industry because returns have to be awaited for upwards of 70 years or more. Normally that would not suit people who subscribed money for investment purposes. In the circumstances such work is usually undertaken by the State which is able to make long-term investments, mostly out of revenue received from Forests Department operations. With the advantage of the contribution of three-fifths of the departmental revenue, which amounts to between £70,000 and £80,000 a year, the timber industry in this State is being built up consistently. That is indeed a very creditable performance. Sometimes we hear members speak of waste and lost revenue, but here we have an example on the credit side, which is evident in the forestry policy of the State and the conservation of the timber industry. As I have informed the member for Nelson, the timber industry provides the most remunerative traffic for our railways. We hear much said about the wheat traffic and that, were it not for our wheat, the railways would lose a lot of money; but more revenue is received by the railways from the timber industry than from all the wheat grown in the State. In our national economy, timber is a most important feature. I do not wish to delay the passage of the Estimates. I thought I would give members some information on the subject; if they desire anything further, it will be found in the report of the Conservator of Forests.

Progress reported.

House adjourned at 5.42 p.m.

Legislative Council.

Tuesday, 27th October, 1942.

The PRESIDENT took the Chair at 2.15 p.m., and read prayers.

BILLS (3)—THIRD READING.

1, Public Authorities (Postponement of Elections).

Returned to the Assembly with amendments.

2, Jury (Emergency Provisions).

3, Collie Recreation and Park Lands Act Amendment.

Passed.

BILL—ADMINISTRATION ACT AMENDMENT.

Second Reading.

Order of the Day read for the resumption from the 22nd October of the debate on the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 to 3—agreed to.

Clause 4—Amendment of Section 138:

The CHIEF SECRETARY: I move an amendment—

That a new paragraph be added as follows:—

(b) by adding a subsection, to stand as Subsection (2), as follows:—

(2) Where any such executor or administrator is a member of His Majesty's Naval, Military, or Air Force (including a member of any medical corps nursing service attached to any of the Forces aforesaid) and is a prisoner of war or posted as missing or otherwise is unable or able only with great difficulty to appoint an attorney, the Court may on the application of a co-executor or a beneficiary or a creditor or any next of kin appoint such co-executor or some other person resident in the State to have and exercise all or such of the powers, duties and discretions of such first-mentioned executor or administrator and for such period or periods as the Court shall deem proper.

This amendment was suggested in another place too late for inclusion in the Bill at that stage. The Minister in charge of the measure at the time gave an undertaking that the amendment would be submitted in the Legislative Council. It makes provision for any person who may be a prisoner of war or who for other reasons is not able to carry out the duties that are rightly his.

Hon. G. W. Miles: It is a good amendment.

The CHIEF SECRETARY: I believe it is. It has been considered carefully by the member for West Perth in another place and the Crown Law Department considers that it will add to the value of the legislation.

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

Title—agreed to.

Bill reported with an amendment.

BILL—MAIN ROADS ACT (FUNDS APPROPRIATION).

Second Reading.

Order of the Day read for the resumption from the 22nd October of the debate on the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 21st October.

HON. L. B. BOLTON (Metropolitan) [2.28]: In addressing myself to the Bill, I desire first of all to repeat what I have said on many occasions, both inside and outside this Chamber. As an employer of labour in no small degree, I have always been a very keen supporter of the principle of arbitration and conciliation. I have appreciated from many angles its usefulness in adjusting wages and working conditions, and assisting in a very large measure to maintain in industry that peace which we so desire. There is just one point I wish to make at this stage, and I am sure the Chief Secretary will not mind my mentioning it.

When he moved the second reading of the Bill, the Minister gave great credit to the workers for maintaining peace in industry, but he failed entirely to mention that part of the credit was also due to the employers who have at all times been only too willing to reach a satisfactory arrangement so that business might proceed as usual. I mention that point by the way. It was probably an oversight on the part of the Minister, because I feel certain that the Chief Secretary appreciates that in their desire to maintain peace the employers have been equally as keen as have been the employees. It is my intention to oppose the second reading of the Bill. At the outset I congratulate the Minister who was in charge of the measure in another place for on this occasion confining the amending legislation to the one and only section that the Government desires to alter, rather than to load the Bill, as is customary when an industrial measure is sought to be amended, with extraneous clauses and amendments that usually spell the certain defeat of the Bill at the second reading stage.

I want the House to endeavour to keep in mind the fact that the question is whether the Arbitration Court shall be forced automatically to raise or lower the basic wage on the basis of the quarterly cost of living figures, or whether it shall still retain its discretionary power to decide that question on its merits. The court, which may be termed an expert tribunal respecting the investigations and determinations for the purpose of which it was established, is able to bring to bear the experience of years in operating the legislative machinery that has been made available. It is able—particularly does this apply to the President of the Arbitration Court—to bring to bear such knowledge as is required for the determining of issues involved, and over the years the tribunal has made itself competent to deal with such matters. Even Labour supporters cannot deny that the court—the Chief Secretary has admitted the fact, and I am sure most Labour supporters will do so as well—that the court has done, and is doing, an excellent job.

My contention—and I think the majority of members of this House will agree with me—is that that result is probably due to the fact that the court is non-political. If we take away the powers I have mentioned and leave it open to Parliament to adjust, alter or amend the position at will, according to which particular political party may be in power, I feel confident we shall not continue to maintain in industry the peace we so much desire. The President of the Arbitration Court, who was at one time one of the most popular of Labour's representatives, has made himself a past-master, if I may say so, in the task of handling industrial

matters. He has proved himself to be a very able, just and fair judge, with the courage of his convictions, and fearless in giving expression to them, even if his views do not at times meet with the approval of his former colleagues. The fact that the Premier, in exercising the discretionary powers conferred upon him, declared the increase that had been refused by the President of the Arbitration Court and raised the weekly wage by 4s. 6d., making it 5s. 11d. higher than the Federal award, is a matter of history, and I do not propose to discuss that angle.

The main objection I have to the Bill arises from the fact that it was never intended to make such adjustments mandatory. In support of my contention, I refer members to the discussion that took place on the amending measure of 1930. On that occasion, when the relevant section was inserted in the Industrial Arbitration Act, this State, with other countries, was facing a period of deflation; costs were falling, and wages with them; but the Legislature in that year was most careful to make it clear that the Arbitration Court was not compelled to reduce wages although living costs had fallen. When introducing the amending Bill the then Minister for Works (Hon. J. Lindsay), who was in charge of it, said—

> The Government does not ask the House to say to the Arbitration Court, "You shall do this," or "You shall do that." All we say to the court is, "We shall remove the restrictions from you which determines that you can only fix the basic wage once in 12 months, and we shall give the court the right to say that when a fluctuation occurs in the cost of living that increases the value of wages paid, the wage may be brought back to a point in accord with the cost of living."

That is to say, he was not going to place on the court any obligation of automatic adjustment. He was clearly proposing to give the court the discretion whether or not it would reduce wages even though the cost of living might have fallen. In those distressing times the court did, in fact, reduce wages quarter by quarter on a parity with the cost of living; but I do not think the court did so from any wrong view of its powers. I think it will be agreed that the court did so because it was reluctant to realise that industry could no longer pay wages at the same rate when living costs were falling to such a degree.

Although the added cost of living justified only a very slight increase in June, 1938, the court in its wisdom gave the workers, in its annual declaration, an additional 5s. weekly as a prosperity loading. In the opinion of the President of the Arbitration Court, industry was able to stand that increase. In support of that view, I shall quote from the judgment of the President as recorded on page 11 of the basic wage declaration for the year 1938-39. On that occasion Mr. President Dwyer said—

> After a full consideration of all the facts and circumstances presented to us in evidence, and otherwise ascertained, I am of opinion that the time has arrived for a fresh review of the elements that go to make up household expenditure. A review of these elements, as will be seen from the reasons appearing in this judgment, discloses that the amount of 5s. per week for adult males in the metropolitan area should be added to the existing basic wage, which amount will not, in my opinion, disturb to any appreciable extent, the even flow of the current of industry, nor will it militate against the preservation of those industries of ours, unfortunately rather few in number, which are exposed to interstate competition. In this connection it may be noted that the general increase of 5s. per week in 1926 had not in the figures quoted above any such ill effects.

The President also said—

> If and when the recession attains such proportions as to render necessary a further consideration of all the facts and circumstances, then I have no doubt the worker will be prepared to shoulder his responsibility as well as the rest of the community. Economists are generally in agreement that a general increase in wages up to a certain point increases the spending power of the community, makes for a more equitable distribution of the national dividend or income, and brings about additional consumption of goods and services.

Those were the words of the President of the Arbitration Court when delivering his finding in June, 1938. Now, had the standard of living not been raised by 5s. per week as it was in 1938, then the automatic increase claimed by the workers in February of 1942, which amounted to only 1s. 7d., would have still left the aggregate basic wage at between £4 5s. and £4 6s. per week, instead of placing it at £4 10s. 5d., which the workers were then receiving. In his remarks the Chief Secretary questioned the right of the President of the Arbitration Court to take into consideration any factors other than the cost of living. The Minister took exception to the President's comments on inflation. I propose to quote, as nearly as I can, the Chief Secretary's remarks as well as other references so as to answer them in such a way as, I think this House will agree, will

show the Chief Secretary's comments to have been unjustified. The hon. gentleman said—

The President then proceeded to give his reasons for the decision made, one of which was that the granting of the increase would place the State basic wage for the metropolitan area even more out of line than it already was with the then-existing Commonwealth basic wage for Perth. Another reason was that the court had in 1938, on the occasion of the annual inquiry, increased the real wage in Western Australia by granting a rise in the basic wage rate, irrespective of the cost of living, of 5s. per week. There was yet another reason, however, and this probably is the most important. The President emphasised the view that inflationary forces were at work, and that further to increase the basic wage would be to increase the momentum of inflation, while stabilisation, if only temporary, might put some brake on the inflationary tendency.

The Minister proceeded to say—

The remarks of the President concerning inflation were, to my mind, quite outside the scope of his jurisdiction. The question of monetary policy is surely not one for individual courts. The Arbitration Court's decision was naturally received with much concern by the various trade unions. Their representative argued in the Supreme Court against the decision of the Arbitration Court, but the decision of the Supreme Court was that the Arbitration Act conferred discretionary power with respect to the quarterly adjustments.

I want the House to remember that the decision of the Supreme Court was in favour of the President of the Arbitration Court having the right which he claimed. In support of that I will quote a section of the Industrial Arbitration Act to show that the court had the right to consider other matters than those relating purely to the cost of living. Paragraph (h) of Section 4 dealing with the interpretation of "Industrial matters" sets out that the term includes—

What is fair and right in relation to any industrial matter, having regard to the interests of the persons immediately concerned, and of the community as a whole.

I think that is a sufficient answer to the claim of the Chief Secretary that the President was without his rights in considering the question of inflation or any other factor than that of the bare cost of living. I also desire to quote further remarks of the President of the court when delivering his judgment on the 13th June, as follows:—

We have again arrived at the time when the court, pursuant to the instructions in the Industrial Arbitration Act, 1912-1935, Section 121, is under the obligation to determine and declare the basic wage for the ensuing 12 months. The basic wage in our Act is defined from the point of view of domestic obligations as applied to the average worker, and, while domestic obligations must always receive first consideration, the court has of necessity to examine in any declaration of the basic wage it may make the effect on the economy of the State and of industry generally, and the capacity of industry to bear this essential and irreducible loading so that industry may not be unduly disturbed or thrown out of gear and that the wheels may be kept revolving at a satisfactory pace and without detriment to the absorption of the normal number of employees engaged in it.

There is further proof that the court was within its power in taking into account these other questions. When he refused to make an increase in the basic wage in February last, I think it is quite certain the President had in mind the whole economic position of the State, and its ability or otherwise to pay a standard of 5s. 11d. higher than that of our competitors in the Eastern States. I have no objection to an increase in wages—I think industry generally is with me in that attitude—provided that the standard is raised in the other States, and we are not placed in the position we find ourselves in today through having to pay so much more than do our competitors. I have said before in this House that industry in Western Australia experiences great difficulty in competing with industry in the other States. It is evident to me that the President had that point in mind when, in making his declaration on the 26th February last, he said—

It seems apparent that there is either too much or too little Federal regulation and if the symmetry of our awards and the comparative justice that should obtain as between different awards and different workers are to be preserved and maintained, it would be better to have a total Federal regulation or none at all. The fact remains, however, and this is what this court has to bear in mind for our present purpose, that to increase the disparity in amount between our basic wage and the Federal basic wage is only to increase and to emphasise inconsistencies between awards and awards and workers and workers.

The remarks of the President that I have just quoted are taken from the "West Australian Industrial Gazette," the date of which is Thursday, the 26th February. In June the President used these words—

I am satisfied that the economic condition of Western Australia particularly, when judging on a comparative basis with the other States and New Zealand, is not such as to permit the adjustment upwards to be made in this instance, whilst at the same time sufficient remains in the £4 10s. 5d. as a basic wage to

provide a sum sufficient to enable the average worker to live in reasonable comfort, having regard to his domestic obligations.

Following upon that the President said—

As regards the amounts of the basic wage to be declared, no change will be made in those now in force, which were the amounts existing on the 10th February, 1942. I must, however, add that apart from any provisions in the regulations made pursuant to the National Security Act, the existing economic circumstances of Western Australia would in my opinion have required the court to reduce in some measure the amounts equivalent to the standard fixed by the 1938 Basic Wage Judgment. The figures dealing with productivity supplied by the Government Statistician and the precarious position of our great industry of goldmining are of themselves sufficient to produce this result, and this, too, notwithstanding that we are benefited to some extent by the establishment here of industries connected with the prosecution of the war. We are not now the prosperous community we were in 1938.

I have quoted these remarks with a view to enlightening members as to what was, I think, in the mind of the President of the court when he made them. My contention is that if the Act is amended as suggested by the Government, and the matter is left, as it must then be, to politicians, we will lose the benefit of the experience of a body like the Arbitration Court, whose members are trained in the handling of these problems and are able to give the whole of their time to the making of declarations which are best and fairest in the interests of the whole community and not of only one section. I express the view that automatic adjustment may eventually re-act even against the worker, unless another friendly Minister produces some new special regulation preventing the present regulation from being put into effect. If the matter is left to politicians, anything of that nature may happen. That is what this State wishes to avoid.

We want the Arbitration Court to be left with all the powers it has. Let us give it back some of which it has been deprived; let us not take away the few remaining powers it possesses. I feel I would be justified in opposing the Bill on behalf of the workers, even from that angle. No one could object to a reasonable and justifiable increase in wages, particularly in these days when the cost of living is continually rising. As a large employer of labour, I say distinctly that I have no objection to such increases provided the standard of our opposition is raised similarly. The workers today are very little better off, if at all, than they were in the days of lower wages. I am not opposed to high wages from the angle of getting value for them. It appears to me, however, that it is almost useless to pass any industrial legislation, because in many instances I think the Government takes very little notice of it.

If the legislation does not suit the Government, the Federal powers are invoked, and out comes another National Security Regulation to meet the case, whatever it may be. That has been very marked—I think members will agree with me in this—in industrial matters over the past 12 months. In fact, very few employers today know where they stand. We never know from day to day what National Security Regulation will be promulgated that will make it much more difficult for a manufacturer to continue operating. Another point I wish to refer to is the powers allotted to the Premiers of all the States to adjust the basic wage each quarter. In such circumstances it really does not matter whether the Bill is passed or not. The Government has set its hand to the plough; in my opinion it may just as well finish the job. If it is going to take the powers away from the Arbitration Court and the Government is dissatisfied at any time, the Premier still has authority to amend the basic wage quarterly from time to time.

The law at present gives the Arbitration Court power to use its own discretion. If it considers, after hearing and examining the evidence regarding the cost of living figures, that it should withhold any increase, it can at present do so. It has the same right to withhold any reduction if, in its opinion, it is not warranted. If Parliament is to have the power to do this without any reference to the court, I repeat what I said by way of interjection when the Chief Secretary was speaking, "It would be wise to abolish the Arbitration Court entirely." The court would be only a figurehead. It would be futile if we were to take away the remaining powers it now possesses. This can be exemplified by reference to Saturday morning's "West Australian" which stated that a Wheat Harvest Employment Commission had been appointed. One of its duties is to declare that—

Any rate of remuneration or conditions of work determined by it shall apply to such persons or classes of persons, to such work, to such localities and from such date, as is specified by the Commission. The regulations under which the Commission will work provide that

its determinations shall have effect, notwithstanding anything contained in or done under any Commonwealth or State law. The Commission is empowered to hear evidence relating to its functions.

There was recently appointed a Women's Employment Board. It seems to me, therefore, that any body created in an industry will have the sole say as to what wages and working conditions are to apply in that particular industry. It is only a question of time when we shall reach a state of chaos in employment generally. Until we get back to the days when the Arbitration Court handled the whole business, industry as a whole will suffer many hardships. I have no quarrel with the principle that wages should rise or fall with the cost of living, and industry generally supports me in that contention. The whole question is what the standard shall be, and whether this State can carry a standard so much higher than is borne by our Eastern States competitors, and, in addition, whether the standard should be fixed by politicians, or by a judicial body specially trained for that purpose. The whole point is, and I appeal to members to remember it, that the matter should be left unreservedly in the hands of the Arbitration Court. I feel sure that this House will not interfere with the present position, and also that when the basic wage is brought into line with the other States our workers will not be made to suffer any disability in that respect. I intend to vote against the second reading of the Bill.

HON. SIR HAL COLEBATCH (Metropolitan): I desire to give a few reasons for my intention to vote against the second reading of this Bill. I regard it essentially as a vote of want of confidence in the Arbitration Court. It will take away certain powers from that court, and such action could be justified only on the assumption that that tribunal had abused its powers or neglected to exercise them and mete out proper justice. Is that the case? Has the Arbitration Court done anything wrong, abused its powers, or done injustice to anyone? The President of the Arbitration Court in refusing the increase which has led to the introduction of this Bill made these remarks amongst others:—

> The basic wage even when not adjusted is the highest in the Commonwealth in purchasing power, excepting in the wealthier and more prosperous State of Queensland, and even there if the statutory requirement of three dependent children is taken into account, it is the most generous in its incidence.

His next remark was this—

> Our basic wage exceeds the Commonwealth basic wage by 4s. 5d. per week.

Further he said—

> The State's average weekly wage per adult male worker is the highest in the Commonwealth both in amount and in purchasing power. The State's weekly hours of work are the lowest in the Commonwealth.

I would like members to consider those statements of the President of the Arbitration Court—that the weekly hours of work are the lowest in the Commonwealth, and that the purchasing power of our basic wage is the highest in the Commonwealth—and then to ask themselves: Are we justified in passing a vote of want of confidence in the Arbitration Court because it did not make the position still more detrimental to Western Australian industries? Is there any answer to those statements of the President? I have carefully read the remarks of the Labour representative on the court and this is the essence of them—

> For many years we have enjoyed a position of superiority over other States by our basic wage standard.

The Labour representative did not attempt to deny any of the statements made by the President of the court. He said that for many years we had enjoyed a position of superiority over all the other States of the Commonwealth. He inferred that because our workers had had that advantage over the workers of the other States, it should be maintained. Now, how, on the strength of such a statement by the workers' representative, can the Government contend that this Bill is introduced to do justice to the basic wage workers of Western Australia in comparison with the basic wage workers of other States? As the President of the Arbitration Court points out, the basic wage workers are, without the increase sought, already in a better position than are the same class of workers in the other States. The employees' representative in answer to that statement attempts to make no denial, but simply contends that for years past our workers have been in a better position than the basic wage earners of other States, and that therefore they should continue in that position. Surely that is a complete denial of any suggestion that the Arbitration Court has dealt harshly or unfairly with the basic wage earners in this State!

There is no justification whatever for taking this power away from the Arbitration Court, and there is not the faintest justification for assuming that the Arbitration Court will, in the future, do other than deal fairly with the basic wage earner as it has done in the past. The argument used by the President of the court against the increase sought clearly shows that the Arbitration Court is quite willing to increase the basic wage when circumstances justify it, and that it is quite willing that the basic wage in this State should not fall below, either in amount or purchasing power, the basic wage in other States. The Arbitration Court has, in these statements of its President, pledged itself to see that the basic wage earner in Western Australia shall not be under any disadvantage as compared with the basic wage earner in any other State of the Commonwealth. In face of all that, what justification is there for the Government's contention that this Bill is brought down in order to remove some disability that the basic wage earner in this State suffers as compared with the basic wage earner in other States?

Another question we have to ask ourselves is this: Can our industries afford to pay higher wages and give better conditions than do the industries in the remaining States of the Commonwealth? I maintain they cannot. Whilst I agree with practically everything that was said by Mr. Bolton, I do not agree with the inference to be drawn from his remarks that the employers in Western Australia would not mind what the wages were so long as they were uniform throughout Australia. Whatever may be the conditions in time of war, whether we like it or not, we have to face the position that Australia will later have to compete with other countries of the world, and it would be quite idle to say that we do not care what wages and conditions are operative here so long as they are the same as those in the other States of the Commonwealth.

I was a member of the Royal Commission that inquired into the Commonwealth Constitution and I remember well the industrialists of New South Wales saying that they did not mind their industrial conditions being prescribed by the Commonwealth because, they said, "We do not care what wages and conditions are imposed on us so long as they are the same throughout Australia." But they added this proviso—"and so long as the tariffs are high enough to protect us against competition from outside." The time is now coming when all our industries will have to face the necessity of competing with other parts of the world, and whilst it is imperative that our wages and conditions shall not be higher than those prevailing in the other States of the Commonwealth, it is equally essential that they shall have due regard to the value of the work done. I quite agree with Mr. Bolton that a lot of the workers in Western Australia is not improved by imposing industrial conditions which will make it impossible for us to compete with the other States.

Employment will lessen in this State. It is well known that Western Australia is the only State in the Commonwealth in which manufacturing employment has decreased since the commencement of the war. That, in itself, is evidence of the fact that we cannot afford better wages, hours and conditions of labour than those obtaining in the Eastern States. We have to ask ourselves another question: Are the basic wage earners those people who are subjected to the greatest sacrifices because of war conditions? I maintain they are not. The Prime Minister has said over and over again that everyone must be prepared to make sacrifices and be satisfied with less than he received in peacetime. If that expression is to be given local interpretation—and I assume the Prime Minister does not desire any other—it means that all people, whether basic wage earners or not, cannot expect their earnings to be increased in complete proportion to the rise in the cost of living. If they were, it would do away altogether with the suggestion that we must be content with less than we enjoyed in times of peace.

We must be prepared individually to bear some proportion of the increase in the cost of living without receiving any recompense for it, but I have not the slightest hesitation in saying that in this community there are enormous sections bearing this increase in the cost of living without receiving any improvement at all in their wages or salaries, as the case may be. There are hundreds, probably thousands, of small businessmen, not only in the city but in all parts of the country, who have been brought to a deplorable state of hardship as a consequence of the

war. No effort or suggestion has been put forward that they should be compensated. There is also the agricultural community, which suffers under tremendous difficulties at the present time because of the shortage of labour. Do members fully realise that our wheat harvest this year will be worth £2,000,000 less than last year? A still greater reduction will be made in the value of our gold industry. Who is going to face these things?

Is it in these times, when all our industries are producing less wealth, that we should say that the man on the basic wage in Western Australia shall have better conditions than the man on the basic wage in the Eastern States? We come to this question: Can the Government afford it? Of recent years the Governments have viewed very lightly their responsibilities in the matter of the payment for the things they want to do. In the Federal sphere we see a budget giving increases to everybody, scattering largess widely in order to win votes, and there is no intention on the part of the Government to recognise any responsibility in the matter of providing the money to pay for these things. That Government says, in an easy sort of fashion, that it will try to raise a certain amount of money by loans from the people, and what it cannot get that way, it will manufacture by Commonwealth Bank credit. The Commonwealth Government has already increased its note issue from £45,000,000 to £113,000,000, and it now says that it will increase that Commonwealth Bank credit, represented by Treasury bills or further note issues, by another £100,000,000 or £160,000,000, and at the same time take no responsibility for finding the money for increasing the wages of everybody and spending money in all directions. What is the position as far as our State Government is concerned? There is a party demand that there shall be an increase in the basic wage. Does the Government recognise that it has a responsibility to see that the money is there to meet it? No! A day or two ago the Premier almost boasted that the increase in the estimated deficit was due to this increase in the basic wage. Surely the Government owes an obligation to the public!

I referred to the President of the Arbitration Court. A little while ago he was called upon to adjudicate in a somewhat difficult case. He visited the Mental Hospital at Claremont and was unqualified in his statement regarding the disgraceful condition of affairs that prevails there. Why cannot that sort of thing be remedied? Because there is no money available for the purpose. The putting of that hospital in order is not a party demand, but it is a public requisite. Our University is in danger of having greatly to restrict its activities—activities that were never of greater importance than they are at present. But there is no money available for the purpose. It is not a party demand; it is only a public necessity. The kindergartens, in many instances, will be compelled, unless the public responds very generously, to restrict their operations, and from the kindergarten to the University there is a general starvation of the educational requirements of the people. There is no party demand in these directions; these wants are just public requirements. While such party needs and vote catching demands as increases in the basic wage can be met by the Commonwealth Government by issuing Treasury bills and printing notes, and by the State Government by budgeting for deficits, these public requirements have to wait until we have an overflowing Treasury.

Mention has been made recently of the action of the Government regarding the wages paid to girls who are taking positions as tramway conductors. I am entirely in favour of the principle of equal pay for equal work, no matter by whom that work is performed. Judging by the opportunity I have had to form an opinion, I should say that the girls acting as conductors on the trams are every bit as efficient as the men, but I point out that the wage fixed for a man is not simply a wage assessed for the value of the work done. It is a wage intended to enable the man to maintain a family—himself, wife and child.

Hon. J. Cornell: Two children.

Hon. Sir HAL COLEBATCH: But there is child endowment for those after the first child, so I do not think there is much to argue about in that. I do not think that a country like Australia can afford to forgo that method of paying men. They must be paid a wage or salary, as the case may be, to enable them to maintain a home. When we reflect that, during the nine years that have elapsed since the taking of the census in 1933, the number of persons in Australia below the age of 21 years has decreased by no fewer than 100,000 souls, we must realise

the perilous position the country is in, altogether apart from the war, and appreciate the necessity for making it possible for people to bring up families in decent conditions. The question I ask myself is this: If we are going to give to single girls the wage that is intended to enable a man to maintain a home and family, can we do it without inflicting injustice upon other people? I say we cannot. The question of equal pay for equal work does not enter into the matter at all. The point is that in satisfying party demands, we are doing something that this country cannot afford.

On one or two occasions I have deplored the action taken by the Grants Commission in assessing financial assistance on the basis of needs and endeavouring to interfere with State governmental policy and dictate to the Government what it should and should not do. For that reason I should strongly resent action by the Grants Commission in cutting down the grant to Western Australia on the ground that the Government had no right to fix a basic wage higher than that ruling in the other States. I say I would resent such action, but at the same time I have to recognise that there would be far more justification for reducing the grant on that ground than there has been for reducing it on the grounds adopted in previous reports. I shall vote against the second reading of the Bill.

HON. J. CORNELL (South): In my remarks I shall endeavour to do something unusual and that is to stick to the Bill—the simple issue contained in the Bill. On looking back over the years that have gone, I derive a certain amount of consolation. After reading the debates that occurred in 1930, the change of opinion reminds me of the mutability of mankind. Towards the end of 1930, provision was made by legislation that in every quarter the Government Statistician should supply the court with particulars of the variation in the cost of living during the preceding quarter. The Bill stipulated that if there was a variation of 1s. either way, the court might, of its own motion, either add to or take from the basic wage the amount of 1s. That provision was agreed to by Parliament, and that has been the position ever since. This is all the Bill deals with.

The people who today desire the deletion of the word "may" and the insertion of the word "shall" are seeking to take away all the discretionary power possessed by the court in fixing the basic wage because of the upward trend of prices. In the debate on the simple little measure passed in 1930, I find that in another place 13 members, all Labour men, spoke against it and occupied 62½ pages of "Hansard," while six members spoke in favour of the Bill, and occupied 20 pages of "Hansard." Thus the debate on that simple little Bill occupied 82½ pages of "Hansard," and extended over 12 hours, excluding the tea hour. When a division was taken on the second reading, there were 23 "ayes" and 20 "noes." The "ayes" consisted of National and Country Party members and all the "noes" were members of the Labour Party. Three pairs were recorded and, allowing for the Speaker in the Chair, the whole of the members of that House were thus accounted for. On the motion for the third reading, the late Mr. McCallum spoke, and the House was again divided. On that occasion there were 22 Government supporters who voted "aye" and 18 Labour members who voted "no." Again there were three pairs, and thus, including the Speaker, 47 members of the 50 were accounted for on the third reading.

In the Council, 16 members spoke to this simple little Bill, five Labour men and 11 others. They occupied 46½ pages of "Hansard," and the second reading was passed on a division by 15 "ayes" to eight "noes." The "noes" consisted of five Labour members, the late Mr. Harris, the late Mr. Lovekin and myself. All the members who today want "shall" substituted for "may" were, in 1930, entirely opposed to the Bill. They would not have anything to do with it. Now, however, we are witnessing a remarkable somersault. What was anathema to them in 1930 they now want. Their wish is to take away from the Arbitration Court the discretionary power conferred by that measure. On that occasion I offered no objection to the Bill, but I voted against the second reading. I refer members to "Hansard," 1930, page 2432, where they will find that I quoted Clause 3 of the Bill, which read -

> The State Government Statistician shall, as soon as practicable after the end of each and every quarter in the year, supply to the court a statement indicating by price index numbers and other information the variation (if any) in the cost of living which has occurred during the then last preceding quarter, and if

such statement shows that a change of one shilling or more per week has occurred in the cost of living, then, notwithstanding anything in this part of this Act to the contrary, the court shall of its own motion consider such statement, and may adjust and amend the basic wage declared.

I said—

Under the Bill, the court is free to reject any statement the Government Statistician may put up.

The report continues—

Hon. W. H. Kitson: The court is not likely to do so.

Hon. J. Cornell: When first the President was appointed, I said, and I now repeat it, that he would do whatever he thought right, irrespective of the consequences. Everybody knows that the fixing of the basic wage for the 12 months is entirely a matter for the court.

So it is. The report continues—

If the Government Statistician's method of calculating the index prices does not conform to the court's method, the court would be quite right in rejecting the Statistician's findings.

So it would. The report continues—

Hon. W. H. Kitson: The court cannot reject it.

Hon. J. Cornell: Of course the court can.

Hon. W. H. Kitson: It is provided that the court shall consider it.

Hon. J. Cornell: That is all; it is permissive. If the court considers that the Statistician is all astray—and sometimes statisticians are—and that his methods do not square with the court's methods in the fixing of the basic wage, the court will reject those methods.

That was my opinion in 1930 and also that of the Chief Secretary. I said that it was permissive and that the court could use its discretion. The Chief Secretary said then that it was provided the court should consider the Statistician's finding. Now he says that the court did not do so, but that it would have to do so, because Parliament would compel it to do so. That is the position. Let us analyse it. During the period of the financial depression, the Labour Party opposed the Bill because it gave the court power to adjust the basic wage each quarter in accordance with the cost of living figures. But for that provision, the basic wage would have stood for 12 months.

Hon. T. Moore: That was the point.

Hon. J. CORNELL: Yes.

Hon. C. B. Williams: It was a breach of contract.

Hon. J. CORNELL: I have heard the assertion made that the strength or the virtue of the Arbitration Court was not so much that it should raise wages, as that it should stop wages from being reduced. Wages again rose. The court satisfied itself that there was occasion for raising wages. It, therefore, in the exercise of its discretion, increased wages. Further, Mr. President Dwyer was himself responsible for the industry loading in the goldmining industry. None of the advocates thought of that. Later, he included a prosperity loading in the basic wage. Everything in the garden was then lovely.

Then we reached one of the most critical stages in our history. War broke out and we were threatened with invasion. What happened? The court was asked to raise wages according to the Statistician's figures. The court said, "No, we are not satisfied with the Statistician's figures." No more was 1. The court said, "We will call a halt." The words were hardly out of the President's mouth when Mr. Davies was on his way to New South Wales to interview Mr. Ward. I happen to know that for the first time in history drapery was then said to be cheaper in Boulder than in the metropolitan area. House rents dropped, as did the prices of other commodities. That is the reason the Statistician said that his figures indicated there should not be a rise in wages in the eastern goldfields district. My colleague knows, if no one else in this House does, and I know, that what happened on the goldfields was that some men enlisted while others left the goldmining industry. Many remaining there left shacks that, as I said on a former occasion, were not even fit to put a goat in and moved into a better class of house at the same rental they had been paying previously.

Hon. C. B. Williams: Hear, hear!

Hon. J. CORNELL: That was one reason advanced by the Statistician why there should be no increase in the wages on the goldfields. I think I have some members in this Chamber with me when I say that the gentleman who occupies the position of President of the Arbitration Court has been in the public life of this State for over 40 years. He has been a close friend of mine for 40 years, notwithstanding that we were opposed politically. In his capacity as President of that court, had not he the right to exercise his discretion? I, for one,

refuse to take unto myself the right to take for granted the rule-of-thumb method adopted by the Statistician during the years of peace and prosperity as a basis for the calculation of wages to be paid in the economic conditions brought about by the war. That is exactly the line of reasoning adopted by Mr. President Dwyer. Had he not adopted that line of reasoning, he would not be fit to hold the position he now occupies. From my place in this House I wish to say that I deprecate remarks I have heard with regard to the probity of Mr. President Dwyer. That is beyond question.

Hon. G. W. Miles: Hear, hear!

Hon. J. CORNELL: And I speak of over 40 years' personal friendship with him. The Arbitration Court was not given time to decide this matter definitely. Following on Mr. Davis's trip to interview Mr. Ward, we got from Canberra a National Security Regulation which said that the Premier of this State could make any wages adjustment he liked irrespective of the Court of Arbitration. I think this much of the Premier, that had he been left to his own devices, he would not have given the increase; but the adjustment has been made. What more is required? Why the necessity for this Bill? I warn members that to pass it will place upon our statute-book a bludgeon that can be used at either end. If the war were to conclude tomorrow and a slight depression hit us sideways, with a consequent downward trend, there would be no alternative but to reduce wages. Wages would drop without any inquiry at all.

Hon. A. Thomson: Then there is no need for the Arbitration Court.

Hon. J. CORNELL: I cannot see that there would be any need at all. As for me, now that the Government has seen fit to go outside the tribunal that Parliament created for the settlement of industrial disputes and to invoke the aid of a National Security Regulation—a regulation which the wildest enthusiast of the National Security Act never contemplated, and I was in Parliament at Canberra when it was passed—and now that the Government has put into operation something which the court absolutely refused to do, let it stand. As far as I am concerned, it will stand. I conclude where I finished when speaking on the Bill introduced in 1930. I am satisfied that in the long run the worker will be better off if we reject the Bill and leave the situation in the hands of the court, where the Government itself placed the responsibility. When normal conditions return, the law regarding quarterly adjustments will be in operation. I intend to vote against the second reading of the Bill.

On motion by Hon. E. M. Heenan, debate adjourned.

BILL—GOLDFIELDS WATER SUPPLY ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER [3.47] in moving the second reading said: This is a Bill to amend the Goldfields Water Supply Act, 1902, which makes provision for the constitution of the Goldfields Water Supply Board; for the definition of the powers and duties of that board and for other purposes incidental thereto. The first proposal in the measure deals with the supply of water to groups of dwellings, such as flats.

During recent years a number of large blocks of flats have been erected at Kalgoorlie and, in a number of instances in that town and elsewhere, dwellings have been divided into what might be termed "duplex" houses. There are therefore a number of separate occupiers in the one main building. The Goldfields Water Supply Act stipulates that the owner or occupier shall, as far as practicable, be supplied with a water service in return for the rate levied. By-law 57, made under the Goldfields Water Supply Act, provides—

> Except with the written permission of the Minister, not more than one house or tenement shall be supplied from a single water service. The Minister, may, in special cases, consent to two or more tenements being supplied from one water service, but in such case the sub-services shall be so arranged that the supply to each house shall be independent of the supply to the remaining houses and controlled by a stop-cock on such sub-service.

In many instances it would be impracticable to enforce the provisions of the Act and by-laws, and, where practicable, in some instances the expense to the department of installing separate boundary services and the expense to the owners in re-arranging the internal services might not be justified. At present large blocks of flats at Kalgoorlie are each supplied from one service, and the owner is responsible for the payment of the rates and excess water supplied to all the occupiers. The proposal in this Bill is that the Goldfields Water Supply Department be placed in the same position as the Metro-

politan Water Supply Department and be entitled to rate separately each flat although not supplied by a separate service, and then be in a position to recover rates from the occupier should it be so desired instead of from the owner. This course is sometimes desirable where the owners are absentees, and also with a view to the department assisting the owners who, under the Goldfields Water Supply Act, are finally liable for the payment of rates and water charges.

The second proposal is to give the board or Minister power to amend the rate book by inserting any property which may have become rateable after the rate book has been made up. Many applications are received annually by the department for the extension of water mains, generally for supplies to new houses. Upon these extensions being laid, properties facing the mains become rateable. At present there is no power provided in the Water Supply Act to insert these properties in the rate book. The Bill makes provision for this and, if agreed to, will bring the Goldfields Water Supply Act into line with the Metropolitan Water Supply, Sewerage and Drainage Act, and the Water Boards Act.

Another amendment deals with the sale of land for unpaid water rates. The Goldfields Water Supply Act was passed in 1902 and the provisions of the section dealing with the sale of land for arrears of rates are somewhat out of date. The Bill proposes to repeal the whole of Section 83 and to insert a new section in its place, this being necessary on account of the number of amendments involved. It provides that if moneys due for rates or for water supplied remain unpaid for a term of three years or longer after they are due and payable, action may be taken for the sale of the land. A further amendment relates to the substitution of the "local court" and the "magistrate" for the "Supreme Court" and a "judge" thereof, as the authority to make the order for the sale of land. At present a petition must be lodged at the Supreme Court, which is an expensive proceeding and subject to delays.

The Bill also provides that a purchaser may take land free of encumbrances other than a mortgage to the Agricultural Bank. The proposed new section is substantially the same as Section 282 of the Road Districts Act, and the provision in the Vermin Act of 1925, while it is also similar to the amendment in the Water Boards Act Amendment Bill recently passed by this House. I feel sure that the Bill will receive the support of members, particularly those representing the goldfields districts. 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 3.56 p.m.

Legislative Assembly.

Tuesday, 27th October, 1942.

The SPEAKER took the Chair at 2.15 p.m., and read prayers.

BILL—MORTGAGEES' RIGHTS RESTRICTION ACT AMENDMENT.

Introduced by Mr. Boyle and read a first time.

BILL—MOTOR SPIRIT AND SUBSTITUTE LIQUID FUELS.

In Committee.

Mr. Marshall in the Chair; the Minister for Industrial Development in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Interpretation:

The MINISTER FOR INDUSTRIAL DEVELOPMENT: The Leader of the Opposition has some amendments in connection with this clause.

The CHAIRMAN: There is a prior amendment on the notice paper.