. L. B. BOLTON: It is difficult for a lad to learn his trade in the smaller factory. I refer to the one-man factory or the backyard concern. Mr. Seddon expressed the opinion that the lad could be better trained in the smaller shop. I think I can speak at least with some authority on this question, and I claim it is utterly impossible for a man to be taught his trade or for an apprentice to be adequately trained in a shop like that conducted by General Motors or Holdens, much as that may surprise hon. members. In other words, 90 per cent. of the employees in those large mass production factories would be useless in any shop of a similar nature in Western Australia or in most of the other States, other than the three big factories in the Commonwealth. As I said, they are used to one job of work, repetition work, from one week's end to another, whereas in an ordinary factory those apprentices are taught every branch of the trade to which they are apprenticed. If they are apprenticed to, say, panel beating, they will be taught panel beating in every section, but if they are working as panel beaters at General Motors Ltd. or Holdens Ltd. or Fords, they simply use the machine. There are not as many skilled panel beaters employed in those big factories as there are in our own few factories in Western Australia. The same thing applies in most other branches of that industry. Not only does it apply to the motor industry, with which I am more conversant, but it applies also to other industries where there is mass production, as suggested by Mr. Seddon.

Hon. J. J. Holmes: But I want to know how a young man can learn his trade.

Hon. L. B. BOLTON: I have tried to explain it. He will not learn it in a mass production shop. That is why an artisan who has learnt his trade is able to demand anything from 10s. to 40s. per week more than the award for an ordinary repetition worker. That is why the margins of skill are provided in most industries. In the industry we are discussing, that margin of skill is 24s., which will give an idea to members of the difference between the repetition worker and the skilled worker. Now referring to Clause 2, paragraph (c), it gives the Minister power to declare any home a factory. It is a very dangerous proposal. Paragraph (c) is also an undesirable amendment as it will include showrooms as well as exhibitions where possibly no actual work would take place. Clause 12 I am totally opposed to. It provides a 44-hour week. I am at all times opposed to any interference whatever with the Arbitration Court. It is the court's duty to fix the hours of employment and the rates of pay, and if Parliament is to have

this power to fix lower hours than those provided in existing awards, it will be a most dangerous proceeding. Clause 18 would operate very unjustly as it would prevent the occupier of a factory from living on the premises, and would apply to a workman completing a job of his own after working hours. A number of men may have their own vehicles, and in order to encourage them not to work upon those vehicles in the employer's time and not to take any material they might otherwise be tempted to take, we give them permission to do their jobs during the lunch hour or after working hours. So it will be seen that this clause would operate harshly. On many occasions if employees are living at some distance from the factory they will stay on after hours to have a wash and change their clothes, perhaps in order to go to an entertainment. So in my opinion Clause 18 would be most unjust. I disagree entirely with the general holidays in Clause 19 as they, too, should be provided by the Arbitration Court. Paragraph (f) provides prohibition against dismissal within one week prior to a holiday. That is quite unnecessary and most unfair. I cannot imagine any legitimate employer dismissing an employee in order to save a day's wage on holiday pay. I cannot believe that such a thing could happen. Dealing with the universal half-holiday for Saturday, a number of members have already spoken on this subject and so it is unnecessary for me to go over the ground again, other than to say that I am opposed to the suggested alterations. Also as to the abolition of the local option poll, having some little country experience I am firmly convinced that the Saturday closing would be most unpopular and would act detrimentally in most country towns. The farmers, as has often been said here, make it a practice to do their shopping on Saturday afternoon, and to have Saturday night at some entertainment, if they are fortunate enough to get it in their own town or in a town in the adjoining district. To force them to have their half-holiday altered would be most inconvenient for them and quite unnecessary. There are many other clauses with which I disagree, and if the Bill reaches the Committee stage we shall be able to deal with those. Regarding the question of referring the Bill to a select committee, I have not made up my mind as to whether or not I will support that. I prefer to wait and hear the Chief Secretary's reply to the debate, after which I will decide whether or not to support the sending of the Bill to a select committee. There are several good clauses in the Bill and I agree with other members that it is time the Act was overhauled and amended. I will vote for the second reading.

On motion by Hon. W. J. Mann, debate adjourned.

BILLS (2)—FIRST READING.

1. Fair Rents.
2. Jury Act Amendment.

Received from the Assembly.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. J. NICHOLSON (Metropolitan) [4.56]: The advent of this and similar Bills I think, in accordance with opinions that have been expressed that it is desirable to view them from the standpoint as to how far they will advance the welfare of the State as a whole, and whether they will in their incidence prove of benefit in the advancement and establishment of industries. Naturally we have to look at the prospects of success in industry for the sake of the Government and for the sake of everyone in the State. We want to see as many industries as possible established here so as to provide employment, and we do not, I think, want to pass legislation which might have a detrimental or retarding effect in providing that employment. If our legislation which is introduced in this connection is of a much more objectionable character than that which prevails in other places, even within the Commonwealth, then the prospects of securing the establishment of further industries seems to me greatly handicapped. We have only to look at the Bill before us to see that certain very wide and extended powers are sought to be added to this industrial arbitration law as it exists at present. The Bill has been commented upon by previous speakers. Mr. Baxter yesterday dealt with the subject in a very full and ample way; dealt with various aspects relating to the Bill very comprehensively I think.

The Chief Secretary: Are you prepared to accept his interpretation of it?

Hon. J. NICHOLSON: I am prepared to acknowledge that there are certain clauses that might be acceptable, but in the main I think that what he said was quite correct. Likewise the views expressed by Mr. Parker impressed me as being thoroughly sound. One of the first matters to confront one when looking at the Bill is the enlargement given to the definition of employer. The first part of the definition as it exists in the Act is embodied in the present Bill in a somewhat slightly altered form, but there are added to it words which bring about a position that would be detrimental to the best interests of the State. They would also introduce a distinct reversal of what is the law so far as relates to persons standing in a certain capacity to other persons. I refer particularly to that portion of the definition of employer where it is sought to provide that the words shall also include any steward, agent, bailiff, foreman or manager, "acting on behalf of anyone of the aforesaid persons," that is, any person employing one or more workers, and also any companies, firms, etc. Anyone who happens to be a steward, agent, bailiff, foreman or manager would be classed as an employer. I think it was Mr. Parker who pointed out what the position would be with regard to a foreman, who himself was subject to an award, and therefore stood in a different position relatively from that of the employer. I look at this from the legal aspect. Under the law, not only here but elsewhere, we know that when an agent is acting within the scope of his authority and does a certain act on behalf of his employer, then the employer is legally responsible. The Bill reverses that position, and makes the agent, steward, bailiff, foreman or manager liable for the acts of his employer. That is wrong. Why should a man occupying such a position be liable for the mistakes or misdeeds of his employer, which is what the Bill before us seeks to do? I hope members will realise the importance of at least preserving the law in the form in which it is at present, because to do otherwise would lead to a very serious position. An important alteration is also sought to be made in the definition of "worker," in that it is sought to include those who occupy the position of domestic servants. Mr. Holmes and other members said they would not have anyone going into their residences seeking to interfere with their domestics. One sympathises with that view. The Chief Secretary will point out that under the proviso to Clause 26——

Hon. G. W. Miles: He has already pointed that out.

Hon. J. NICHOLSON: At any rate the proviso states that "nothing herein contained shall confer any right on any such officer to enter any home or domestic establishment." Although the right of entry into a home is not sought to be given under that clause, the employer of the domestic will become subject to other provisions which may exist, or to which he may be liable under awards governing domestic servants.

The Chief Secretary: Do not you think that is desirable?

Hon. J. NICHOLSON: Not in domestic life. A private home is in a totally different position from the ordinary boarding house.

The Honorary Minister: Private nurses are subject to an award.

Hon. J. NICHOLSON: I am dealing with a private home.

The Honorary Minister: But a nurse has to work in a private home in case of sickness.

Hon. J. NICHOLSON: A private home should be retained as sacred as possible. The moment we introduce within the precincts of a private home conditions relating to awards, etc., we shall bring about a condition of such chaos that I fear it would be difficult to find employment for any domestic servant.

The Chief Secretary: What becomes of your argument to leave these matters to the Arbitration Court?

Hon. J. NICHOLSON: No Arbitration Court can adequately deal with the position of domestic servants in a private establishment. It would introduce into domestic life nothing but chaos. It is not right to set up any position that is most undesirable in the interests of everyone. For the reasons I have given I will certainly oppose the passing of those words. Assume that a domestic servant is brought within the four corners of the Act, a record would require to be kept of the hours of labour, etc. The domestic would be regulated by a certain number of working hours. To regulate working hours in a private home is one of the most difficult things to do What might appear

to the court to be the proper thing to lay down as the fixed hours of labour for domestics in one home would not apply to another home.

The Honorary Minister: You want domestic slaves.

Hon. J. NICHOLSON: I want to bring about that harmony in domestic life which is so desirable.

Hon. H. S. W. Parker: Is the home an industry?

Hon. J. NICHOLSON: No. It could not in any sense be regarded as an industry.

The Chief Secretary: I thought you wanted girls to take up domestic life as a vocation.

Hon. J. NICHOLSON: I think the Chief Secretary said that the inclusion of these words would raise the standard of domestics.

The Chief Secretary: I have heard you use the same argument.

Hon. J. NICHOLSON: The status of the domestic can never be raised by Act of Parliament any more than it is possible to make men honest or sober by Act of Parliament. I agree with Mr. Parker that it is quite out of place to bring domestic servants within the definition of "worker" in a Bill of this sort, and that it is not in accord even with the Title of the Bill, because the home is not an industry.

The Chief Secretary: Would you call it a vocation

Hon. J. NICHOLSON: It could be called anything the Minister likes.

The Chief Secretary: Why split hairs?

Hon. J. NICHOLSON: I have no objection to the status of domestics being raised. A person who is engaged in domestic life and duties is doing work as good as that which a woman or girl is doing in a shop.

The Chief Secretary: Hear, hear!

The Honorary Minister: They would make better wives if they were more domesticated.

Hon. J. NICHOLSON: It would probably be a good thing if more girls were trained in domestic science than sometimes we find. Assume that the hours of labour are fixed, all kinds of positions might arise. A child may become sick in the middle of the night. The father may be away from home and the mother be alone with the child. The hours of labour of the domestic in the home would have been regulated by an award, and she could neither be employed nor engaged to do anything after the lapse of the prescribed hours. Just as we find in the Factories and Shops Act that certain hours are laid down for workers, so in an award there may be certain hours prescribed for domestics. The mother, in her distress, might have to supply hot foments, and if she happened to find it difficult to leave the child, she would probably offend against the conditions of some award if she were to ask the domestic, however willing the domestic might be to do the work, to carry out certain duties, say, at unusual hours of the night. Our aim should be to seek to get people to recognise that domestics are human beings, and to assist them to regard the calling in a higher light than that it occupies at the present time. I do not consider the clause in the Bill will help the position at all; it will only intensify the difficulties associated with carrying out duties that are incidental to every household. It will do harm and probably increase the feeling of strife which one does not even wish to see engendered. So I hope the Chief Secretary will realise the wisdom of omitting such a reference in the Bill.

The Honorary Minister: Nurses attend sick people in their homes at midnight and other unusual hours.

Hon. J. NICHOLSON: A comparison cannot possibly be made between nurses and domestics. Nurses are there for prescribed duties and domestics attend to general duties in a home.

Hon. G. Fraser: Day and night?

Hon. J. NICHOLSON: The position is that domestic servants should be treated with that degree of humanity and consideration to which they are entitled. Domestics should not be treated merely as we are told some people do treat them, but should be shown every consideration, and there would then grow up that higher and better feeling between them and those who engage them, a relationship that everyone desires to see.

The Chief Secretary: How would you go about that?

Hon. J. NICHOLSON: It requires to be done through those societies that take part in endeavouring to ameliorate and improve the position of those who occupy domestic positions.

The Honorary Minister: Through a union.

Hon. J. NICHOLSON: It can be done in a friendly and better way by other means.

Hon. G. Fraser: It can be done in a friendly way through a union.

Hon. J. NICHOLSON: It certainly cannot be accomplished through the Industrial Arbitration Act.

Hon. L. Craig: How do you explain the shortage of domestics?

The Honorary Minister: Probably because they are not treated properly.

Hon. J. NICHOLSON: The remedy lies very largely in the hands of the domestic herself. She can look upon her calling in that higher light to which it is sought to raise her. If an employer to whose house the domestic happens to go should not extend to her that treatment to which she is entitled she is not bound to remain and being a matter entirely of a contract between her and her master or mistress, she can give the necessary notice, leave the position and seek another.

Hon. G. Fraser: That is why there is a shortage to-day.

Hon. J. NICHOLSON: That is not so. The reason is that girls prefer a more attractive form of life.

Hon. L. Craig: At half the wages.

Hon. J. NICHOLSON: That is so, not realising that they would be better off financially and in every other way if they were in domestic employment.

Hon. E. M. Heenan: Do not you think that an award would tend to raise their status and make their work more attractive?

Hon. J. NICHOLSON: I do not think an award would have any effect whatever.

The Honorary Minister: It is worth while trying.

Hon. J. NICHOLSON: To my mind, an award would not affect the position in the slightest degree. A good deal has been said with regard to the introduction of canvassers for life and accident assurance and insurance companies. I am disposed to agree with what has been said by previous speakers on this subject. One looks at such a canvasser as being in a position totally different from that of a man who is engaged solely by a company. Where a man is free to take up any other duty or work in addition to that particular form of canvassing, and is left free to carry out those duties as and when he pleases, the employer has absolutely no control over the actions of that man; and so, to classify him as a worker, in such circumstances, I am inclined to agree will mean for him the loss of employment. A considerable number of men who, I believe, at the present time find a means of livelihood through that channel will lose their employment if the Bill becomes law. Thus, instead of helping the efforts that are made to provide further employment for individuals, I can foresee the prospect of the loss of employment by those engaged in canvassing.

The Chief Secretary: Do you agree with employment under any conditions so long as it is employment?

Hon. J. NICHOLSON: I do not regard a man who is in the position of an agent and is free to take up any other business he pleases as a person who should be made the subject of an industrial award.

The Chief Secretary: You know the conditions under which these men are employed?

Hon. J. NICHOLSON: The Bill sets out "whose services are wholly or substantially devoted to the interests of one company or society." The position is that if a company or society chooses to arrange with a man to do certain canvassing work, and at the same time leaves him free to take up other agencies or duties which he can exercise to the fullest extent whilst doing canvassing work for the society, then that person is not a worker, and should not be classed as a worker under the Industrial Arbitration Act. Enough perhaps has been said with regard to many of the other clauses, but I will content myself with referring to one where it is sought to extend the definition of "worker" to a person who is working under contract. That would apply, I take it, to any clearing contractor and he would become a worker, and would be subject to an award, instead of being what he really is. That alters the law again, and will create difficulties, because if a man is a contractor why should the relationship of contractor and principal be altered? The relationship between the employer and worker is one thing and that between the principal and contractor is an entirely different thing. Equal difficulties are raised by the provision relating to partnerships in which it is sought to include as employees those people who have presumably only a very small financial interest in a supposed partnership. We all know there are many instances on record where men have been given an opportunity of joining in a junior capacity some partnership or other, and in the course of years they have gradually grown up and developed with the

business and ultimately have themselves become the chief partner.

The Chief Secretary: You do not think that the clause applies to a partnership of that kind?

Hon. J. NICHOLSON: No, but it changes the relationship between partners and seeks ostensibly to make those people "workers" who have a small financial interest only, thereby making one or other of the parties to the deed of partnership alone responsible as an employer. If people enter a business as partners, irrespective of the amount which may be put into a partnership by each individual, they have jointly and severally undertaken obligations, and are liable jointly and severally for any obligations of that partnership. The provision in this Bill would to a certain extent probably change that, and I do not consider that that is wise.

The Chief Secretary: Do you agree that the award should be allowed to be broken simply by some subterfuge?

Hon. L. B. Bolton: By the employer or the employee?

The Chief Secretary: By the employer and the employee.

Hon. J. NICHOLSON: The Chief Secretary will admit that he is going to change the character of these individuals from what they are legally, namely, partners and principals, and liable as partners and principals, to that of workers, simply because when the deed of partnership is called for it is found that instead of a particular man having a substantial interest in the partnership financially he has only a small interest and is regarded as being a worker.

Hon. G. Fraser: A lot of them have no interest.

Hon. J. NICHOLSON: Considerable confusion will arise from the provision and instead of its helping men to make progress in life it will harass them.

The Chief Secretary: There are cases where arrangements are made between employer and employed to evade the provisions of the Act.

Hon. J. NICHOLSON: How many are there? I do not suppose there are many in this State because we are not overcrowded with businesses of this kind that would need to fear trouble arising in that way.

The Chief Secretary: There are scores of cases where these arrangements are entered into merely with the object of evading the award.

Hon. J. NICHOLSON: The men work as employers.

The Honorary Minister: The baking trade is being ruined by that sort of thing.

Hon. J. NICHOLSON: Does the Chief Secretary think that if a man chooses to take on the responsibility of being a partner he should be debarred from the right of exercising his judgment in such a way as he may think proper?

The Chief Secretary: He is not taking any responsibility except to evade the award.

Hon. J. NICHOLSON: I suggest that when a man becomes a partner he undertakes the liabilities attaching to the partnership.

Hon. G. Fraser: That is only a fake. Not many will come at that. The partnerships affected by the Bill provide a means for the employer to pay lower rates and conditions than those in the award.

Hon. J. M. Macfarlane: An employee can always correct that. If he wants better terms he can always go elsewhere.

The Honorary Minister: It is unfair competition.

Hon. J. M. Macfarlane: I cannot be persuaded that too much of that sort of thing goes on.

The Honorary Minister: I can take you to a few places where it does.

The PRESIDENT: I suggest that this discussion is better suited to the Committee stage.

Hon. J. NICHOLSON: To seek to introduce amendments in a Bill such as this which will change the actual legal character of the individuals concerned is a bad principle. It is not wise. Instead of being helpful it will have the opposite effect. There are many other clauses in the Bill which have been very fully dealt with. I do not intend to go over the ground covered beyond supporting the view that such a measure as this is a very fit measure for consideration by a select committee, and it would be in the best interests of the State and of the Government if inquiries, which are only possible by means of a select committee, were made with a view to ascertaining how far the proposed amendments will be detrimental to industries here and how far they will be helpful, and to framing legislation along lines which will be helpful instead of otherwise.

The Chief Secretary: Is there anything in the Bill which meets with your approval?

Hon. J. NICHOLSON: There are certain machinery clauses which I have no doubt would be of benefit. The Bill, I think should be inquired into, because it would be very difficult in the course of a discussion in Committee to deal with these matters as fully as one could by sifting evidence or by gleaning evidence which could only be obtained through a select committee. I shall support the second reading of the Bill with a view to its being referred to a select committee.

On motion by Hon. V. Hamersley, debate adjourned.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. H. V. PIESSE (South-East) [5.40]: I have carefully gone through this small Bill and think that the majority of the clauses are an improvement on the present Act. The provision making compulsory the statutory declaration now asked for in respect of the amount of wages paid during a specified period by employers paying premiums upon the basis of the aggregate amount of wages paid during that period will be very helpful to the insurance companies. It is necessary to have that information. At the present moment the regulation provides that a statutory declaration should be forthcoming from those insured, but it is not compulsory. It will be noticed that farmers are brought under the provisions of the Act when they let contracts. When the Honorary Minister introduced the Bill he said it was a monument to the memory of the late Mr. McCallum who brought the Act into existence. There is no doubt it is a good Act, but when this particular clause was introduced by Mr. McCallum it was discussed at length, and after a conference it was deleted. I see no reason why the House should alter that decision. The Minister said that the late Dr. Saw who was a member of the conference was instrumental in bringing about the deletion of this particular clause.

Member: We do not know that from the conference.

Hon. H. V. PIESSE: However, we know that the clause was deleted. It is going to be a serious thing for the farmers if they are going to be held responsible for seeing that all those clearers engaged under a clearing contract are covered by insurance. The farmer does not always know how many the contractor is going to employ when he lets the contract——

The Chief Secretary: Does it matter?

Hon. H. V. PIESSE: The farmer sees to the best of his ability that the men engaged are covered, because the average farmer is not heartless and wants to carry out the provisions of the Act as much as possible. But it is not fair to put this responsibility on to him. Almost invariably farmers do attend to this matter, but it is not fair to make them responsible. I would quote an incident that came under my notice a little while ago in the Pingelly district. A chaffcutting plant was employed on a certain farm. During the evening, after the work had been carried out, a move was made to take the plant to another man's property. On the way a motor car struck the horses pulling the plant, smashed the plant and injured a couple of the men. Who was responsible for the insurance of those men? They were not covered by insurance when moving from one farm to another.

The Chief Secretary: It is not an obligation now.

Hon. H. V. PIESSE: If the clause is passed the farmer will be responsible for employees working for a chaff-cutting contractor.

Hon. G. Fraser: You said that those men were off the property.

Hon. H. V. PIESSE: Well, who would be the employer, the farmer for whom they were going to work or the farmer whose place they had just left? Some of the provisions passed by Parliament do not work out in practice as we expect. Insurance under the existing Act is compulsory, and I believe that every employer who has the opportunity to see that an employee is covered will do so. The Government might be able to introduce a clause to make the compulsory insurance provision more effective.

Hon. L. Craig: It is not satisfactory now.

Hon. H. V. PIESSE: It needs to be made more effective. I have heard of dud mining companies taking up a small show and when a worker has received an injury or has been killed, the company has gone into liquidation and the family has received no compensation. That is a serious matter and we should legislate to protect such an employee.

Hon. C. G. Elliott: By passing the State Government Insurance Office Bill?

Hon. H. V. PIESSE: That is not under consideration at present. When the Honorary Minister was moving the second reading he said it was intended that compensation should be paid into court and that the magistrate should have the power to direct how the money should be invested. That might be satisfactory to some people, but it strikes me as being an interference with the liberty of the subject. Probably the Honorary Minister thinks that he more closely represents the workers and so I suppose we should let him have his way, though I am definitely of opinion that it is an interference to tell either the worker or his dependants how the money shall be invested. Another proposal to which I take exception is that, after compensation has been paid, the amount may be revised on application to a magistrate. Most insurance companies and most employers like to know their liability as soon as possible, and once that liability has been satisfied—a settlement generally takes place after there has been a conference of doctors—that should be quite sufficient. I do not think there should be a recurrence of proceedings or that they should be revived from month to month. The liability should be settled once for all, especially if the man has signed a clearance. I understand that a worker at present has to go before a magistrate in respect to the clearance.

Hon. G. Fraser: And if the doctor makes a mistake, the worker has to bear the brunt of it.

Hon. H. V. PIESSE: It is not only the worker, but the employer. If we permit a revision, an employer will never know the extent of his responsibility.

Hon. G. Fraser: Revision will be necessary only in an unusual case.

Hon. H. V. PIESSE: I had an unusual case the other day. A young man was seriously injured and after having been in a country hospital, was sent to Perth. There was a conference of doctors, a marvellous operation was performed and he was restored to as good health as he enjoyed previously. That young man's restoration was made possible by the excellent medical aid he received. During his stay in Perth his board was paid and he received all possible attention. When the final settlement took place, the insurance company paid him £154 more than it would be required to pay under this measure. Therefore, it must not be thought that the insurance companies are out to resist reasonable claims.

The Chief Secretary: What was the reason for that generous treatment?

Hon. G. Fraser: It is unusual.

Hon. H. V. PIESSE: The man had been suffering for six months and the company decided that it was a fair thing. In many compensation cases, the companies do not insist upon observing the strict letter of the law. With the exception of the two clauses I have mentioned, I consider that the amendments will improve the Act and that this House would be well advised to support the second reading of the Bill. In Committee we can amend the clauses to which I have directed attention.

HON. E. M. HEENAN (North-East) [5.52]: I support the second reading. All members will agree that the Act has functioned quite well. A number of years have elapsed since any substantial amendment was made, and time has revealed certain shortcomings which this measure quite properly seeks to remedy. I am glad that a clause of the Bill proposes to clarify the position of certain miners who are suffering from silicosis and who obtain a certificate under the Mines Regulation Act entitling them to work on a mine. The men to whom I refer are those in whom the disease is not very far advanced, but at the same time, whether they are working on the surface of a mine or living in their homes, their condition tends gradually to grow worse. Such men, if successful in obtaining a certificate under the Mines Regulation Act, are entitled to obtain surface employment on a mine. The Act precludes them from obtaining compensation under the Third Schedule, but it does not take away their right to compensation under the First and Second Schedules, and it does not preclude their carrying out surface mining work, which probably is the only class of work in which they are able to engage. In my opinion that is a very wise provision. I must join issue with Mr. Piesse in his remarks about the proposed amendment of Section 11. Under the Act principals, contractors and sub-contractors are jointly and severally liable to their employees with two excep-

tions relating to certain classes of agricultural and pastoral work. The Bill proposes to delete those two exceptions so that, if the Bill becomes law, principals, contractors and sub-contractors who engage men in the agricultural and pastoral work referred to will be jointly and severally liable.

Hon. L. Craig: It will mean that two insurance premiums will be paid for the same men. Is not that so?

Hon. E. M. HEENAN: No. A farmer who lets a contract for clearing or other work will be in much the same position as a building contractor who lets a certain portion of his work to a sub-contractor. I cannot see that any injustice will be done to the farmer or to the pastoralist by the deletion of the two exceptions. It will certainly make such an employer careful when entering into contracts, but other employers have to exercise similar care. He will realise that the contractor to whom the job is being given must insure his men, and I should think that before letting the contract, he would make a stipulation to that effect to safeguard himself.

Hon. H. V. Piesse: Suppose he makes an oral contract?

Hon. E. M. HEENAN: That would be just as binding as a written contract. I do not think that any great difficulties will arise. If I were a farmer wanting 100 acres of land cleared or cropped and I engaged a man to do the work, I imagine that there would be no written contract. We would agree orally on terms, and I would say it was a condition that the contractor insured the one, two or three men he intended to employ, and, to that end, I would deduct the cost of insurance from the price agreed upon for the work.

Hon. J. J. Holmes: Suppose the contractor denied that, where would you get to then?

Hon. E. M. HEENAN: Well, the principal would have protected himself. The principal would have to pay the contractor for the work, and he could make it a condition of the contract that the contractor complied with the law. He could say to the contractor, "I am liable, and I am going to see that you insure your men." The cost of the premium could be deducted from the price to be paid to the contractor.

Hon. L. Craig: Suppose he does not insure, the principal is then liable.

Hon. E. M. HEENAN: That is so.

Hon. L. Craig: He says that the contractor has to insure the men.

Hon. E. M. HEENAN: I think in practice the principal will insure the men.

Hon. L. Craig: Of course he will.

Hon. E. M. HEENAN: And he will deduct the amount of the premium from the price of the contract.

Hon. L. Craig: It would make an oral contract very complicated.

Hon. E. M. HEENAN: It would probably have the effect of moving employers to enter into written contracts, especially when the fact becomes well known that the principal is made liable by Act of Parliament. If the question were at issue and reached a court of law, I think that any magistrate would believe the statement of the employer.

Hon. H. Tuckey: If I let a contract for the building of a house, I am not liable. Yet you want to make the farmer liable.

Hon. E. M. HEENAN: Yes, the hon. member would be liable.

Hon. H. Tuckey: No. The contractor is liable. I am not liable.

Hon. E. M. HEENAN: I hope the hon. member will never find himself in that position. The Government in their wisdom have introduced the Bill because of the numerous cases brought before members of Parliament wherein workers engaged in agricultural labour of the class referred to have not been insured. The contractor, as a rule, is not a man of substance, and the unfortunate injured worker cannot recover anything from him. Another clause which has my blessing is that which provides that payment to dependants on the death of a worker shall be set down at £600. In nine cases out of ten, dependants of a deceased worker receive £600, although the Act provides for a sum varying between £400 and £600. Compensation ranging between £400 and £600 is assessed on a scale based on the worker's earnings during the previous three years. In most cases the compensation payable works out at £600. If the amendment proposed by the Bill comes into force, the issue will be quite clear and dependants will receive £600. That probably is not an adequate figure. I would like to see the amount increased to £1,000. I hope the time will come soon when the wife and children totally dependent upon a worker will receive £1,000, which is little enough. I trust that not many years will elapse before we progress to that stage. Another progressive provision is that which requires any payment

over and above £50 to an injured worker to be paid into court. As we all know, upon the death of a worker the amount payable to his dependants is paid into court for the sole purpose of protecting the dependants. What happens in actual practice is that the widow goes before a magistrate and explains the circumstances, and the magistrate decides how the compensation is to be made payable to her. Possibly she may want to go into some business, and then it is the magistrate's duty—a duty, I am glad to say, carried out most conscientiously in my experience—to investigate the class of business and act as a sort of protector to the widow. The amendment in the Bill merely extends that principle. On the goldfields, though not to the same extent in the metropolitan area, it frequently happens that men have their fingers cut off or their hands blown away, or lose a limb, in which case a fairly substantial amount of compensation is payable. Frequently it is found that the man who has received a couple of hundred pounds or more compensation falls to the blandishments of a salesman who persuades him that he wants to drive the latest model of motor car or to buy a block of land at Maylands or elsewhere. I do not altogether blame the salesman who is capable of inducing men to enter into such investments. There are also foolish individuals who go on the racecourse with their compensation and lose the lot, or perhaps waste it in hotels. Thus the whole principle behind the payment of the money fails, someone else getting the benefit of the payment. I fully agree with Mr. Craig that it is not possible totally to remedy that state of affairs, but at least something can be done to protect foolish and improvident people. If the money is paid into court, the magistrate will have a pretty good idea of the class of individual he is dealing with, and will do his best to protect the man's interests.

Hon. G. W. Miles: Presently you will want the employer to pay the man's wage into court, and let the magistrate dole it out to him. Where shall we get to? It is interference with the liberty of the subject all the time.

Hon. E. M. HEENAN: The hon. member's interjection carries the principle behind the proposal to a ridiculous extent. Another respect in which the existing Act falls a little short is as to the appointment of medical referees. The Act stipulates no time within which application for the appointment of a medical referee must be made. The Bill proposes a good step forward in fixing a time limit of one month.

Hon. J. Nicholson: How can the time be fixed? You do not know what might supervene in six weeks or two months.

Hon. E. M. HEENAN: A time is fixed for application from the period when the final medical certificate is given.

Hon. J. Nicholson: I do not think so.

Hon. E. M. HEENAN: The hon. member will find that that is so, I believe. Some time limit should be fixed. In my opinion a month is not unreasonable. Another proposal to which I think the House should consent relates to workers engaged in screening stone or metal. This has reference to the Third Schedule of the parent Act. An anomaly exists there. Numerous workers are engaged in the process of screening stone for the purpose of road construction. At present, simply because the work is not carried out in connection with quarries, such workers do not participate in the benefits of the Act. If the Bill becomes law, that position will be remedied. Those are a few points I consider well worthy of the approval of hon. members, and I sincerely trust that the Bill will be passed.

HON. H. S. W. PARKER (Metropolitan-Suburban) [6.12]: The Bill appears to me one that is really required, and the only fault I have to find is that the measure does not go far enough. The provisions just referred to by Mr. Heenan about paying money into court represent a recognised practice. The court has to decide how much of the compensation shall be set aside for the widow and how much for the children. In the case of a very serious accident the money is there not really for the man himself but for the welfare of his family. I regret that the Bill does not contain a clause making insurance compulsory. I think that should be done. An unfortunate man working for a small employer often finds himself left because the small employer has not been able to take out, or does not take out, insurance, with the result that when the employee is injured the employer has nothing and there is no insurance. So the unfortunate employee is left. I trust the House will amend the parent Act so as

to make insurance compulsory. One matter which has been overlooked I shall endeavour to deal with in Committee. It relates to cases where there is a compromise. In many cases action is taken by an employee when there is grave dispute as to whether any accident did take place within the meaning of the Act. Then, as a compromise, a certain amount is fixed by arrangement and paid into court. In the relevant amendment in the Bill it is only a question of the declared amount. The amount might be totally inadequate for the injury received, but in view of all the circumstances one party is prepared to pay a lump sum and the other party is prepared to accept it rather than test the matter in court. These points can be brought forward in Committee.

On motion by Hon. C. G. Elliott, debate adjourned.

House adjourned at 6.15 p.m.

Legislative Assembly,

Wednesday, 15th September, 1937.

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

QUESTION—INVALID PENSION.

Eligibility of C Class Men.

Mr. NORTH asked the Minister for Employment: 1, What is the official qualification of a C class man? 2, Are C class men usually advised to apply for an invalid pension? 3, Is there frequently or occasionally a difference of opinion between the Commonwealth and the State as to a C class man's eligibility for an invalid pension? 4, Where a pension is granted does a man's family still remain on the sustenance rate or is there a *pro rata* reduction made?

The MINISTER FOR EMPLOYMENT replied: 1, Generally, a person whose physical condition will only enable him to perform work of a light nature. 2, The department is guided by the recommendation of the medical officer. 3, The eligibility of an applicant for an invalid pension is solely a matter for the Commonwealth authorities to determine. 4, When a man is granted an invalid pension, assistance to his family when necessary is rendered by the Child Welfare Department, and the amount of such assistance is determined after a review of all the circumstances.

BILL—FAIR RENTS.

Third Reading.

THE MINISTER FOR JUSTICE (Hon. F. C. L. Smith—Brownhill-Ivanhoe) [4.32]: I move—

That the Bill be now read a third time.

MR. SAMPSON (Swan) [4.33]: I have followed the discussion in connection with the Fair Rents Bill, which appears particularly to affect the goldfields. There is no doubt that rentals are high on the goldfields, and it would appear that the instability of certain fields is the justification for this, if justification does exist. I have a suggestion to make which might popularise the erection of buildings, residential and otherwise, on the goldfields, and might induce investors, individuals and companies, to give greater consideration to this class of investment than is the case at present.

Mr. SPEAKER: The hon. member is not now discussing the third reading, surely?

Mr. SAMPSON: I understood it was quite in order to make some remarks in regard to the Bill at this stage.

Mr. SPEAKER: Yes, but not on investments on the goldfields.

Mr. SAMPSON: I think there will be no difficulty in connecting up the Fair Rents Bill with investments on the goldfields. It is in regard to that aspect only that I desire to speak. Investments on the gold-