ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. D. R. McLarty—Murray): I move—

That the House at its rising adjourn till 2.30 p.m. tomorrow.

Question put and passed.

House adjourned at 10.28 p.m.

Legislative Council

Thursday, 28th August, 1952.

CONTENTS.

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

SWEARING-IN OF MEMBER.

The PRESIDENT: I am prepared to swear in Hon. H. K. Watson who was returned for the Metropolitan Province at the biennial election.

Hon. H. K. Watson took and subscribed the oath and signed the roll.

QUESTIONS.

MARGARINE.

As to State Manufacture, Imports and Ingredients.

Hon. C. H. HENNING asked the Minister for Agriculture:

(1) What was the amount of margarine manufactured in Western Australia for the years 1949-50, 1950-51, 1951-52 respectively?

(2) What was the amount imported during each of the same years?

(3) What are the principal ingredients used in the manufacture of margarine, the percentage of each used, and the country of origin?

The MINISTER replied:

(1)

1950—597,681lb. = 264 tons.
1951—437,573lb. = 195 tons 4 cwt.
1952—January 1 to July 31—
462,671lb. = 216 tons 11 cwt.
Pro rata quota to the 31st July, 1952—475,822lb.

Under the Margarine Act the year commenced on the 1st January and the annual quota is 364 tons.

(2)

1949-50—2,131,085lb. = 951 tons 7 cwt.
1950-51—2,212,541lb. = 987 tons 14 cwt.
1951-52—2,218,708lb. = 990 tons 9 cwt.

Although there is no segregation in the keeping of statistics between the imports of cooking and table margarine, it is known that the great bulk of, if not all, the margarine referred to above was cooking margarine. There is no knowledge of any table margarine being imported during those years.

(3) There is no information available regarding the actual composition of margarine. The main ingredient is usually coconut oil with smaller proportions of others such as peanut oil. Supply is mainly through the Lever organisations and the exact origin of the oil used in Western Australia is not known.

MILK.

As to Action to Increase Production.

Hon. L. C. DIVER asked the Minister for Agriculture:

Further to my question of Thursday, the 21st August, 1952, in view of the fact that the farmers in the agricultural areas now specialise in the production of grain, wool and meat, how does he propose to increase milk production?

The MINISTER replied:

There are approximately 8,000 farms producing grain and wool, and, allowing two cows per farm, the production should equal a total of 48,000 boxes of butter nearly the equivalent of what we imported last year. In addition, it would provide a good supply of milk, butter and cream and a by-product for feeding pigs and poddy lambs, as well as a return from the sale of calves, which would also be an added source of meat production. It has always been Government policy to encourage farmers to be self-supporting in dairy produce.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 26th August.

HON. E. M. DAVIES (West) [4.40]: I rise to oppose the second reading of this most repressive measure which is bristling with plenary clauses apparently directed at one section of the community that is most important in this State. The relationship

between employers and employees over the years is something of which we should be very proud indeed, and I am satisfied that the introduction of this Bill is in no way likely to improve the conditions that have prevailed. I believe it will be the means of encouraging certain people, who at times have endeavoured to influence others by suggesting that the arbitration laws of the State have gone by the board and are not desirable, to continue in that course of action. If the measure becomes law, certain people will be able to tell other sections of the industrial movement that the arbitration laws have been moulded merely to protect one party to the arbitration system.

When the Minister rose to move the second reading, he prefaced his remarks with reference to the recent industrial dispute which, unfortunately, extended over a considerable period. We are pleased that the stoppage has ended, but the fact that the Government waited so long—as a matter of fact, for a period of six months—before doing anything at all to bring about a settlement, does not stand to its credit. I wish to traverse briefly the events since the dispute occurred. It arose over the question of margins, and as the Arbitration Court is the tribunal for fixing a minimum for wages, I consider it extraordinary that the court was not able to do something about margins, because this question is of great importance to a large number of workers.

Let me revert to the time, a good many years ago, when a system was devised whereby a reasonable standard of living could be provided for workers. This was brought about by the Harvester judgment of 1907, which fixed a living wage of 7s. per day. If we look at the percentage granted as margins for skill above the living wage and for people in administrative positions, we find that it was then approximately 52 per cent., whereas it has now dwindled to about 22 per cent.

The Minister for Transport: In that year, I think it was 42.8 per cent.

Hon. E. M. DAVIES: The information I have shows it to have been about 52 per cent. That may not be exact, but I do not think it is far wrong. This in itself has resulted in a good deal of dissatisfaction amongst tradesmen, who claim that they were entitled to have the margin preserved. As a result of their not being able to achieve anything of this sort, an industrial dispute occurred.

The most unfortunate part in my view is that, after the court had heard the case, the organisations involved in the dispute were fined for doing something in the nature of a strike. In addition to being fined, they were deregistered as industrial organisations functioning under the terms of the Act. This means that they were outside the provisions of the Act, and consequently it seems quite futile for the Government now to shelter behind the contention that the men could have gone back to the court.

This brings me to the point that I and other supporters of the Labour Party believe in arbitration and conciliation, which system has given the community good service over many years. In this case, there could be no question of arbitration once the unions had been deregistered; it became a question of conciliation. The Government, by putting itself on a pedestal and endeavouring to show that it consisted of men of strong character, was simply emulating Nero fiddling while Rome burned. Had the Government appreciated that the dispute was causing quite a lot of inconvenience to many other workers as well as to the public generally and affecting the economic position of the State, one would have expected it to exercise its function of trying to bring about a settlement.

Hon. N. E. Baxter: Did not the Government try to do that?

Hon. E. M. DAVIES: No.

Hon. H. Hearn: That is a matter of opinion, of course.

Hon. E. M. DAVIES: The State Disputes Committee of the A.L.P. and the Leader of the Opposition in another place tried to arrange a reconciliation between the parties, but the Government was adamant in refusing to mediate in any way at all. This is shown by the fact that the leaders of the men were not permitted to attend a deputation and, consequently, nothing was achieved. I cannot see that any body, whether Government or employers, could lose prestige by agreeing to a round-table conference. Had the Government met the Disputes Committee and the elected leaders of the unions concerned, it might have been possible to reach an amicable agreement and bring the dispute to an end much sooner. I believe that the Government deferred taking action as long as it could, having in mind its intention to introduce legislation such as is embodied in the Bill now before us.

Hon. L. Craig: That is not a fair statement, you know.

Hon. E. M. DAVIES: I conscientiously believe it to be true, and the fact that the Government did not summon a meeting of Parliament earlier indicated that it had no intention of doing anything, except to allow the State to reach a condition of chaos—

Hon. H. Hearn: Deliberately, do you mean?

Hon. E. M. DAVIES: —and then to bring down a measure and ask Parliament to carry these repressive clauses against the whole of the industrial movement. I understand the Minister did say that the Bill would not affect all the industrial organisations, but I believe that if it

becomes law it will not be for Parliament or this House to decide as to the legalities embodied in the Act, but some other tribunal. The Government has not done the right thing in introducing the measure, because it will not in any way inspire confidence in our arbitration system. Those who have engaged in industrial disputation during the last few months are not the only people who adopt direct action, or threaten to do so. Quite recently people who have become annoyed at certain conditions and prices that apply to their commodities, have threatened direct action.

Hon. L. A. Logan: They have not taken it, though.

Hon. E. M. DAVIES: A Country Party member in another place, when dealing with the question of home consumption for wheat, said that he was not averse to direct action. Many farmers have stated, because they were not satisfied with the return they were receiving for their product, that they would restrict the acreage under crop. This, naturally, would be direct action.

Hon. N. E. Baxter: There would be nothing unlawful about that.

Hon. E. M. DAVIES: I would not expect the hon. member to say otherwise. Then we come to the wholesale chemists who supply certain proprietary lines to the retail chemists. If the latter sell these lines at a price lower than that placed on them by the wholesale chemists, they are threatened with having their supplies stopped. There again we have direct action. I draw attention also to what happened not long ago when the Chifley Government introduced its national medicine scheme. Members of the B.M.A. then went on strike and said they would have nothing to do with it.

The Minister for Agriculture: They were never in it.

Hon. E. M. DAVIES: They did not use the word "strike," but said they were non-co-operative. Although it was the law of the land, they defied it and did not carry it out. I venture to say that those who are sponsoring the Bill today are the ones who supported those particular gentlemen and, held them up as heroes because they were defying the law. But no one decided to take any particular action against them. Because some other section of the community defied the law, the Government is bringing down a measure which is most repressive, and which bristles with penal clauses so that it will in no way give any confidence to the unions when taking cases to the Arbitration Court in the future. I want to say again that the Government in 1931, composed of the same parties as the present one, but of course under a different name, introduced financial emergency legislation which made provision for reductions in salaries and wages without the necessity of going to the Arbitration Court.

Hon. H. S. W. Parker: That was by arrangement with the then Labour Prime Minister.

The Minister for Agriculture: He insisted on it.

Hon. E. M. DAVIES: I do not know about that, but whereas we are being told now that we must go to the Arbitration Court, the Government then did not do so. It brought down the legislation and told those who worked in industry that if they wanted to oppose the reductions, namely, cuts of from 18 to 22 per cent. in their wages and salaries, they could go to the court themselves.

Hon. H. S. W. Parker: Also, interest, rents and parliamentary allowances were reduced.

Hon. E. M. DAVIES: Yes, but they came after. Those who were in receipt of wages and salaries had their incomes reduced almost by a stroke of the pen.

Hon. H. S. W. Parker: Parliamentary salaries were first.

Hon. E. M. DAVIES: The then Attorney General, the late Mr. T. A. L. Davy, when moving the second reading of the Bill said—

> The governing authorities must be in a position to pass on the reduction; otherwise they might not be able to carry on their activities. Accordingly, provision is made in the Bill whereby, in spite of existing contracts, awards or agreements of any kind, in the event of a cut being made in the grant to an institution, the management are permitted to pass on that reduction in the same proportion to their employees. The next portion of the Bill deals with employers outside the Public Service. Power is given to the employer to make a reduction in the remuneration paid on the same basis as the reduction suffered by the man inside the Government service.

The Government gave the employer the right to reduce wages without having to go near the Arbitration Court.

Hon. L. Craig: That applied to the £1 rise the other day.

Hon. E. M. DAVIES: It did not, because it was given by the Arbitration Court. Whether members consider it right or wrong, that is how it was given; but in that particular legislation the wages and salaries of different workers were reduced by a stroke of the pen—by a measure passed by Parliament, and without the necessity of going to the Arbitration Court. Those in industry who were depending on their wages were told that if they wanted to retain their existing wages or salaries, they could go to the court and put up a case against the reduction. Whilst the Government then told someone else to go to the court, it did not go there itself when it suited it not to.

Hon. H. S. W. Parker: It suited the people.

Hon. E. M. DAVIES: I have mentioned about others threatening direct action, and I have before me the "Daily News" of Friday, the 22nd August last; and this is a real gem. The heading of this report is, "Oil Firms Issue an Ultimatum," and the irony of it all is that this concerns a statement made by the Attorney General, the Minister who introduced the measure in another part of this Parliament. The report is as follows:—

> Prices Minister, A. V. R. Abbott, said today that oil companies had threatened to stop supplies to some country areas unless they got an immediate increase in petrol and oil prices.

That is direct action!

> He had received a telegram from the Oil Industries Prices Committee secretary, stating that a meeting of principals of all oil companies had decided to protest against the "recurring delays" in authorising price adjustments.
>
> The telegram said that if the present "uneconomic" city prices continued all companies would be forced to curtail country trading, particularly in drums, and would possibly withdraw completely from certain areas, as some companies had already done.

There we have one section of the community issuing an ultimatum to the Government, and I am wondering whether the Government intends to take any action against those people. The oil companies, by direct action, are depriving certain people of the commodities to which they are entitled.

Hon. H. S. W. Parker: The Government has probably told them where they get off.

Hon. A. R. Jones: That would be the Price Fixing Commission, not the Government.

Hon. E. M. DAVIES: And who controls the Price Fixing Commission?

Hon. A. R. Jones: The Government is not responsible.

Hon. E. M. DAVIES: That is something new to me. The Attorney General is the Minister in charge of the department. He made the statement, and he is the person to whom the companies have issued the ultimatum.

The Minister for Agriculture: He did not make that statement.

Hon. E. M. DAVIES: I would like to know what the Government intends to do to these people who propose to adopt direct action.

The Minister for Agriculture: We will have to consult Mr. Finnan, the New South Wales Minister for Prices. He is a Labour Minister.

Hon. E. M. DAVIES: The Bill proposes to alter the definition of the word "strike," but there is no provision to alter or interfere with the definition of "lock-out." To me it appears as if this legislation has been introduced with the idea of directing it at one section of the community, and yet we are asked to believe that the arbitration system will still hold the scales of justice in proper balance. In view of the introduction of this Bill, I ask members whether, if they belonged to industrial organisations, they would be prepared to go to the Arbitration Court and have any confidence in it?

Hon. G. Fraser: It is most lopsided.

Hon. E. M. DAVIES: It is not much use making an appeal to the Government because I suppose it feels it has the numbers and wants to push this legislation through Parliament. But, because a Government has the numbers behind it, and it can push legislation through, that does not mean it always introduces good legislation. It is comforting to know that we have a British Constitution and that under our system of parliamentary government, which has been handed down from the Mother of Parliaments, the House of Commons, there is provision for Her Majesty's Government and Her Majesty's Opposition. The framers of that Constitution must have realised that some Governments would bring in repressive legislation. The introduction of this measure is an indication of what the Government will do when it knows it has the numbers behind it. However, the Government must realise that other Governments have attempted to interfere unfairly with the arbitration laws, and I refer particularly to the Bruce-Page Government which some years ago attempted to alter the industrial arbitration laws of the Commonwealth. The Government found that some of its supporters deserted it, one of the deserters being Rt. Hon. William Morris Hughes, at one time Prime Minister of Australia, and another the then Nationalist member for Perth, Mr. Mann. That Government was defeated in the House.

Hon. H. Hearn: Can we take that as an invitation?

Hon. G. Fraser: Yes.

Hon. E. M. DAVIES: Because the Government was defeated in the House, it was forced to resign and go to the people. The people were so incensed at what the Government had tried to do that they threw it from the Treasury bench, and the Prime Minister lost his seat to the secretary of the Melbourne Trades Hall. That is what the people of Australia thought of that legislation.

Hon. H. S. W. Parker: And what happened 15 months later?

Hon. E. M. DAVIES: The hon. member knows as well as I do. The Government took good care to dissolve only one House of Parliament and left the other section so that it could prevent the new Government from doing its job.

Hon. H. Hearn: You would not grumble about that, in the light of subsequent events.

Hon. E. M. DAVIES: There are some members in this Chamber who do not agree with my views, and I do not deny them the right to express their opinions and to vote according to the dictates of their consciences.

Hon. G. Fraser: They have not any.

Hon. E. M. DAVIES: And I retain the same right.

Hon. Sir Frank Gibson: Hear, hear!

Hon. E. M. DAVIES: I believe that this measure is not in the best interests of industrial peace, and it will not inspire any confidence in those who depend upon the actions of the Arbitration Court in this State to grant a fair living wage and fair margins. I will not attempt to enumerate all the clauses in the Bill, but there are some very important alterations to the principal Act.

Hon. A. R. Jones: Why do some wage-earners ask for those conditions.

Hon. E. M. DAVIES: I have been trying to explain to the hon. member that people who are associated with industrial organisations have, in the past, gone to the Arbitration Court with every confidence, believing that they would get a fair deal. But these alterations to certain sections of the Act, particularly the penal sections of it, will not inspire confidence. Previously it was a layman's court, but this measure provides for legal representation, and that in itself will not encourage the average layman to go there to present his case. He will be confronted with a lot of legal interpretations, and those of us who have been associated with industry for a number of years have found that if we are able to negotiate and place our facts before other laymen, we get a far better deal.

Furthermore, I do not think that the Bill will have the effect that the Government anticipates. It will give some people an opportunity to say that the arbitration system of this State has failed and possibly a number of unions that are registered with the Arbitration Court will decide to withdraw from its jurisdiction. I can only hope that the Government, even at this late stage, will realise that it has not done the right thing by bringing down this measure, because if conciliatory action had been taken in the recent industrial dispute, it would not have lasted so long. I hope that we will not again see a strike in this State lasting for so long a period as did the metal trades dispute.

Hon. H. S. W. Parker: Hear, hear!

Hon. E. M. DAVIES: I hope, too, that the Government will try to water down the provisions contained in the Bill, if it does not withdraw the measure altogether, and if it does that, it might inspire more confidence in some of the members of the industrial organisations who still believe and have confidence in the arbitration laws of this State.

HON. W. R. HALL (North-East) [5.10]: I rise to oppose the Bill. I do not want to let it pass the second reading stage without having something to say because, to my way of thinking, it is nothing short of dynamite so far as the industrial organisations of this State are concerned. So long as there are industrial organisations and unions in the world there will always be strikes of some kind. It seems a pity that the recent strike was permitted to continue for six months, and I deprecate the very feeble efforts of the Government in trying to bring it to a conclusion. On the other hand, I think the Leader of our party, Mr. Hawke, and the Disputes Committee of the A.L.P. did all in their power to bring it to a successful termination. If the Government had adopted some other attitude, the strike would not have lasted six months and our locomotives would not be in the condition in which they are now. Hundreds of people directly, and thousands indirectly, would not have suffered through this strike.

Hon. N. E. Baxter: What do you suggest the Government should have done?

Hon. W. R. HALL: If the railways had made it one big strike, it would not have gone on for as long as it did.

Hon. H. Hearn: You do not suggest that the men did not lock themselves out, surely?

Hon. W. R. HALL: In some cases they did, and in other cases they had to take some other attitude. But there is one thing that the strike proved, and it is that even with the provision of extensive road transport, we cannot do without our railways. They have been of great service to this State and we still cannot do without them. I will speak on that aspect in greater detail on the Address-in-reply debate, but there is no doubt that road transport cannot cope with the despatch of all our goods, and we must rely upon our railway services.

I listened carefully to the Minister when he introduced the Bill the other night, and I can see no reason why this measure should be brought down to penalise all the industrial organisations in the State simply because one of them caused a strike. I belonged to an industrial organisation for a good many years before I entered Parliament and I believe in conciliation and arbitration. But this Bill

gets to the roots of industrial arbitration and it will shake the foundations of all unions in regard to their future dealings with the Arbitration Court. To my way of thinking, the penalties contained in this measures are too drastic from the point of view of the employers and the unions. In past years heavy penalties have not achieved the desired objective.

Hon. A. R. Jones: Probably they have not been heavy enough.

Hon. W. R. HALL: There are ways and means of punishing people for doing what they should not do, other than by inflicting monetary penalties or using the threat of imprisonment. The penalties provided in the Bill are altogether too drastic. How some of the unions would pay fines that could possibly be inflicted upon them, I do not know. Hundreds of industrial organisations in this State have not the funds that will enable them to do so.

Hon. N. E. Baxter: Then they should not commit offences against the Act.

Hon. W. R. HALL: I do not agree with that. Even though a person should commit a minor offence, it does not say that he would have the money with which to pay the fine that might be inflicted upon him. There are other means by which such matters could be dealt with apart from the imposition of monetary fines. Merely because of the action of one organisation, the legislation now before us will make it possible for penalties to be imposed upon trade unions throughout the State.

Another provision makes necessary the supplying by unions of the names and addresses of members and so on. These have to be furnished to the Industrial Registrar. That has been going on for years under the principal Act. I was a secretary of one union for over 10 years and in January of each year those returns had to be submitted to the Registrar.

Hon. H. S. W. Parker: That is done by all good unions.

Hon. W. R. HALL: Other details are required. Soon organisations will have to give details regarding the religion of their members and provide copies of their birth certificates and so on. All this is beyond my comprehension. Then again the Registrar can order a secret ballot of members of an organisation to be taken and the union will have to pay the expense involved. That is certainly an imposition.

I belonged to one union which had only 30 or 40 members. For such an organisation to pay the cost of a ballot ordered by the Registrar would be impossible. Because of its small membership that union had accumulated only £20 or £30 in the bank over a period of years. Under the Bill the Registrar has the right to order a secret ballot to be held. A union may be ordered to carry out that obligation and the result of the secret ballot may show that the men intend going on strike. What will happen then?

Hon. H. S. W. Parker: Would you suggest that the Government should stop them?

Hon. W. R. HALL: If the Registrar or the court can demand the holding of a secret ballot, the Government will then ascertain the intentions of the men and may possibly have them fined. They will be subject to prosecution. I regard the Bill as one-sided and there is no need for it. If provision had been made whereby the employers would be required to allow all their workers to attend union meetings, they would secure a clear-cut indication of the intentions and desires of the men.

Hon. A. R. Jones: You do not believe that, do you?

Hon. W. R. HALL: Yes, I do. At times a few men conduct the affairs of an organisation.

Hon. N. E. Baxter: That is due to the apathy of the members.

Hon. W. R. HALL: The same condition applies to many phases of Australian life. Some industrial organisations conduct stop-work meetings for such a purpose. If arrangements were made with the employers so that 100 per cent. attendance of members could be present at meetings—

Hon. H. Hearn: You do not suggest the employers prevent them from attending meetings.

Hon. W. R. HALL: No, but there are some avocations, the nature of which makes it impossible for all the men to attend union meetings.

Hon. N. E. Baxter: The members are not prepared to go to the meeting in their own time, but want to go in the employer's time!

Hon. W. R. HALL: That is not the point at all. Take the tramways, for instance. It would be impossible for all the men to attend a meeting unless a stop-work meeting were convened.

Hon. C. H. Henning: How many attended the great protest meeting at the Capital Theatre?

Hon. C. W. D. Barker: There were 700 in attendance.

Hon. N. E. Baxter: It is growing!

Hon. W. R. HALL: I am not concerned about how many attended that meeting. What worries me is that the Bill is not calculated to create harmony between employers and employees.

Hon. A. R. Jones: There does not seem to be much harmony prevailing now.

Hon. W. R. HALL: The Bill is likely to promote disharmony. As a matter of fact, there is trouble in the offing now. Pos-

sibly the Government in trying to rush the Bill through is displaying foresight in a desire to have the legislation available to deal with possible eventualities.

Hon. J. A. Dimmitt: A pretty slow rush!

Hon. W. R. HALL: I trust that members will give serious consideration to the various proposals in the Bill before agreeing to them. I do not see any sense in rushing the measure through like it was in another place. There will always be strikes and in attempting to pass legislation of this description we are asked to take a retrograde step. I believe in conciliation and arbitration, in the use of commonsense and tact.

Certainly the recent industrial trouble in this State seems to have been ill-advised, but it is not pleasing to think that as a result of that strike organisations that have played the game over the years are to be penalised simply because the Government did not take appropriate action to terminate the dispute in its early stages. Under the Bill workers will be regimented at the whim of the employer, whether it be the State Government or a private individual. In many instances, harmonious relations have existed between employers and their employees and there is certainly no justification for legislation of this type. It will not get us anywhere and will make the workers more sour.

Hon. A. R. Jones: Some people think that the legislation will make their position more secure.

Hon. W. R. HALL: As a member of an industrial organisation over many years, I do not like it. I never thought that the day would come when we would be asked to deal with a measure of this description. It is a retrograde move and I shall not be surprised at anything that may happen in in the future. There will always be strikes.

Hon. N. E. Baxter: And a few persons will incite the workers to strike.

Hon. W. R. HALL: Not many of my colleagues would incite workers to strike. If the object of the legislation is to deal with the communist, I do not think that good unionists and their organisations should be made to suffer in the process. Only a few of the type members have in mind were mixed up in the recent trouble, and yet thousands are to suffer because of this measure. I oppose the second reading. I know the guns are loaded. There are only nine Labour men in the House. I regard it as my duty to register my protest against the Bill. I shall oppose the second reading and if the Bill reaches the Committee stage—

Hon. G. Fraser: There may be some deserters.

Hon. W. R. HALL: I trust members will adopt a sensible attitude regarding the legislation.

Hon. H. HEARN: I move—

That the debate be adjourned.

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

Ayes	8
Noes	13
Majority against	5

Ayes.

Hon. C. W. D. Barker	Hon. E. M. Heenan
Hon. E. M. Davies	Hon. F. R. H. Lavery
Hon. W. R. Hall	Hon. H. K. Watson
Hon. H. Hearn	Hon. G. Fraser *(Teller.)*

Noes.

Hon. L. Craig	Hon. L. A. Logan
Hon. J. A. Dimmitt	Hon. A. L. Loton
Hon. L. C. Diver	Hon. H. S. W. Parker
Hon. Sir F. E. Gibson	Hon. C. H. Simpson
Hon. C. H. Henning	Hon. F. R. Welsh
Hon. A. R. Jones	Hon. N. E. Baxter
Hon. Sir C. G. Latham	*(Teller.)*

Motion thus negatived.

HON. F. R. H. LAVERY (West) [5.33]: Before going into too many details, I would like to say exactly where I stand. Arbitration and conciliation as the first and foremost means of settling disputes is something for which Labour fought for many years and which was finally placed on the statute book, and I stand completely in favour of it. Having said that, it may be thought that I am riding a horse both head and tail first when I say that I was the mover of a motion in October, 1936, amongst the employees in the passenger section of road transport, for a stop-work meeting in this State. I know that in this House we have representatives of all sections of the community. We have farmers, lawyers, a doctor, tradesmen and business men.

Hon. C. W. D. Barker: And Employers' Federation men.

Hon. F. R. H. LAVERY: We have with us men representing various walks of life, and I make an appeal to them all to forget party politics when considering this Bill. I ask them not to vote on the measure in a certain way just because their party says they must do so.

Hon. H. Hearn: Have you had any instructions?

Hon. F. R. H. LAVERY: I shall answer that question here and now. My party is opposed to the Bill. I am going to appeal in this House for conciliation, a word that has a very strong place in the arbitration laws of Australia. In 1936 the employees in the passenger section of the road transport system in this State were working under a very poor award and there was unfair competition in the industry. No businessman can expect his enterprise to survive unless there is fair competition, and there can be no fair competition unless the cost of manufacturing or the cost of production in agriculture, of which I heard

Mr. Logan speak recently, bears some reasonable relationship to the remuneration received. The same applies to workers in industry.

In the early part of 1936 we had one bus company, the employees of which were 100 per cent. unionists. I refer to the Metro Bus Company, of which I was at that time an employee. There were other buses running in various directions, with employees receiving differing wages and working under varying conditions because they were not bound by an award. In March of that year the union sent me to Victoria and I had the pleasure of meeting there Colonel Bell, the manager of the Melbourne tramway system, who spent a considerable amount of his time assisting me to gather data to present to the Arbitration Court here. When I returned we took our case to the court and were told that we could not be heard for some considerable time and that the case had to go before the Industrial Registrar.

Subsequently the Registrar heard the case. I would point out that there are certain peak loading periods in connection with bus transport. Those periods are 8 a.m. to 9 a.m.; 4 p.m. to 6 p.m.; 7 p.m. to 8 p.m., when people are taken to the city to attend entertainments; and 11 p.m. to midnight, when they are taken back to the suburbs. When the Metro Bus Company came into existence it appealed to the staff to stand by the firm and in the long run they would not be let down. To the everlasting credit of the company, it can be said that that promise was honoured. During the depression years the company permitted its employees to work part time so that no man was unemployed and the staff co-operated happily with the firm.

In granting an award, the Registrar provided that shifts should be worked to suit the exigencies of the employers' business. It was that word "exigencies" which led to a strike. The Kalamunda Bus Company at that time made four trips a day. Drivers started work before 8 o'clock in the morning and finished with the 11 o'clock bus out of Perth at night. They did that for eight hours' pay. Drivers on the Perth-Fremantle run, whether they were employed by the Metro Bus Company or somebody else, were, under the award, expected to do the same. Up to a point, the roster was so arranged that a large percentage of the drivers were able to do a shift of 10½ hours. We have heard about the hours of milkmen and farmers, but I would point out that the bus drivers had to start work at 7 o'clock in the morning and finish with the 11 o'clock bus out of Perth at night, for six days a week.

Hon. N. E. Baxter: Every one of them?

Hon. F. R. H. LAVERY: The shortest period any of them worked was 10½ hours, but 75 per cent. of them had to do a 17-hour or 18-hour shift for eight hours' pay. With the growth of transport, another bus company provided a service on the Nedlands run, and the drivers employed on that run worked for 41 hours per week for a six-day week, working from 7 o'clock in the morning till midnight. They were on call six days per week, but could work no more than 41 hours, for which they received 48 hours' pay. On his Sunday off which occurred once in every 26 Sundays—one man was asked to work on account of the illness of another driver. On pay day only one hour's overtime was received.

He went to the employers and said it was not right. He had worked a full week and an additional eight hours, but had received only one hour's overtime. He was told that there had been a deduction of 7 hours' pay because, in the normal week, only 41 hours were worked. The point I am trying to make is that in regard to the recent strike there was no conciliation. When we stopped work on the occasion I have mentioned, it was only after all constitutional means had been adopted by our union to effect a settlement. I am led to believe that Mr. Hearn is a representative of the Employers' Federation and, if that is so, I desire to tell him that our relations with that organisation—

Point of Order.

Hon. H. Hearn: On a point of order, Mr. President, I would like to know whether Mr. Lavery means that I am a representative of the Employers' Federation in this House. If that is his meaning, I give it the lie direct.

Hon. F. R. H. Lavery: If Mr. Hearn thought that was what I meant, I humbly apologise. I meant that I believe he is a representative of the Employers' Federation, though not in this House.

The President: The hon. member may proceed.

Debate Resumed.

Hon. F. R. H. LAVERY: On one occasion in 1936 we were engaged in negotiations with the employers over a period of months. And at that time I said that while Mr. L. L. Carter was secretary of the Employers' Federation we could never reach conciliation round the conference table, and we did not. When Mr. Gill took over the office of secretary, the opposite was the case, and from that day to this my union has worked happily with the Employers' Federation. On the occasion I have referred to, Mr. Carter told us that they would negotiate no further and that we could stop work. That resulted in a month's stoppage, which was morally a lock-out. The procedure generally was that as the buses came in from 6 p.m. onward they would go and refuel for the next day, but as they came in on this occasion they were put in the corner, and they stayed there for a month.

The Bill now before us will never lead to conciliation, because it is loaded against the worker. Under its provisions an unfair employer could gain an advantage over one who dealt fairly. He could point out to his workers the limitation provision, which is as wide as the Swan River and protects only the unscrupulous employer of whom, thank goodness, this State has not many. There are, however, still a few employers in Western Australia who have so little principle that they would readily take away a competitor's business, to say nothing of denying the worker his rights.

The two most important clauses of the Bill are those dealing with strikes and lock-outs. The strike provision is heavily loaded against the worker, while the provision relating to lock-outs does not operate in any way against the employer. I say that when the bus strike took place in 1936 we were simply locked out. I heard 16 or 17 hours of the debate on this measure in another place. Several members from the Government side interjected that there had never been a lock-out in this State, but there certainly was a lock-out on the occasion I have mentioned.

The term "irregularity" as contained in the Bill is also far too wide and, broadly, it will have an effect exactly opposite to that desired by the Government. We are told that the intention of the Government in bringing down this legislation was to assist in the smooth working and control of industrial unions, to prevent unauthorised persons or malcontents from assuming control—members know who I mean by "malcontents"—and to inculcate into the minds of union members a desire for conformity with the law. The intention was, as I have said, to prevent undesirable persons assuming control of unions.

With regard to the provision for secret ballots, I would point out that, to the best of my knowledge, there are in this State no unions that do not hold secret ballots. I can certainly speak for the Transport Workers' Union in that regard, because since I joined the organisation in 1920 it has always conducted secret ballots. When that union was debating the question of whether to go on strike, I moved that a secret ballot be taken, and the voting was 122 to 61 in favour of a strike, which proves that the idea that secret ballots will do away with strikes is quite illogical. There is a certain type of man that may not like to express his feelings orally but will do so by a ballot of that kind.

Hon. N. E. Baxter: You have no objection to the secret ballot?

Hon. F. R. H. LAVERY: No, but there is no necessity for this provision in the Bill. It is simply wasting the time of the House and of the Government. A secret ballot will not prevent the malcontents from putting forward their views as to what they believe are their rights.

Hon. L Craig: No, but it will prevent intimidation.

Hon. F. R. H. LAVERY: There is intimidation in this Chamber, because I am trying to intimidate certain members into my way of thinking. I would remind members that if the cat has kittens in the oven, they are not called scones! Though I am opposing the second reading of this measure I believe in conciliation. I feel that the strikers in the recent trouble made a tactical mistake, as also did the Premier. Having a bad award against them in the court, the workers did not abide by the rules of the Australian Labour Party and follow constitutional methods.

Hon. H. Hearn: They were not interested in constitutional methods.

Hon. F. R. H. LAVERY: That is a matter of opinion. The affiliations of the A.L.P. are such that if a union finds an award unsatisfactory, it has the right to place its case in the hands of the State Disputes Committee. Failing that, it can fall back on the A.C.T.U. When one goes to the court for an award there is almost invariably raised some question based on the metal trades award which affects, to some degree, all the workers in the Commonwealth.

Hon. H. Hearn: Is that not all the more reason why the question should have been dealt with by arbitration?

Hon. F. R. H. LAVERY: I have just said I did not agree with the method adopted by the unions in this case, because they did not act through the A.L.P. or the A.C.T.U. When our case in 1936 was being dealt with, I was personally at the conference table with Mr. Carter on no less than 34 occasions. He would speak to the head of the union and the rest of us were simply like stuffed dummies. That was not conciliation, but when the time did arrive for Mr. Gill and Mr. Adams—who was then the accountant of the Metro Bus Company—to visit me at my house at midnight and ask me, "Is there not some way by which we can get over it?" I said "Yes, there is. Let us get round the table in conference and do all the talking there." Mr. Gill said, "That is a good idea" and we were all back at work within a few days.

I say that Cabinet made a mistake when it refused to receive the elected representatives of the union. In these disputes someone has always got to concede something. In the case I mention, which occurred in 1936, our union ate humble pie, Mr. Gill ate humble pie and the bus companies ate humble pie. We did not get all that we asked for, but at least we got a 6-day working week as a result of conciliation. The President of the Arbi-

tration Court called a compulsory conference. This is how the court is sometimes loaded against the worker.

A special sitting of the court was convened by the President on Saturday morning. He asked us to go back to work and on the Monday we agreed to do so. The President then said. "We will hear your case within a fortnight," and the very minute we were going back to work he sailed for Ireland and stayed there nine months. I refer to Mr. President Dwyer. The Premier made the tactical mistake of not bringing these metal tradesmen before him. He could even have ordered them to come and see him. He had that right as leader of the State. He had the same right as regards the farmers. One centre I know is now getting a rail service of only one diesel train a week.

Had conciliation been resorted to in the metal trades strike, there would have been no need to bring this Bill before the House. I had the privilege of sitting in another place and I heard the Attorney General admit that it was hoped that the Bill would finalise the metal trades strike. He used words to that effect. After some discussion, the Attorney General also admitted that the Bill would not affect the striking unions because they had been deregistered and were outside the jurisdiction of the court.

Anybody in the industrial movement knows how much I abhor communism. I have fought against it in our union for a number of years, so much so that I resigned from my position as treasurer to be appointed as vice-president. I did that because I knew that a communist intended to nominate for the position of vice-president and I stood for the purpose of keeping him out. So I want it to be known that I am strongly opposed to communism and all its ramifications. I am not going to allow this Bill to pass through the second reading and the Commitee stages without making that fact known. I know that because some men get upon the soap box and advocate better conditions for the worker they are branded as communists. I have never been a follower of communism but I have still fought for my fellow workers in an effort to obtain better conditions for them. I was only 15 years of age when I did that for the first time on the mines at Bullfinch. There are many employers in this State who have made workers turn to communism because of the repressive methods they have adopted.

The basic wage is computed on a wrong basis. In answer to Mr. Logan and Mr. Loton, I would say that the high cost of production and the high prices that rule for the commodities today are not computed on a firm basis. I believe that both Houses should meet as a joint committee and arrive at the necessary amendments to existing legislation that are required for the welfare of the financial and industrial life of this State. Speaking on the margins that are paid over and above the basic wage, I think that if the Arbitration Court is to carry out its complete function, it should also compile the price of commodities that are sold to workers and we then might be able to obtain some equity.

I agree with Mr. Parker when I refer to "workers." We are workers equally with the man who wields a pick and shovel, even although some people outside do not think we are. In referring to the following facts relating to a worker and a manufacturer, I consider that if we dealt with them by a joint committee we would be doing something to the advantage of the workers and the State as a whole. The worker has to produce something and sell his labour. The court says so. His margin is his profit on his labour. That is my interpretation of the word "margin" and I do not think any member will disagree with that contention.

Before the basic wage reached the astronomical figure it has today, the metal trades workers were paid a 48 per cent. margin over the basic wage. With the increases in the basic wage and the cost of living, which is always lagging behind the basic wage increases, they now have only a margin of 22 per cent., which means that they have contributed 26 per cent. of their profit to this country.

Hon. L. Craig: That applies to all phases of industry.

Hon. F. R. H. LAVERY: I agree entirely with Mr. Craig, but I am pointing out that what is required is the stabilisation of the basic wage. I am not qualified on the question of economics and I may be wrong in my facts relating to manufactures. However, I am of the opinion that manufacturers have three figures upon which to work. They have a price at which the commodity is produced. That price includes the wages cost, etc. An overhead charge of 22½ per cent. is then added to that cost. I am now speaking about something I know. In the clothing trade another 25 per cent. is added. So there is the basic price at which the article is produced—and additional charge of 22½ per cent. for overhead expenses and a profit margin of 25 per cent. on top of that.

Hon. L. A. Logan: And 50 per cent. to the retailer.

Hon. F. R. H. LAVERY: I was referring to the clothing trade. When a rise in the basic wage is granted, the manufacturer not only adds the 22½ per cent. charge for overhead expenses, but also imposes the 25 per cent. margin of profit on that total figure.

Hon. H. Hearn: Sometimes he has to absorb that 25 per cent. Price-fixing enters into the question, as the hon. member knows.

Hon. F. R. H. LAVERY: I am of the opinion that the greatest mistake ever made by the people of Australia was when they allowed the Commonwealth Government to agree to the State price-fixing system. I do not think any Government, no matter what its political colour, should permit the Prices Commission to control our economy. The manufacturers' prices are being built up remarkably by increases in the basic wage together with an added 25 per cent. margin of profit. I think that practice was brought about by the introduction of the outrageous cost-plus system during the war, when people were supposed to be patriotic. The great majority of the community did show some spirit of patriotism but, on the other hand, there was a large number who cared only about filling their pockets. That system has been the cause of a lot of our troubles and is one of the reasons why the worker has lost faith in the Arbitration Court. He now thinks that the court is loaded against him.

Personally, I do not like using the terms 'capitalism" and "the lower class," but I will now give an instance to indicate how capitalism has imposed on the lower class. During the war, under the cost-plus system, some large cement and brick structures were erected round the oil tanks at Fremantle for protection from war damage. To meet that cost the Commonwealth Government levied a surcharge of 2d. a gallon on petrol. That construction entailed the use of thousands of bags of cement and good pressed bricks which have since been pulled down and thrown away. Yet the surcharge of 2d. a gallon is still being imposed on the purchasers of petrol! Whilst this construction was being undertaken I saw as many as 20 bags of cement a day being stolen and carried away, together with hundreds of bricks, and the cost of these was all included under the cost-plus system.

Hon. J. A. Dimmitt: Did you report the thieving that was going on and what you saw?

Hon. F. R. H. LAVERY: I saw it happening so high up the ladder that, being a common worker, I did not have the stomach to report the incident. Although I shall have a lot more to say in Committee, I definitely oppose the second reading.

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

House adjourned at 6.13 p.m.

Legislative Assembly

Thursday, 28th August, 1952.

CONTENTS.

The SPEAKER took the Chair at 2.30 p.m., and read prayers.

QUESTIONS.

PETROL.

As to Threatened Action over Price Increase.

Hon. A. R. G. HAWKE: asked the Attorney General:

(1) Will he lay upon the Table of the House the threatening communication received by him recently from the oil companies?

(2) Does he propose to introduce legislation somewhat along the same lines as the recently introduced Industrial Arbitration Act Amendment Bill to enable the Government to be in a position to deal effectively with the oil companies in relation to any threatened or actual refusal to supply petrol in any part of the State?

The ATTORNEY GENERAL replied:

(1) Yes.

(2) I have made some inquiries, and from the information I have been able to obtain there is no possibility of the action suggested by the hon. member being taken in this State, but should a refusal to supply occur, full powers are already available under the Prices Control Act to deal with the matter.

HOUSING.

(a) As to Building Workers' Homes, Country Towns.

Mr. SEWELL asked the Minister for Housing:

When does the Commission intend building homes in country towns under the Workers' Homes Act?