Legislative Council

Wednesday, 8th September, 1954.

CONTENTS.

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

ASSENT TO BILL.

Message from the Lieut.-Governor received and read notifying assent to the Inquiry Agents Licensing Bill.

QUESTIONS.

OIL.

As to Oil Search Ltd. and Ampol Companies.

Hon. G. BENNETTS asked the Chief Secretary:

Is it a fact that Mines Department records show that Oil Search Ltd. retains a 2½ per cent. interest in the gross value of any oil produced by Ampol in the Exmouth Gulf area?

The CHIEF SECRETARY replied:

The Mines Department has no record of any such interest.

TRAINEE NURSES.

As to Examination Results and Training.

Hon. J. G. HISLOP asked the Chief Secretary:

(1) Who or what body is responsible for the compilation of examination papers for the nurses' first year professional examination?

(2) Is it a fact that the tutor sisters of the hospitals held a meeting and then sent a letter of protest, concerning the papers at the above examination, to the Nurses' Registration Board?

(3) Will the Minister make the contents of this letter known to this House?

(4) (a) Is it a fact that 13 nurses failed in the anatomy - physiology examination?

(b) In view of the assurance given by the Minister for Health that, though this particular paper could be regarded as "stiff," the examiners would take this into consideration, does the Minister feel that this assurance was justified when the failures in this examination were nearly 16 per cent., compared with under 4 per cent. in the hygiene paper?

(5) Will the Minister advise as to the number of candidates who answered Question No. 3 in the hygiene paper?

(6) Is it reasonable to ask a first year trainee nurse to discuss the maintenance of blood pressure, especially when the answer to this question carried 25 per cent. of the marks given for the whole paper and more especially when the maintenance of blood pressure is possible only through mechanisms so complex that she could not possibly be asked to understand them, bearing in mind that she has had no prior training in the basic sciences?

The CHIEF SECRETARY replied:

(1) The examination papers are prepared by the examiners who are appointed by the Nurses' Registration Board.

(2) No such letter has been received by the Nurses' Registration Board.

(3) See answer to No. (2).

(4) (a) Yes.
(b) Yes.

(5) 22.

(6) Yes; the examination is based on the curriculum and the tuition given.

BILL—JURY ACT AMENDMENT.

Report of Committee adopted.

BILL—PRICES CONTROL.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [4.41] in moving the second reading said: This Bill has been brought down for the consideration of members. As the Government believes that the community is being exploited by the less scrupulous of our tradespeople, and in view of its return at the last election, it is convinced that it has a duty to introduce legislation for the protection of the majority of the people.

First of all, I would like the House to seriously consider the fact that all other States of the Commonwealth, as well as the Australian Capital Territory, have seen

the need to retain control of prices. In not one of these States nor in the Territory has it been indicated that price control has reduced production and stifled competition. What has been indicated is that price control has prevented an unscrupulous minority of persons from making large and, at times, exorbitant profits from the wages of the lower and medium paid sections of the community. I am sure members will agree that it is not an easy problem to make wages cover the demands of present-day existence; and I believe, therefore, that steps should be taken to protect the wage or salary-earner from the profiteer.

The Bill is similar in principle to the legislation which operated until the end of last year. The main difference is the proposed appointment by the Minister of a consultative committee of five persons. The measure provides that the committee shall be representative of manufacturers and wholesalers, retail traders, primary producers, and consumers, with the prices control commissioner as chairman. I understand that if this committee eventuated, the Minister in charge of prices would invite organisations such as the Chambers of Manufactures and Commerce, the Retail Grocers and Storekeepers Association, and the primary producers to nominate their representatives. The committee would be asked to give information, advice and assistance in connection with the administration of the Act.

Under the Bill the commissioner would have the power to fix and declare the prices of those commodities which members may observe are detailed in the Second Schedule to the measure. These include certain groceries and foodstuffs, beer, stout, tobacco, cigarettes and cigarette papers, leather, tyres and tubes, footwear, footwear repairs, petrol, coal, stock and poultry foods, electrical and plumbing work and other things. The commissioner could, by regulation, include other goods and services among those to be controlled. Different maximum prices could be fixed for different areas and maximums could operate on a sliding scale.

The Government believes that the continuing upward trend in prices necessitates the re-creation of control for the protection of the public. Since the June, 1953, quarter, which was the last quarter on which a basic wage adjustment was made, the "C" series index figure has increased by 8.08 per cent. or 19s. 11d. per week.

Hon. H. K. Watson: With respect to what items?

The CHIEF SECRETARY: With respect to all the items covered by the basic wage.

Hon. H. Hearn: It does not cover all the items. Take clothing, for instance.

The CHIEF SECRETARY: Taking the period for which there has been no price control, that is from the 1st January this year to the 30th June, the increase has been 6.95 per cent. For June, 1954, as compared with June, 1953, the items food and groceries increased by 9.17 per cent. Clothing decreased by .41 per cent. Miscellaneous items increased by .39 per cent. and rents were 36.11 per cent. higher. From these figures it will be noted that the major portion of the increase occurred in the March-June quarter, during which there was no price control. For the six months ended December, 1953, the increase in food and groceries was 2.38 per cent., and for the six months to June, 1954, it was 6.3 per cent. The comparative figures were: miscellaneous, .15 per cent. and .24 per cent.; rent, 1.34 per cent. and 34.32 per cent.

Clothing showed a decrease of .34 per cent. for the June-December, 1953, period and .06 per cent. for the December 1953-June, 1954, term. For the June quarter of 1954, food and groceries increased by 3.70 per cent. and rent by 32.68 per cent. Small decreases were shown for clothing and miscellaneous.

A comparison with the figures of the other States is of interest. In the capital cities the "C" series index figures for June, 1954, compared with June, 1953, showed—

Sydney, an increase of .55 per cent.;
Melbourne, an increase of .70 per cent.;
Brisbane, an increase of 2.27 per cent.;
Adelaide, an increase of 1.26 per cent.;
Hobart, an increase of 2.17 per cent.;
Perth, an increase of 8.08 per cent.;

For the six months ended June, 1954, as compared with December, 1953, the relative figures were—

Sydney, a decrease of .51 per cent.;
Melbourne, a decrease of .65 per cent.;
Brisbane, a decrease of .60 per cent.;
Adelaide, a decrease of .38 per cent.;
Hobart, a decreases of 3.24 per cent.;
Perth, an increase of 6.95 per cent.;

It will be seen that, while this State had the smallest increase of all the States for the half-year to December, 1953, when price control operated, it was the only State that had an increase for the half-year ended June, 1954, during which there was no price contol. For the 12 months ended June, 1954, Western Australia had a substantially greater increase than any other State, brought about largely by the high increase in the April-June quarter of 1954. I may say that, although the regimen of the "C" series index is limited in scope, it reflects the general trend of prices, and it is therefore reasonable to assume that the upward trend of prices includes many essential goods and services not included in the regimen.

Never has the retail price of meat been so high. When the continuance Bill was introduced last year a warning was issued that if price control vanished the price of meat would rise. This has occurred. In the December quarter the retail price of meat should be considerably lower than the autumn and winter prices, while prices in the March quarter should be reasonably stable. It was found, however, that prices in the summer quarter of 1953 showed a small reduction only, while prices increased again during the March quarter of 1954.

In July, 1952, when meat was being controlled, the livestock market price for beef was very little lower than it is today. Yet the retail prices today for most cuts range from 6d. to 1s. per lb. higher. Although the market prices for beef in July, 1953, were the same as they are today, the retail prices are much higher. The movement in the retail charge for mutton is much greater than the increase in the market price warrants. The same applies to lamb. In fact, in May and June, 1953, the market price for lamb was many pence per lb. more than it is today, yet the retail price was less at that time than at present. A comparison with 1952 also shows that the increase in retail prices is much greater than the increase in livestock prices.

This so-called competition has done nothing to relieve the position of the worker, who has to pay these exceptionally high prices or reduce his meat consumption.

It is of interest to realise that 1d. per lb. increase in the price of meat would create an increase in the basic wage of 1s. 2d per week. It is also interesting to note that when proprietary lines of certain large manufacturers were decontrolled in this State, the prices were immediately increased beyond those ruling for the same goods in other States where controls had been retained.

The suspension of the quarterly basic wage adjustment makes it imperative that the wage-earner shall have full protection against unwarranted rises in the cost of living and against certain traders who exploit him. Although the basic wage is pegged, prices have continued to rise, and these increases are being borne by salary and wage-earners. We were told that, if there were no price control, the charges for services and goods would come down. Actually, that has not been the case.

In concluding my remarks, I would like to emphasise the fact that the Government does not like controls. It does feel, however, that controls are warranted when the people need to be protected.

Hon. Sir Charles Latham: It seems to relish them, even if it does not like them.

The CHIEF SECRETARY: When the Government is convinced that controls are necessary, it desires to impose only the minimum controls possible. There is no wish to have blanket control, only the power to control and to remove control when the circumstances warrant such action. I therefore hope that members who in the past have opposed price control will on this occasion modify their views.

Members interjected.

The CHIEF SECRETARY: I cannot answer several interjections at once.

Hon. A. F. Griffith: What method would you employ to fix prices?

The CHIEF SECRETARY: I am sure the hon. member, when he speaks on the second reading, will raise all the points that he wishes to mention now.

Hon. A. F. Griffith: The Chief Secretary does not like to answer questions that embarrass him.

The CHIEF SECRETARY: I would not like to rob the hon. member of the opportunity of making his remarks during his second reading speech. The questions he would ask now can be submitted on that occasion. I would like all members to give consideration to the points I have raised. I want to remind them that every time it has been suggested that price control should be removed—and this can be verified by reference to "Hansard"—they have said that with the lifting of such control, prices would be reduced. But that has not occurred. The bugbear has always been advanced that, because of wage increases, prices have had to be increased. But there have been no increases in wages in the last 12 months; and members who oppose the reintroduction of price control will have to find some other argument to support their opposition.

Hon. Sir Charles Latham: Give them a chance! Let them put up their own case.

The PRESIDENT: Order!

The CHIEF SECRETARY: I want to warn them—

Hon. Sir Charles Latham: You are spoiling our chance.

The CHIEF SECRETARY: —that it is useless to put up the arguments that have been submitted in past years. All of those arguments have been disposed of.

Hon. H. Hearn: To your satisfaction!

The CHIEF SECRETARY: I would not like them to put up a weak case that had no foundation. The Government seriously considers that the position warrants the reintroduction of price control. The proposal is not on as wide a scale as was previously the case. There is a schedule showing the goods to be controlled.

Hon. H. Hearn: That could be added to.

The CHIEF SECRETARY: Yes; that could be done if it was thought necessary; but the Government would have to justify such action.

Hon. Sir Charles Latham: You will add other goods by regulation, will you not?

The CHIEF SECRETARY: Yes.

Hon. Sir Charles Latham: Mind out! You are committing yourself.

The CHIEF SECRETARY: By our doing it that way, we will give members an opportunity of disallowing any regulations to which they object.

Hon. Sir Charles Latham: That is what I am thinking of.

The CHIEF SECRETARY: There is full protection from that point of view. I appeal to members to forget their prejudice about these matters; to forget their rooted objections to controls. I have the same objections as they entertain. I do not want to be bound any more than they do. But I appeal to members to deal with this matter from the point of view of actual facts. If that is done, I have no doubt what their decision on the Bill will be. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Simpson, debate adjourned.

BILL—POLICE ACT AMENDMENT (No. 2).

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [4.55] in moving the second reading said: The intention of this Bill is to place police officers on a similar basis to other servants of the Crown by providing them with the means to appeal to a statutory body against punishments inflicted following charges of misconduct.

At present, the principal Act provides that when a charge is laid against a non-commissioned officer or a constable the charged person may elect to be dealt with by the Commissioner of Police, or by a board of three persons appointed by the Governor. Only one member of the board can be a police officer, and the commissioner cannot be that member.

Charges involving commissioned officers are dealt with in a somewhat different way. If the charged officer denies the accusation, the Governor, if he thinks the matter should be proceeded with, may appoint a board to inquire into the charge and report its finding to the Governor. These boards are customarily composed of a magistrate, as chairman; a representative of the commissioner; and a person representing the union, who is usually, of course, the secretary of the union.

The commissioner or a board, on finding a constable guilty of an offence, may fine him a maximum of £3, or sentence him to a term of imprisonment of not more than three days. Any penalty imposed by a board has, however, to be ratified by the Governor. A non-commissioned officer found guilty by the board may be fined a maximum of £5. If the commissioner hears the charge, he may also recommend to the Minister that a guilty officer be reduced in rank or dismissed from the force.

However, any non-commissioned officer or constable found guilty and punished by a board can also be further penalised, as a disciplinary measure, by the commissioner. In view of the small fines that the Act allows a board to inflict, it is quite possible for cases to arise where the offence is so serious that the commissioner is warranted in recommending to the Minister the offender's dismissal from the force, or his reduction in rank.

There have, in fact, been cases of this nature; but I am informed that the Police Union has no complaints regarding the action that the commissioner has taken in these matters. However, both the commissioner and the union agree it would be in the interests of justice to allow any officer punished to appeal against any penalty. The Bill seeks, therefore, to achieve this.

The proposal is to set up a police appeal board comprising a magistrate, a person appointed by the commissioner, and a member of the Police Force elected by the members of the force. At this stage I might say that Western Australia and Tasmania are the only States of the Commonwealth which do not possess such an appeal board. In view of the proposed appointment of a board, the Bill proposes to alter the method of hearing charges.

If the Bill is agreed to, all charges will be heard by the commissioner or a commissioned officer appointed by him. If the charged person is a non-commissioned officer, and is found guilty, he may be fined a maximum of £15 instead of the £5 now permitted by the Act. The latter amount has been the maximum fine for over 25 years and is now out of proportion to the earnings of a non-commissioned officer, and to the type of charge that might be laid.

As an alternative, the commissioner, under the Bill, could order the offender's reduction in rank or dismissal from the force. As the offender would have the right of appeal, the commissioner would not have to seek Ministerial approval for any reduction or dismissal.

The Bill proposes that a constable can be fined £10 by the commissioner instead of £3 as provided in the Act, or he may be discharged from the force by the commissioner. It is proposed to delete the provision in the Act permitting the commissioner to order up to three days' imprisonment for a constable.

Any non-commissioned officer or constable who considers his punishment unwarranted will be able to appeal to the board. He can appeal against dismissal,

discharge, suspension, reduction in rank, fining, or a transfer by way of punishment; and against any decision or finding on which a punishment was based.

The board is given power under the Bill to confirm, modify, or reverse any decision, finding, or punishment by the commissioner, and may fix the costs of any appeal. The Bill provides that any party to an appeal may be represented by counsel. While it may be debatable whether the presence of counsel is advisable in such cases, the Police Union made strong representations for them to be permitted to appear; and therefore it was decided that it should be optional for either party to employ legal aid.

I understand that the appeal board and its powers are modelled on those operating in the railway service, with adaptions to suit the Police Force. For the reasons I have given and the fact that the proposal is agreed to by the commissioner and the union, I trust the Bill will receive the favourable consideration of members.

It appears that this measure is modelled somewhat on the lines of the Commonwealth Public Service Appeal Board Act, which has worked very satisfactorily. As a matter of fact, I was, as the employees' representative, a member of that board for some years. The balance of the board was composed of a representative of the department and an independent chairman. The board had the right to review decisions. The powers that it is proposed here to give to the Commissioner of Police were, in those days, held by the Deputy Director of Posts and Telegraphs, and it was against his decisions that employees had the right of appeal. What is proposed in this measure is something that should have been in force many years ago. I feel that if the Bill is agreed to by Parliament it will give much more satisfaction to members of the Police Force than does the method adopted up to the present. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Simpson, debate adjourned.

BILL—MINES REGULATION ACT AMENDMENT.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. H. C. Strickland—North) [5.3] in moving the second reading said: As members are aware, the main object of the principal Act is to provide that adequate safety precautions are taken in any metal or mineral mine. In order to ensure that these precautions keep abreast of modern practice and requirements, the Chamber of Mines and the Australian Workers' Union meet periodically to review the Act and to suggest any necessary amendments. The four proposals in this Bill are the result of these discussions between the chamber and the union and they have the earnest recommendation of both organisations.

The purpose of the first amendment is to ensure that, where practicable, inspectors of mines shall give notice whenever they propose to enter, inspect and examine mines. The reason for this is the desire to minimise any possible interference with the working of a mine. As a matter of fact, I am reliably informed that, although not at present required by the Act to do so, all inspectors do advise mine managements of their intention to enter mines. However, the proposal in the Bill will put the matter on a proper basis. As there may, and, no doubt, will be occasions of emergency when it would be impossible or difficult for an inspector to give the mine officials the necessary notice, the Bill provides that notice shall be given where practicable.

At present the principal Act precludes an inspector, after a visit to a mine, from making a report to anyone other than an official of the mine, or his union. This has been found to be too rigid a provision. Most of the inspectors are members of the Australian Workers' Union and it can occur that an inspector, in the course of his inspection, may come upon some occurrence affecting a member of another union, such as the Engine Drivers' or the Boiler Makers' Union. It is felt that the union concerned should be entitled to a report on the matter from the inspector. In addition, doubts have arisen as to whether workmen's inspectors are entitled to remain members of the Australian Workers' Union. If they are not, then under the Act as it is at present, they could not submit a report on any occurrence to the Australian Workers' Union.

The next amendment deals with the appointment of temporary underground managers. As members are aware, underground managers have to be the holders of certificates of competency. However, when the manager is on leave or away on business or for some other reason, it may not be possible, or necessary, to appoint a certificated person in his place. To meet such a situation, the principal Act provides that an uncertificated, but competent, person can be appointed for a period of from two to four weeks by the inspector and for a longer period by the Minister.

In practice a period of under four weeks for a temporary appointment has been often found to be impracticable. The chamber and the union have, therefore, suggested that temporary appointments for under four weeks be made without the necessity of approval, but if the period is likely to exceed four weeks, then the Minister's approval must be obtained.

The last amendment deals with spillage in shafts. In many large mines there is quite an amount of spillage of ore from the

skips. By the end of the week the accumulated spillage is often considerable and in order not to interfere with the working of the mine it is advisable that the spillage be cleared out on Sundays. The principal Act provides that certain work in mines may be carried out on Sunday, but the cleaning of spillage from shafts on that day is not provided for. While the Australian Workers' Union does not favour Sunday work, it agrees that the cleaning out of spillage should be done on that day and it supports the proposal in the Bill.

I commend the Bill to the House. As I have said, each amendment has the recommendation of both the Chamber of Mines and the Australian Workers' Union and is designed to improve the administration and safety of mines. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Simpson, debate adjourned.

BILL—DROVING ACT AMENDMENT.

Second Reading.

Debate resumed from the 25th August.

HON. SIR CHARLES LATHAM (Central) [5.8]: I have carefully read the Bill, and I can see no objection to it. The modern system of transporting stock by road trains and other mechanical processes has done away with a great deal of droving on the hoof. It is intended that there shall be some check on the stock travelled by mechanical means, just as there is on those travelled over stock routes on the hoof. I have discussed the measure, which is a necessary one, with the representatives of the farming community—the Farmers' Union—and they say it does not affect them. It affects the people in the Murchison and further north.

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—LAND ACT AMENDMENT.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. H. C. Strickland—North) [5.12] in moving the second reading said: The Bill seeks to amend the Act so that the provisions affecting special settlement areas may be extended to cover certain areas of land which were originally set aside for soldier settlement purposes, but have since been found to be not quite suitable, and therefore have to be disposed of in some other manner.

Under the Land Act, the Governor may set apart Crown lands as special settlement lands, and declare them open for selection. The Act also provides that the Minister may carry out improvements within these areas, such as clearing, drainage, fencing, sowing, the provision of livestock, machinery, houses, and buildings, and any other improvements he thinks fit. When these areas are thrown open for selection, provision is made for the price of the land to be increased by the value of the improvements as determined by the Minister. At present these lands must be declared open for selection and disposed of under conditional purchase conditions.

The Bill proposes that, in addition, they may be disposed of by either public auction or public tender on such terms and conditions as are approved by the Governor, but subject to the proviso that the land may not be disposed of by public auction unless the Minister has first endeavoured to dispose of it by public tender, and no satisfactory tender has been received. This will enable the State to satisfactorily dispose of land in certain cases. The Bill is necessary to enable the State to dispose of an area of land in the near future without suffering considerable loss.

In the North Stirling area the State has expended £67,667 on the development of land proposed for the War Service Land Settlement Scheme, but which was eventually not accepted by the Commonwealth. The Land Act lays down a maximum of 15s. per acre, but under special circumstances more than 15s. per acre may be charged. Under the schedule used by the department, it is estimated that the price of this land should be fixed at 15s. per acre, plus improvements, resulting in a loss to the State of aproximately £17,000. However, the present market value is higher than 15s. and an amount in excess of 15s. is certain to be obtained if the area is disposed of by public tender. The nature of the improvements must also be taken into account.

Conditional purchase conditions provide for payment in respect of land and improvements to be made over a period of 25 years and, in certain cases, 30 years. But in the North Stirling area the land could revert in this period, and it is preferable to ensure that full advantage is taken by the intending purchaser. However, this cannot be done at present, as short-term conditions cannot be imposed.

By calling public tenders it is not expected that the State will lose on the transaction. There is known to be a good deal of interest in the area; and the money would be recouped much sooner than 25 or 30 years, as this would be provided in the conditions laid down, which would also include a programme of improvements.

The North Stirling area consists of nine farms comprising 22,880 acres, the size of the farms ranging from 2,200 acres to

3,570 acres. Approximately 1,000 acres is cleared on each farm; and, in addition, all have been provided with dams. Four of the farms have had sheds erected on them, and three have been put down to clover. As the Government desires to dispose of this area as soon as possible, it is hoped that the measure will meet with the approval of this House and pass as quickly as possible. I think that most members have seen this area.

Hon. Sir Charles Latham: Is that the light lands area?

The MINISTER FOR THE NORTH-WEST: Yes; it is the plain country.

Hon. Sir Charles Latham: On the road to Ravensthorpe?

The MINISTER FOR THE NORTH-WEST: No; I do not think it is on the Ravensthorpe-rd.

Hon. H. L. Roche: It is on the Borden-rd.

The MINISTER FOR THE NORTH-WEST: That is correct. It is highly desirable that the land shall be disposed of as quickly as possible, because it is in that area that suckers come up and develop into low scrub gums.

Hon. Sir Charles Latham: It would be very unusual if they did not.

The MINISTER FOR THE NORTH-WEST: Unless there is heavy grazing on the land, that will continue to occur. I move—

That the Bill be now read a second time.

On motion by Hon. H. L. Roche, debate adjourned.

BILL—POTATO GROWING INDUSTRY TRUST FUND ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—CROWN SUITS ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [5.19] in moving the second reading said: This Bill has been introduced as a result of a suggestion by the Solicitor General that the rights of a subject in Western Australia to sue the Crown should be increased. A brief history concerning suits against the Crown may be of interest to members and may help them in their consideration of the Bill.

There is some evidence to suggest that until the reign of Edward the First, who became King of England on 20th November, 1272, the King could be sued as a common person. Subsequently, however, there was no doubt of the fact that, although the Sovereign could sue a subject, no suit could be maintained against him. This was due to an ancient common-law maxim that the King could do no wrong. Under certain circumstances action could be taken against a servant of the Crown personally. This referred to cases in which subjects suffered as a result of some deed committed or authorised by a servant of the Crown.

Gradually the right of a subject to take action against the Crown became recognised—firstly, by the procedure known as the Petition of Right; and later, by statute. A person whose cause of complaint related to property, or to a breach of contract, could seek redress by submitting a Petition of Right to the Sovereign. If the Sovereign considered the claim was worthy of investigation, he could grant his fiat of "Let right be done". The claim could then be heard by the courts. This procedure was, in 1860, simplified by the British Parliament.

In 1867 the Parliament of Western Australia passed a measure entitled "An Ordinance to facilitate Proceedings by Persons having claims against the Government". This gave subjects the right to refer their petitions to the Governor in Executive Council. If Executive Council thought fit, the petition could then be referred to the Supreme Court for decision. If the petition affected in any way the Royal prerogative it could be submitted to the Sovereign for approval or disapproval.

In 1898 the Crown Suits Act further extended the right of the subject to take action against the Crown; but it limited the types of action that could be taken, and provided a maximum of £2,000 damages that could be recovered from the Crown by a subject for personal injury. In 1947, the Crown Suits Act of 1898 was repealed by the present Act, which placed the Crown in a similar position to that of a private person so far as suits against it are concerned.

Experience in administering the parent Act has, however, revealed a serious flaw. Section 6 of the Act provides that no action can be taken against the Crown unless:

(a) within three months after the date when the cause of action arose, notice in writing had been given to the Crown Solicitor by the prospective plaintiff stating the date when the cause of action arose and the ground on which it was proposed to take the action: and

(b) action was brought not less than three months after the giving of such notice and within 12 months after the cause of action arose.

An extension of time for giving the necessary notice is allowed by the Act in cases where the person affected was unaware of the facts responsible for the proposed action and could not, with reasonable diligence, have discovered these facts

within the three months allowed by the Act. In such a case the notice of action can be taken either within three months of the ascertaining of the facts; or within three months of the time when, with diligence, he could have obtained the facts. The action must then be taken within 12 months. The Act also provides an extension of time where the person entitled to take the action dies before the three months has elapsed. It has been found that these extensions are not sufficient.

There have been a number of instances where a person having good cause of action against the Crown has failed either to give notice or to bring his action within the rigid period limited by the principal Act. In such a case, his failure absolutely bars his claim and the Crown cannot waive its rights. It has been the practice of the Crown Law Department where a claim so barred appears to have substantial merit, to advise the Government department concerned to recommend to its Minister that an ex gratia payment be made to the injured subject. Although such an ex gratia payment is frequently made, it has often been suggested that the amount paid is substantially less than a court would have awarded if the action had been allowed to proceed to trial.

In cases where the Crown has in no way been prejudiced by any delay in giving the required notice or bringing the action, it is considered it would be more satisfactory if the Crown had the statutory power to waive the time limit provided by the principal Act.

The Bill seeks to achieve this by proposing that, instead of a set period of three months for giving notice of the action, notice be given as soon as practicable, or within three months after the date of the cause of action, whichever period is the longer. The Bill also provides for a continuing cause of action in that notice and action can be given and commenced whilst the cause of action continues, or the prospective plaintiff can wait until the continuing act on which the action will be based ceases before giving notice and taking action.

An important alteration to existing procedure is an amendment permitting the Attorney General—and under the Supreme Court Act this expression includes the Minister for Justice—to consent to an action being brought within six years from the date the cause of action occurred, even if no notice has been given. More important still, the Bill provides for the subject, provided he gives notice of the application to the Crown Solicitor, to have the right to apply to a court for leave to bring an action at any time before the expiration of six years from the date the cause of action occurred, even though he has not given notice.

Hon. H. K. Watson: Even though the Attorney General has declined to grant his consent?

The CHIEF SECRETARY: I will have to look into that point and make sure that what the hon. member suggests can be done. In such a case the court has power to grant the application, if it is satisfied that the failure to give the notice or the delay in taking action was due to an error or to some other responsible cause which would not prejudice the Crown in its defence of the case. I think what I have outlined clearly indicates what is intended by the Bill. It is a measure that will grant greater liberties to a person who desires to take action against the Crown.

Hon. H. K. Watson: Are you in a position to cite those examples where ex gratia payments have been made by the Crown Law Department?

The CHIEF SECRETARY: No; but as the debate on the Bill progresses, I might be able to obtain information regarding those cases and give it to the House when I reply. I would have much preferred to cite them now; but if the hon. member so desires, I will endeavour to obtain the information that he seeks. The Bill seeks to extend the period during which a person can take action against the Crown. It is liberalising that phase, and for that reason I am hopeful that there will be no trouble in persuading the House to agree to the Bill as printed. I move—

That the Bill be now read a second time.

On motion by Hon. H. K. Watson, debate adjourned.

BILL—LOTTERIES (CONTROL).

Assembly's Amendments.

Schedule of three amendments made by the Assembly now considered.

In Committee.

Hon. W. R. Hall in the Chair; the Chief Secretary in charge of the Bill.

No. 1. Clause 4, page 2, line 26—Add before the word "for" the words "substantially maintained."

The CHIEF SECRETARY: Some members of the Legislative Assembly doubted whether an institution has to be fully maintained in order to receive assistance from the Lotteries Commission. In order to overcome that difficulty the words "substantially maintained" were inserted. The amendment is merely for the sake of protection, and does not affect the Bill very much. I move—

That the amendment be agreed to.

Hon. Sir CHARLES LATHAM: I support the Minister on this. With the insertion of these two words an institution like the Home of Peace would be able to receive assistance from the Lotteries Commission.

Hon. J. G. HISLOP: If it were intended to help institutions like the Home of Peace I would not oppose the amendment; but the position is not made any clearer by the addition of these two words, which do not seem to have anything to do with the context. Does the expression mean substantially maintained "financially," or "by the Government?" It is not clear to me. By whom or under what conditions would an institution have to be substantially maintained? If the amendment is accepted, it will mean that the Home of Peace is substantially allotted to indigent patients. We should examine this amendment carefully.

The CHIEF SECRETARY: When I moved to agree with the amendment, I did not know what it meant. I am prepared to support the amendment because the insertion of the words makes no difference to the position. Some members in the Legislative Assembly doubted whether all the patients were not paying something towards their maintenance, so these words were inserted to enable an institution like the Home of Peace to come under the definition. Whether the words are there or not makes no difference to the distribution of money by the Lotteries Commission. I cannot see that they are necessary in the clause; but, on the other hand, their insertion will do no harm.

Hon. Sir CHARLES LATHAM: This comes under the definition of "charitable purposes," and the amendment must be linked up with that definition. In that way, the meaning is made very clear. At present the Home of Peace may not be regarded as an institution under the Lotteries (Control) Act. That definition might refer to a house with a couple of beds allotted to two aged people, who are paying something for this accommodation. If I were to interpret the clause I would certainly include the Home of Peace.

Hon. J. G. HISLOP: I still do not agree that the insertion of the words will overcome the fears of some members. I do not think the Home of Peace is substantially for indigent patients; and for that reason it does not come within the definition. The vast majority of the patients subscribe something for their keep, even though it may be part of the old-age pension. Therefore the patients are not indigent.

In my opinion, the clause, if amended, will mean that the greatest proportion of the beds in the institution are allotted to indigent patients who are dying of incurable diseases. It will mean that the institution is substantially maintained for the indigent, in which case if one-quarter of its beds were allotted to indigent patients, it would receive something from the lotteries; but if 52 per cent. were allotted, it would receive nothing.

By inserting those words, we would prevent the Lotteries Commission from assisting such an institution. In Perth there are many institutions housing the aged, and some of them need support, but they are not substantially for the indigent. There are institutions which charge pensioners £4 a week if they are able to walk, or £6 a week if they are confined to bed. One such home has 25 patients, and it must receive £100 every week. The conditions are nothing short of appalling.

Hon. Sir Charles Latham: They would receive assistance from the Lotteries Commission.

Hon. J. G. HISLOP: I am trying to find out what is the intention of the proposed amendment. Let us be certain of the meaning before we pass it. If we are to say that only the aged who cannot afford to pay for accommodation and go into the Home of Peace should receive assistance from the Lotteries Commission, then what about the aged people who take out mortgages on their houses so as to pay for their accommodation? They will not receive anything from the charities; and this position is ludicrous.

I do not think there are many institutions which fit the description of this clause. Patients in the Home of Peace often pay for their accommodation. When a person is dying from cancer or some other incurable disease, we generally ask the Home of Peace to accommodate him. The majority of the patients pay their expenses. By inserting these words, we might exclude the home from receiving assistance.

Hon. E. M. HEENAN: I consider that the addition of these words will expand the definition. The amended clause will apply to any home or institution which is wholly devoted to the purposes referred to therein. The expression "substantially maintained" means "mainly or principally maintained." If the substantial or main purpose of a home is for the class of people referred to in this clause, that is all that is required. An institution does not have to devote all its accommodation to such class of person. I can see merit in the words, and I support the amendment.

Hon. H. K. WATSON: I share the doubt of Dr. Hislop. The insertion of the words would tighten up the provision. If the words "maintain wholly or in part" were inserted, the clause would be more explanatory. "Substantially" means more than 50 per cent.; whereas "wholly or in part" would give the Lotteries Commission discretion to decide whether the part of an institution that is occupied for the purposes mentioned is sufficiently adequate and material enough to justify assistance. I propose to move—

> That the amendment be amended by striking out the words "substantially maintained" and inserting the words "maintained wholly or in part" in lieu.

Hon. Sir CHARLES LATHAM: The dictionary meaning of "indigent" is "destitute of the means of comfortable subsistence,

needy, poor." It does not mean "penniless." The member for Nedlands, who had the amendment inserted in another place to bring in the Home of Peace, gave much consideration to the framing of it because the institution had not received assistance.

Hon. H. Hearn: Yes, it had. What about the new building?

Hon. Sir CHARLES LATHAM: I thought the money for that came from other sources. I know of a person from Muntadgin who had very little money, and was admitted to the home and no question was asked whether he possessed means. I think the words are necessary. The definition of "charitable purpose" includes any home or institution for the reception of dying or incurable persons in indigent circumstances. If a person could pay a little, he would probably not be regarded as being in indigent circumstances. Dr. Hislop has said that a person who could pay in full for care and keep would be admitted.

Hon. J. G. Hislop: Such people are admitted because of their physical condition.

Hon. Sir CHARLES LATHAM: If the words are omitted, I am afraid that the commission could not make funds available to the institution.

The CHAIRMAN: I take it that Mr. Watson desires to strike out the word "substantially" with a view to adding after the word "maintained" the words "wholly or in part."

Hon. H. K. WATSON: Yes, technically; though it would be simpler to delete the two words in the Assembly's amendment and substitute the words "maintained wholly or in part."

The Chief Secretary: You cannot delete a word and then reinsert it.

Hon. H. K. WATSON: We are dealing with a message, not with a Bill.

The CHAIRMAN: I think the question should be that the Assembly's amendment be agreed to subject to the deletion of the word "substantially" and the addition, after the word "maintained," of the words "wholly or in part."

Hon. H. K. WATSON: Very well, Mr. Chairman. I move—

> That the amendment be amended by striking out the word "substantially," and adding after the word "maintained" the words "wholly or in part."

Hon. E. M. HEENAN: For an institution to come within the definition of "charitable purpose," it must be one wholly and solely for dying, incurable or indigent people. I think the words of the Assembly's amendment are right.

Hon. Sir Charles Latham: I agree.

The Chief Secretary: What is the meaning of "substantially"?

Hon. E. M. HEENAN: "Principally" or "mainly."

Hon. H. Hearn: Would it be 51 per cent.?

Hon. E. M. HEENAN: Under Mr. Watson's proposal, a home could have three or four indigent or dying people, and 50 others who would not come under the definition.

Hon. H. Hearn: The authorities of the institution would still exercise discretion.

Hon. E. M. HEENAN: Yes; but we want to make the provision clear. The idea is to help institutions that are principally or mainly looking after patients of this kind. Therefore I think the Assembly's amendment would widen the definition.

Hon. H. HEARN: Speaking from a knowledge of the activities of the commission, I can say that it exercises a good deal of discretion and has materially assisted a convalescent hospital where at least 99 per cent. of the inmates would be paying something towards their keep. Possibly the words suggested by Mr. Watson would meet the case, and make the commission feel that it was acting within its charter. In the personnel of the present commission, we have men who are doing a good job. When the member for Nedlands moved his amendment in another place, he said it would make no difference to the actual work of the commission, but he was anticipating the time when the personnel of the commission might be changed.

The Chief Secretary: Are you quoting from "Hansard"?

Hon. H. HEARN: No; I merely looked it up to obtain information.

Hon. G. BENNETTS: Would the Assembly's amendment permit the giving of assistance to private hospitals? On the Goldfields there is no home for aged people. Last week I called at a private institution where there were 24 patients, some of them bed patients; and among the number was a man of 93. For such patients the hospital receives little. For months there has been an application by a person living in bad conditions, and he cannot gain admission. If Mr. Watson's amendment would assist in such a case, I would support it. When people are thus prepared to assist aged folk on the Goldfields, they are entitled to receive some assistance from the commission.

Hon. L. CRAIG: We should read the paragraph in conjunction with the whole of the clause. In my view, it does not matter whether the Assembly's amendment or Mr. Watson's proposal is accepted; it will not destroy the value of the clause. Paragraph (i) would cover such a case as that mentioned by Mr. Bennetts because the definition includes any object which, in the opinion of the Minister, may be fairly classed as charitable. That covers a wide

field; and if there were any doubt in the minds of the commission, which makes full inquiries into the merits of an application, the Minister would empower the commission to grant assistance. I think the words "substantially maintained" are better than "wholly or partially."

Hon. J. G. HISLOP: I hope the Committee will accept Mr. Watson's amendment, because it would cover these places to a far greater extent than would the word "substantially." Owing to the Hospital Benefits Fund, and so on, many such institutions do not substantially support the people concerned. We want the position left wide open. In the past the Lotteries Commission has given funds to St. John of God Hospital for free beds, although no free ward was maintained; and the same thing was done as regards the Mount Hospital, where free beds were being given for specific purposes. In both instances there we have hospitals which care for the sick generally. The door was wide open, and the commission knew exactly how to handle the matter. If we do leave the position wide open, there will be no doubt that the Home of Peace and similar institutions will be able to receive assistance.

Amendment on amendment put and passed; the Assembly's amendment, as amended, agreed to.

No. 2. Clause 4, page 3—Insert a new paragraph after paragraph (h) to stand as paragraph (i) as follows:—

(i) any body incorporated under the laws of the State which provides relief or assistance to the dependants of deceased ex-servicemen.

The CHIEF SECRETARY: I move—

That the amendment be agreed to.

I do not think there is any necessity for this amendment, but it will do no harm if agreed to.

Hon. H. Hearn: It was put there because of Legacy, was it not?

The CHIEF SECRETARY: I think that was the motive of the mover of that amendment in another place. I know Legacy has been assisted by the Lotteries Commission.

Hon. Sir Charles Latham: Only in one instance—for a playground.

Question put and passed; the Assembly's amendment agreed to.

No. 3. Clause 16, paragraph (b), page 13, line 18—Delete the word "disposal" and insert in lieu the word "disposed."

The CHIEF SECRETARY: I move—

That the amendment be agreed to.

Question put and passed; the Assembly's amendment agreed to.

Resolutions reported, the report adopted and a message accordingly returned to the Assembly.

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [6.9] in moving the second reading said: This Bill has one intention only—to increase to what might be termed more reasonable figures, the fees payable for the registration of factories, shops, and warehouses. Apart from minor increases in 1948, the present fees, which are very small indeed, are much the same as they were 20 years ago. I feel members will agree that in view of the depreciation in money values over the past 20 years, the services rendered by the Factories and Shops Branch warrant an increase in these fees.

At present the annual fee paid, where there are not more than three employees, is 3s. The Bill seeks to increase this to 10s. Where there are from three to seven employees, the proposal is to increase the fee from 6s. to £1. Establishments that have from seven to 15 workers would have to pay £2 instead of 12s. Those employing over 15 but not more than 30 persons would have their fee increased from £1 5s. to £3 10s. The larger businesses whose fees are now £3 would pay £3 10s. for their first 30 employees, and 2s. 6d. for each additional worker; but no firm would have to pay more than a maximum of £15. This would mean that the annual fee for any business with 122 or more workers would not exceed £15.

I submit to members that even these increased fees could not be regarded as other than very moderate. I am advised that, compared with the fees charged in the other States of Australia, they are mild. I do not think that any member will disagree with me when I say that the Factories and Shops Branch is carrying out a very useful function, and that its officers are of distinct assistance to business establishments. If we agree on this point, I think we should also agree that an increase in fees is warranted. The yearly expenditure of the branch is about £26,000 and the revenue obtained from fees is approximately only £5,000 annually. While I do not wish to submit that a profit should be made from these fees, the present disparity between the cost of the department and its income from those it assists is considerable.

On the 31st December, 1953, there were 13,185 establishments registered and paying fees. The average annual fee obtained from these businesses is 8s. only. I think this indicates that the increases proposed in the Bill can be regarded as quite reasonable, and I commend them to the House. The figures speak for themselves; and I am sure that if they investigate them, members will be satisfied—

Hon. Sir Charles Latham: This will make the price of goods go up.

The CHIEF SECRETARY: I will not mind if the rise is in accordance with these increases.

Hon. L. Craig: What if prices rise in the same ratio?

The CHIEF SECRETARY: I certainly would not like that. In view of the high cost of this department, I think those to whom the service is being rendered should now contribute more than they have in the past.

Hon. L. Craig: A rise of 300 per cent. is profiteering.

The CHIEF SECRETARY: If viewed in that light, possibly; but I think that if the price of one of the manufactured articles 20 years ago was compared with the present price, the rise over that period would be such that even 300 per cent. would pale into insignificance. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Simpson, debate adjourned.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. R. J. BOYLEN (South-East) [7.30]: I intend to support this measure. A similar Bill was introduced last year to extend the activities of the State Insurance Office. It passed the Legislative Assembly; and when it came to this Chamber, the second reading was agreed to. It was amended in Committee, but was ultimately thrown out, holus bolus, on the third reading. On this occasion, the Government has given consideration to certain objections raised by members of the Opposition last year. The Government knows that there has been a steady demand for increased activities by the State Insurance Office. Members of the public are dealing with the State office; and, because of the satisfaction it has given, there has been a demand for its activities to be increased. Of course, that cannot be done unless Parliament agrees to a measure such as this.

There is no reference in the Bill to what seemed to be the main bugbear last year—life assurance. The State Insurance Office has been a godsend to mine workers in this State. It gained legal status in 1938; and at that time it was the only company which would insure a large section of men working on our gold mines—and probably other mines as well, although I am not certain of that. Private companies would not take the risks involved in this class of insurance; and at present the State Insurance Office has almost a monopoly of the insurance of mine workers. That, of course, is only fair, because it was prepared to accept the major risks involved, and it should not have competition from the other companies where a lesser risk is involved.

I do not think increased activity on the part of the State Insurance Office would have much effect on the private companies. We have heard a good deal about this aspect, and we heard a good deal about it last year. But why should we consider only the private companies? After all, those concerned are the property of their shareholders; or, if they are mutual companies, of their members. It is understandable that, if a person insures with a particular office, he tries to keep all his business with the one concern because he receives greater revenues or benefits from it, such as lower premiums or increased benefits from the same premium rate.

I think members should give consideration to something which belongs to the taxpayers of Western Australia, who are actually the shareholders in any Government project. If this Bill were agreed to, I venture to suggest that the increased activities of the State office would make little difference to the 70 or 80 private companies in operation. We see the balance sheets and the dividends paid to shareholders published year after year; and I do not think the private insurance companies would suffer greatly if this office, which belongs to the people of Western Australia, were permitted to extend its activities. It would mean a greater volume of business, and many benefits would accrue to the people of Western Australia as a result. It has been suggested that if additional business could be granted to the State office, it would be possible for it to erect a 10-storey building in the Terrace. That is an economic proposition, because it would enable many Government departments to be housed in decent quarters; and a good deal of revenue could be gained from letting some of the premises. I commend the Bill to members, because I think increased activity on the part of the State office will contribute something to the taxpayers of Western Australia. I support the second reading.

On motion by the Minister for the North-West, debate adjourned.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. R. J. BOYLEN (South-East) [7.35]: I support this Bill, which provides for quarterly adjustments of the basic wage to be made without option. The Bill requires not only that future increases in the cost of living shall be

taken into consideration, but also that the adjustments shall provide for increases that should have been granted from September, 1953. In 1953, the court did not grant an increase in the basic wage as it should have done in accordance with the statistician's figures. The court found that at that time prices of commodities taken into account in the basic wage had risen by 4s. 1d. a week. Those figures were taken from calculations supplied by the Government Statistician. The court, in its wisdom or otherwise, decided that it would not increase the basic wage on that occasion.

At the end of the last quarter of 1953, the figures showed that there should be a reduction of 1s. 6d. in the basic wage which made, over the two quarters, a net loss to the worker of 2s. 7d. a week. At the end of the first quarter of 1954, the statistician's figures indicated that there was a further upward trend in prices to the extent of 6s. 3d. a week; and the figures supplied for the last quarter showed that there had been an increase of 13s. 8d., or a net increase of 19s. 11d. over the 12 months.

The basic wage in the metropolitan area is £12 6s. 6d.; and if these adjustments had been granted by the court, it would have been £13 6s. 5d. In effect, workers are losing 19s. 11d. a week; and this goes to prove that the argument that prices are chasing wages is utterly incorrect. If it was decided to lower the basic wage, we should have started on the other foot, and made an honest attempt to control prices. Probably the court would have taken a different attitude; and if the cost of living had been continually falling, adjustments would have been made quarterly.

It is only reasonable to assume that as the basic wage is static, and the cost of living is increasing, the standard of living of the workers must be falling. We have not yet felt the full impact of increases in rents. Many people are paying rent, and those rents have been increased. As time goes on, the full impact of those increases will be felt; and it is only right that the Government should legislate not only for the control of rents, but also for the control of prices, especially if the basic wage is to remain static. Both of these items are factors in assessing the basic wage.

Some people would say that many workers own their homes. Some do; but they have a responsibility there, too. They have to pay rates and taxes, which have been increased during the last 12 months. Many people are considered to own their homes; but, in effect, they do not actually own them, because the houses are still being paid for, and interest payments have to be met on the money borrowed.

The basic wage is assessed on the principle of a worker supporting a wife and two children. Some workers have fewer than two children, but, to counterbalance that, some have more—many of them have considerably more. Professional fees have risen sharply over the last year or so; whereas wages have remained static for the past 12 months. This has made the services of many professional men beyond the reach of the average person.

Hon. C. W. D. Barker: Lawyers, for instance.

Hon. R. J. BOYLEN: What will happen if the basic wage remains static and the cost of living increases, I do not know. When Mr. Justice Dwyer was president of the Arbitration Court, he said that a worker was entitled to receive a wage sufficient to enable him to live in reasonable comfort. So it seems that when we have different presidents, we have varying ideas. They have different viewpoints on the question of the basic wage; and I consider it to be the responsibility of Parliament to put the matter beyond any doubt. Some people say that this measure will place the president of the court under political control. That is not so. It is not right that the opinions of a president should count in a matter such as this; and something must be done to see that the worker is not subjected to such variations. One president might have his own view on a certain matter, and another would have an entirely different view. So it is imperative that the Government should legislate in this matter and avoid inconsistency.

During the elections early this year, Mr. Menzies said that Australia was enjoying a period of prosperity greater than any in its history. That means that Australia is enjoying greater production, and the only person responsible for that is the worker.

Hon. N. E. Baxter: That is because of wheat and wool.

Hon. R. J. BOYLEN: I hope more consideration will be given to this measure than was given to a similar Bill last year. I think that last year members had made up their minds about it; but I hope that this time they will allow it to pass the second reading so that we can discuss it further in Committee.

HON. J. McI. THOMSON (South) [7.44]: If we agree to this Bill, which will have the effect of striking out the word "may" and inserting in lieu the word "shall," we shall be making it obligatory for the court to grant quarterly adjustments of the basic wage. All that has been said in favour of this proposition has not convinced me that it is in the interests of the State. What will be the effect if we alter the present position and have quarterly adjustments to the basic wage, as we have had in the past? We have

been able to stabilise industry within the State over the last 15 months as we have never been able to before. If we reverted to a set-up whereby the basic wage is increased each quarter, we would set in motion a far-reaching effect which would be of no benefit to the working man or to anybody else.

On numerous occasions we have heard complaints in relation to the cost of building. The building industry has been affected by the spiral in the basic wage each quarter; and, as a result, the costs of building have gone up. I refer to the building industry in this instance because I know something about it as a result of my activities in that industry. There have been complaints about the rise and fall clause. That was of no benefit to anybody. Rise and fall was brought about because of the unstable state of affairs that existed in the industry.

If a young man set out to build a house costing about £1,500 or £2,000 he would, because of the rise and fall clause, be up for an amount sometimes exceeding by £300 the figures he had in mind. That was a most unfair impost to be placed on any person. The fact remained, however, that it was necessary, because of the increased price of iron, timber, and everything else used to construct a house. Those increased costs were naturally passed on, as they must be, to the person who was having the place built.

Hon. E. M. Davies: There was evidence of a profit being made out of it.

Hon. J. McI. THOMSON: I will not disagree with that. If that was the case I believe it was more the exception than the rule. The hon. member is probably referring to plumbing costs. But there again, because of the increase in the price of imported piping, and the price of brass fittings, etc., plumbing costs were exceptionally high. I have no hesitation in saying that in any rise and fall clause the plumbing costs would be greater than those of any other trade.

If we introduce a system whereby each quarter the basic wage will be increased by 2s. or 5s., we will revert to an unsatisfactory position under which a rise and fall clause will be contained in every contract. If that were not so, it would not be possible to get our work done. Let us look at the cost which the basic wage would impose if politics interfered with the jurisdiction of the court, and Parliament instructed the court, by this small but important Bill, to raise the basic wage each quarter. It would be cutting right across the principles of arbitration for which we have all stood for so long.

Hon. R. F. Hutchison: Why did it not do the same thing over the last few years?

Hon. J. McI. THOMSON: Do what?

Hon. R. F. Hutchison: Why did it not interfere with industry?

Hon. J. McI. THOMSON: It did; it was the cause of the spiral in costs. And, after all, who had to pay? The working man had to pay this increased cost. Sometimes I think that members of the trade union movement, and the advocates for the working man, are not as conversant with the desires of the people they are alleged to represent as they should be. On occasions, as an employer, I have paid out the increased basic wage, and have said, "There is your increase in the basic wage," to which the workers have replied, "What is the good of that? Our costs have gone up and up to a point that is far from reasonable."

There are two items that have contributed to the much-discussed increase in the cost of living. One is rents, which do not affect everybody. Those who support this Bill, and say that we should agree to it, close their eyes to that fact. In many cases rents are being increased, but often with justification. On a percentage basis those increased rents would not affect more than 20 per cent. That is not a justification in itself to instruct the court to alter its present position and increase the basic wage automatically.

It is well that we should open our eyes, and see the effect on those who are striving to exist, before we talk about instructing the court to make quarterly adjustments. If an opinion could be gained by ballot, I think it would be illustrated that those concerned are content with the stabilisation that the present set-up has brought about. We hear it said that the working man is carrying the State on his back. I will not deny the right of anyone to express that opinion, though I think it is very much exaggerated, and is inconsistent with the general opinion held in the State.

There is an unfortunate attitude today in the return of work for wages paid. I would not for one moment advocate a decrease in wages. I think it is necessary to ensure a proper living wage and standard of life for every person. The fact remains, however, that while employers on their side accept their responsibility, and accept it readily and gladly, there is an obligation on the part of the working man to say, "Instead of doing the least I can for as much as I can get, let me be reasonable and do a fair day's work for a fair day's pay." Who would reap the benefit ultimately? It must affect the working man individually and it must affect the cost of the goods he wishes to purchase.

I will revert to building for a moment. Over the last few years the cost of building has risen steadily. That is not surprising when we take into account quarterly increased costs on all materials and wages and such costs as those of morning and afternoon tea breaks. Such breaks no doubt are most desirable, and nobody would suggest that we should cut them out.

Hon. R. F. Hutchison: I should say not!

Hon. J. McI. THOMSON: I am glad the hon. member agrees with me. It has buoyed up my hopes considerably to have Mrs. Hutchison encouraging me in this manner.

When we are not producing, the increased costs are borne by the very people for whom these houses are being erected. It may be said that morning and afternoon tea breaks occupy only about five minutes; but by the time the men have knocked off and have partaken of their refreshments, at least 15 minutes have been occupied. Who pays for that? The cost of that time must be put on to the price of the house; and, of course, that is where it has been placed.

Workers themselves have a duty to see that production costs are reduced and are in keeping with the amount of money paid. If they do that, they will reap the benefit of it. It would be very dangerous if we voted in favour of instructing the court that it "shall" make quarterly basic wage adjustments. It is a very bad principle; because once we make the Arbitration Court subservient to the political feelings of either party, we will be very sorry indeed.

Hon. E. M. Davies: Has it not been done before?

Hon. Sir Charles Latham: No.

Hon. J. McI. THOMSON: I do not know. If it has, I would be pleased if the hon. member would inform me. If we permit this to become a political football, we will regret it. Let us consider the position in the Eastern States. In Victoria I think there is a wages board.

Hon. Sir Charles Latham: New South Wales has not been prepared to do it; and there Labour has a majority in both Houses.

Hon. J. McI. THOMSON: In 1953 the basic wage in Victoria was £11 15s. In October it rose by 2s. for that year. It rose again by 1s. in January, 1954. In April, it dropped 1s.

Hon. E. M. Davies: There is price fixing over East, too.

Hon. J. McI. THOMSON: We will deal with price fixing when we are discussing the appropriate Bill.

Hon. E. M. Davies: You do not like that!

Hon. Sir Charles Latham: We must not anticipate legislation.

Hon. J. McI. THOMSON: I will be able to substantiate my views on price fixing when debating that question. There has been an increase of 2s. in the basic wage in Victoria, and a drop of 2s. It will be interesting to see what the position is when there is a further drop of 2s., because then the wage will be below that of £11 5s. in 1953.

The only complaints regarding the increased cost of living in this State have been in respect of rents and meat. A fair price has always had to be paid for meat, even in days when there was control. What must be taken into consideration is the fact that added costs over the years must play an important part in the determination of prices. Those costs must affect the price of meat. Again, we must take into account the effect of seasonal conditions. Over the last few days, the price of meat at the market has fallen considerably, compared with what it was; and that should have an effect on the price paid over the counter.

All that, however, is of minor importance when we consider the principle involved in the Bill. When we attempt to instruct the court that it shall take certain action, we are contravening something that has served the workers well over the years. What has been done in the past, can be done again; and if we leave the court to function as it has been functioning, we will be doing the best service we can to the whole community, to whom we owe a responsibility. Our responsibility is to all the people, and not to one section. For the reasons I have given, I must oppose the second reading of the Bill.

HON. G. BENNETTS (South-East) [8.4]: I was not going to speak on the Bill; but, in view of the remarks of the previous speaker, I feel I should make my contribution. I recommend that the House should support this measure. As Mr. Thomson said, 15 months have passed without any increase having been made in the basic wage. The workers have given the decision of the court a fair trial, but the stage has been reached when they are feeling the pinch; and, if the situation continues, the time will come when they will have only half the food in their homes that they have at present.

I speak particularly of the Goldfields district which I represent. Had I decided to speak on this measure next week, I would have brought along a list of prices of commodities covering the last four or five years in order to indicate the increases that have taken place. I saw some satsuma plum jam for sale in a shop window today at 1s. 6d. The last my family paid at the local shop for a tin of that jam was 2s. 11d.

Hon. Sir Charles Latham: Perhaps it was an imported jam.

Hon. G. BENNETTS: It was the same brand. One tin was 2s. 11d. and the other, in Charlie Carter's, was 1s. 6d. Prior to Parliament going into recess last year, I took a list of prices in shop windows in Perth over a period of one month. Then I went to the cheapest shop in Boulder—I refer to Bairds—and I think that there was a difference in prices amounting to 1s. or 1s. 2d.

Hon. N. E. Baxter: Your Government increased rail freights.

Hon. G. BENNETTS: That would not affect the position, because the goods had been coming from the Eastern States. That is the strange part of it.

Hon. N. E. Baxter: Rail freights from the east are lower.

Hon. G. BENNETTS: No; the local rate was fairly low.

Hon. N. E. Baxter: It still makes a difference.

Hon. G. BENNETTS: What about the people down here who obtain goods from the Eastern States?

Hon. N. E. Baxter: Those goods come by ships, and the freight is cheaper.

Hon. G. BENNETTS: It seems to me as though the State Arbitration Court is trying to follow the practice of the Commonwealth court, and is not giving consideration to local conditions. There is no doubt that the cost of living on the Goldfields has increased considerably in the last 12 months. Perhaps it is possible to purchase a home more cheaply there than in Perth, and rents are lower. But that does not compensate the people for the higher cost of food.

The Government Statistician's figures indicated that the cost of living had increased, but the Arbitration Court did not allow the workers any compensation for that increase by permitting a rise in the basic wage. After 15 months, we find that the cost of living has risen and the workers are feeling the pinch. On the other hand, we see published in the papers every now and again references to the huge profits that are being made by big manufacturers. In those circumstances the workers cannot be blamed for trying to secure a higher living standard.

Hon. N. E. Baxter: Are those huge profits derived from the manufacture of foodstuffs?

Hon. G. BENNETTS: No; but profits have been made from the manufacture of furniture and other goods used in homes. The motor industry is the biggest profit-making industry today.

Hon. N. E. Baxter: One does not need to have a motorcar.

Hon. G. BENNETTS: Motor firms do not forget to hit the people in the prices they charge. I take it that the vendors of food are not losing money. At any rate, I have not seen a poor grocer or a poor greengrocer; they all seem to be doing pretty well today. This Bill should be passed. I know that the main industry in my district is having a bad spin. However, the workers cannot carry any further burdens, and must be assisted. This Bill is the only way in which that can be done.

HON. J. J. GARRIGAN (South-East) [8.10]: I support the Bill. Having been a basic-wage earner for many years, I have some knowledge of this subject. The majority of people in this country are wage-earners, and they are the life-blood and veins of our great State. If there were no workers, there would be no industries; and if there were no industries, there would be no Australia. The Commonwealth today is enjoying more prosperity than it has enjoyed at any other period in its history. Therefore, why not let the workers share in some of that prosperity? Why have two laws—one for the rich and one for the poor?

The basic wage has been pegged, but price controls have been eliminated. Do not tell me that is fair! If we are going to stabilise this country, let us peg prices as well as the basic wage; that is the only fair method. The basic-wage earner pays a very high rent, big meat bills, and big prices for food and clothing, the basic-wage earner has not much left to educate his children. If we are to keep up with the rest of the world, we must have education. That is why I maintain that the basic wage should no longer be pegged.

It is said that industries could not afford to bear the increased burden. One has only to look at the position of the breweries and heavy industries to see how untrue that is. I think that the only industry in Western Australia which could not endure increased burdens is the mining industry; but even that, if one studies the figures, will be found to be obtaining high profits. There is not much more I can say on the measure, except that I propose to support it.

HON. J. D. TEAHAN (North-East) [8.12]: I support the Bill. There was one remark by Mr. Thomson that may have been correct to some extent; namely, that on account of the spiralling of prices, following increased wages, workers find that such wage increases are of little value to them.

A little over 12 months ago, the Federal Arbitration Court decided in its wisdom to peg the basic wage, because it believed that, by so doing, stability in the economy of the nation would be achieved. Although the workers protested at the time, I think they felt that if the Arbitration Court judges proved correct in their assumption, they would be happy about the situation. In any event, they were prepared to give it a trial. However, when the first quarter had passed, it was found that the much-hoped-for result had not been brought about. Another quarter came and went and there was the same result—no stability. Four quarters have gone by, and what was forecast has not occurred. We see, therefore, that the Arbitration Court judges were not correct in their assumption that the pegging of the basic wage would lead to the stabilisation of our economy.

If that economy has not yet been stabilised, when will it be? Are we to say that until stabilisation has been achieved the wage-earner must accept a pegged wage and forget about his increases? If that is so, his standard will be lowered. Those who have spoken against the Bill contend that they do not want a lowering of the standard; but that is what will happen. I cannot see the fairness in the suggestion that wages should be pegged, but that prices should be allowed to spiral. Prices have risen; and the Arbitration Court judges should be able to see that what they desired to achieve has not eventuated; and they should consequently determine to retrace their steps, and do what was done formerly: award basic-wage increases in accordance with the increased cost of living.

The main factor in Western Australia is rent; and we cannot believe that stabilisation of rent has yet been reached, because rents are continuing to rise, and will do so for the next few quarters. Members speaking against the Bill have used the argument that not everyone is a rent payer; but even a person who is purchasing a home—it takes the best part of a lifetime to buy one—has to meet purchase payments which are almost comparable with rent; in fact, they are a little higher. Interest rates, water rates, and other rates have all been increased recently.

Hon. N. E. Baxter: It is your Government.

Hon. J. D. TEAHAN: These charges would have gone up no matter what Government was in office.

Hon. E. M. Davies: They did in the time of the previous Government.

Hon. J. D. TEAHAN: I would say that at least 20 per cent. of the people, and probably more, pay rent; and a larger percentage would be home-purchasers. They always have a struggle. At one time a home could be bought for £800 or less. I purchased a brick home for £650 and battled to meet my payments during the depression.

Hon. N. E. Baxter: What was the basic wage then?

Hon. J. D. TEAHAN: I cannot remember; but I think it took me about 25 years to purchase my home. I would not like to be purchasing a home on the basic wage today. The accepted weekly payment is £5; and, in addition, something always has to be done to a house. I think the time has arrived when the Arbitration Court judges should say, "We in our wisdom, and from our study of economics"—I do not think it is claimed they are masters of economics as they are judges of right or wrong—"have come to the conclusion that our assumptions are not correct." I therefore request that the House help to restore the balance and give the working man what he is entitled to by substituting for "may" the words "the court shall," which will mean that the judge must make the adjustment.

HON. C. H. HENNING (South-West) [8.18]: When the Chief Secretary moved the second reading of the Bill, I do not think he put his heart into it. He did not submit his case with his usual vigour. Perhaps he realised something that the Government has not realised; namely, that we have passed from a sellers' to a buyers' market. It is difficult to reconcile ourselves to present-day conditions after having lived for so many years in a sellers' market, when our exports—particularly our foodstuffs—were eagerly bought throughout the world.

Today we find—and we have been finding for some time—that we are priced out of many of the markets which were a great source of income not only to Western Australia, but to Australia as a whole. Commonwealth statistics show that last year our exports were £30,000,000 down on the previous year. I do not know, but it appears to me that that was in the back of the mind of the Chief Secretary when he moved the second reading of the Bill. On the other hand, his attitude might have been caused by the fact that the Bill merely seeks to implement the platform of his party.

The Chief Secretary: Where is it in the platform?

Hon. C. H. HENNING: The Chief Secretary asked us to remember that the basic wage was calculated to meet the modest requirements of an average family. It would be interesting to know how many people today are on the basic wage. Let us not forget that Mr. Justice Jackson in his judgment said that the basic wage was still at least £1 in excess of the 1938 needs standard of the court. That has not been stressed by any of those who support the Bill.

The Minister for the North-West: When did he state that?

Hon. C. H. HENNING: Since the last Bill was introduced in the parliamentary session of 1953, there has been an increase of 15s. 10d. From what I can learn, rent has accounted for 9s. 9d. of that amount. But, after all, the rent figure is entirely fictitious; because, while it affects everybody, the court stated that the rent paid for Government houses was 49s. 6d., whereas for four and five-roomed private houses, it was 43s. 6d. Other commodities would account for nearly 6s.—within a penny or two of 6s.—of the increase. Meat is blamed for approximately 3s. 6d.

It is natural that in a season such as the present one, there will be difficulty in supplying the market with meat in any quantity. When the butchers go to the market, they buy on quality; and they are

limited in the price they are prepared to pay, by the demand, and nothing else. If we look in today's paper we shall see that cattle have dropped by £3 to £5 per head. Beef has dropped from 225s. per 100lb., last week, to 215s. this week. No doubt today's sheep market will show a similar drop. People are going for the prime meat. I think that last night the figure of 4s. 1d. for steak was mentioned. The average bullock can be bought for 140s. per cwt.; but a great many of the butchers say that they will not buy it, because there is no demand for it.

The Minister for the North-West: Is not that on the hoof?

Hon. C. H. HENNING: These prices are at the sales. They apply to cattle on the hoof; and the Abattoir Board has increased slaughtering fees to almost three times the amount because of the chain system. Under that system the fast man has to wait too long for the slow man and the slow man thinks he is over-worked, so the tally is being cut down. All these costs have to be borne by the consumer. These matters will come under price control, so I do not wish to speak on them. One thing that got me on this Bill was the fact that the Government advocate in the Arbitration Court could not prove his case.

The Chief Secretary: He should not have been asked to.

Hon. C. H. HENNING: He did not have instructions. He said he could give no evidence that the economy of the State could support the increase. If the Government supported the application, would not any reasonable person assume that it would prove its ability to meet the cost? Nothing, however, was done by the Government in this regard.

The Chief Secretary: Were the employers asked to prove that they could not pay it?

Hon. C. H. HENNING: The employers were not asking for an increase. Why should they have to prove a case for an increase? The Government asked for it; and that is where the difference lies.

The Chief Secretary: There is a difference all right.

Hon. C. H. HENNING: If the Bill is passed, it will cost the Government £1,000,000 a year. Where is that money to come from? Is any member present sufficiently naive to believe that the Treasurer could go to the Commonwealth and say, "We have just passed an Act which will mean that our wages will increase by £1,000,000 a year; what about the whole of the people of Australia putting in to help us?" What would any Federal Treasurer do? He would laugh.

The Minister for the North-West: Where did the guaranteed price for wheat come from?

Hon. C. H. HENNING: This measure would cost private enterprise £3,000,000 a year; so that, with the £1,000,000 that it would cost the Government, it would mean £10 a head for every adult in Western Australia. Who is going to carry the burden? It will be the people, because these prices will have to be passed on.

Let us look at some of our markets and what has happened to them. We have one-quarter of last year's wheat crop unsold, and prices are tumbling everywhere. What has happened to the flour market in South-East Asia? We have been priced out of it; and this has caused a shortage of mill offal, which is valuable to the pig, dairy, and poultry farmers.

It was said the other night that in Western Australia we have sufficient cheese for nine months' supply. We are unable to compete with the rest of the world in the selling of condensed milk. Nestle's factory at Waroona has cut down its intake this year by 50 per cent. If the prices of these goods are increased, what will happen. These concerns will close down. Today a consumer subsidy on butter to the extent of £15,600,000 is paid by the Commonwealth Government. It is known that £16,000,000 is the absolute limit to which the Commonwealth Government will go, so the Western Australian producers will have to bear any extra cost.

In dried fruits the overseas market price has dropped and sales are difficult. Hides in Australia are down as low as they have been for years overseas; but the price of boots is going up because the men making them are not doing a reasonable amount of work. Eggs have recently come down 9d. a dozen, and the 3d. subsidy has come on. In addition there is an extra penny in the handling charges; and poultry foods have increased by £2 per ton. Is the worker —according to the Arbitration Act definition—the only man to carry the baby? Of course he is not! Producers throughout the State, as well as the adult population as a whole, will carry the baby.

I spoke a little while ago about the number of people who were getting the basic wage. Yesterday, in another place, the Minister for Housing, in reply to a question, stated that 105 evictees have been housed in the last month or so by the State Housing Commission; and the weekly income—shown on the application forms or from information gained as a result of interviews—was £15 per week or more for 57 of the applicants. In one instance the weekly income amounted to £61 per week; but I take it that the income earned by all members of the family had been included. In the December Quarterly Statistical Abstract for Western Australia, the average adult male wage was shown to be £15 6s. This information was taken from the payroll returns which embrace, according to the statistics, 80 per cent. of those employed.

Those figures show, fairly clearly, that the percentage of people on the basic wage is not very great. I think we all admit that labour is a commodity that is sold; and the better the labour the better the price that is obtained for it. In this instance the price is the wage paid. However, the basic wage fixed by the court is the minimum. We cannot compare it with price control, where the maximum amount is immediately slapped on. It is not unusual for the Government to employ, at £5 per day, what are termed skilled labourers. They earn the basic wage in 2½ days. Are they going to suffer as a result of the basic wage not being increased, and as a result of our not making the issue a political matter and saying to the court, "You must do this"?

I think we all agree that if this Bill were to pass, and the court adjusted the basic wage according to the amendment made to the Act, many people would receive an immediate benefit. But would they receive a long-range benefit? I am certain that there would be no long-range benefit for anybody. It would be more or less in the nature of a disease. In the long run it would act as a boomerang, and adversely affect all those it was intended to assist.

The Chief Secretary: You suggest that by lowering the basic wage, it would be of more benefit to everybody?

Hon. C. H. HENNING: I believe it is not the prerogative of Parliament to instruct a judge learned in arbitration what to do; a judge who will form his opinion and issue his verdict according to the evidence placed before him.

The Chief Secretary: That is exactly what he did not do.

Hon. C. H. HENNING: I believe that if we bring political expediency into arbitration and disregard the national interest, we will ruin arbitration, and will revert to the system that prevailed in the old days when a worker sold his labour for whatever he could get and had no protection whatsoever. I oppose the Bill.

HON. E. M. DAVIES (West) [8.35]: I support the Bill. After listening to the debate, and particularly to those who are opposed to the measure, the question that comes to my mind is whether the basic wage should be increased—whether the Arbitration Court should be permitted to increase it quarterly; or whether it should be permitted to say, "There shall be no increase." I am one who has believed in the system of arbitration right down through the years; and our system in Australia has, of course, been the envy of nations for quite a long time.

Hon. N. E. Baxter: It still is.

Hon. E. M. DAVIES: I do not know. That is a matter of opinion. I have come to the conclusion that by fixing the basic wage, one of the fundamental principles of arbitration has been departed from. Therefore, notwithstanding that some of the speakers this evening have said that not all workers are on the basic wage, I consider that it is necessary for the Government, in the interests of a large number of people, to take a step in this matter.

One speaker mentioned that there were some workers who were in receipt of £5 a day. That may or may not be true; but I venture to say that if it is so, and there are what are termed skilled labourers who are receiving £5 a day, they would be few and far between. I have come to the conclusion that the Government, in the interests of those who are working under the arbitration system, and who seek a reasonable standard of living, should take a hand in this matter to ascertain if some stability cannot be put into the basic wage.

I agree with the sentiment expressed this evening, that an increase in the basic wage will be of no use to the worker if it is to result in an increase in the cost of living. Right down through the years we have been told by certain people that if we could stabilise the cost of living by pegging the basic wage, everybody would be better off. I believe there are many who agree with that statement. However, what do we find? We find that whilst the Arbitration Court is pegging the basic wage and margins, the same people who are advocating this action are the first to say that price control should go. We already have had an example of that which has shown that immediately price control has been abolished there has been an increase in the cost of living.

If the basic wage is to be pegged we must at least try to stabilise the economy of this country by pegging prices. However, we have not been able to do that to date. Although we have been told that if the basic wage were stabilised it would mean that prices and the economy of the country would be stabilised, we have found that, as a result of wages being pegged, the cost of living has increased.

Therefore, bearing in mind that the basic principle of arbitration, which was laid down many years ago, was that the basic wage should be based on the cost of living, I feel that the Arbitration Court has departed very considerably from the principle on which that court was established from its very inception. Consequently, I consider it is time that somebody took action to ensure that if the economy is to be stabilised it must be done with the assistance of both sides of industry and it should not affect one side only.

Reference was made by Mr. Thomson to the building trade. I am one who believes that if a person works on contract, he is unable to give a fixed price when he is aware that there is a possibility of the cost of materials progressively increasing.

From those who have endeavoured, by a self-help scheme, to perform their own contracting, we have learned that they have been able to build a house, by paying tradesmen wages that are over the award, for many hundreds of pounds less than what it would have cost if they had had the house constructed by a contractor working under a rise and fall clause.

Hon. N. E. Baxter: They were week-end workers.

Hon. E. M. DAVIES: They were not. I know of many people in the metropolitan area who have built their own brick houses. By letting the work out on sub-contract, and paying tradesmen to do it, they have saved themselves many hundreds of pounds. I admit that there are good and bad contractors; and in many instances contractors desire to obtain a fairly substantial weekly wage for themselves; to make a considerable profit on the contract; and also to make a profit under the rise and fall clause. Therefore, we have individuals who are prepared to take advantage of the shortage of materials and, in some instances, the shortage of labour.

Hon. J. McI. Thomson: By granting increases in the basic wage we have created a shortage of labour.

Hon. E. M. DAVIES: From what I have learned, they are merely trying to make some excuse why the basic wage should not be increased. The Arbitration Court has, once again, refused to increase the basic wage, and has continued to peg margins. Are we going to stabilise the economy of the country by such action? I maintain the principle of arbitration has been departed from.

It has been stated that the Government has interfered with the Arbitration Court in this State. Sir Charles Latham is not present in the House at the moment; but during the depression he was a member of the Mitchell-Latham Government; and at that time, the Attorney-General, the late Hon. T. A. L. Davey, brought down a Bill to reduce the wages and salaries of Government workers by from 18 to 22 per cent. He also inserted a provision in that measure to permit private employers to reduce the basic wage. If the salary or wage-earner desired to recoup the amount that had been deducted from his remuneration, he was forced to apply to the Arbitration Court for it.

Hon. C. H. Simpson: Was not that an arbitrary wage obligation?

Hon. E. M. DAVIES: I am not concerned whether it was or not; but it was the Government of the day that imposed it. The Government's action then was no different from the Government's action today. In fact, it was worse, because the earlier Government brought down legislation to reduce the basic wage by from 18 to 22 per cent.; and, in addition, inserted a provision to give private employers the right to do the same. In this instance, the Government has said to the Arbitration Court, "We believe that there is a definite increase in the cost of living. We believe it is time that the basic wage was considered on a quarterly basis."

Just let me go back a little. In the first instance, it was the policy of the Arbitration Court to review the basic wage and to take evidence in June each year. That meant that the basic wage was struck once a year. Between 1931 and 1933, when the cost of living began to fall, the Government of the day decided to introduce a Bill to bring about quarterly adjustments in the basic wage. The Government then felt that, with the cost of living falling, it was too long to wait 12 months before adjusting the basic wage. It amended the Act to enable the Arbitration Court to determine the basic wage quarterly.

What happened a couple of sessions ago, during the regime of the McLarty-Watts Government? Did it retain the quarterly basis when the cost of living began to rise? It brought down a Bill providing for the fixation of the basic wage annually. So past Governments have taken upon themselves the responsibility of passing legislation directing what the Arbitration Court should do. Now the Government has introduced this Bill, believing it to be in the interests of those who depend upon their labour for their livelihood. The Arbitration Court has departed from the principles that were laid down from the very inception of that institution.

I feel that members should give serious consideration to this matter, and not talk about the price of commodities. Over the years, mechanisation of industry has been responsible for producing more goods which would have taken many human beings to produce manually. Therefore, industry has increased production by the introduction of mechanisation. Nobody would disagree with that. It has been to the benefit of industry; to the benefit of employees; and, I feel sure, to the benefit of the country generally.

So it is useless to ask me to believe some of the speeches made this evening that the whole economic system of this country depends on whether a worker should be paid a basic wage based on the cost of living or not. I do not think that anybody engaged in business, commerce, or industry would take it upon himself to make such a statement and believe it to be true; because I have met quite a number of businessmen who are actuated by a desire to do the best for the community and not to reap a great many benefits for themselves. There are

always exceptions. I do not brand all employers as bad, as has been stated in this House on many occasions. Nor do I believe that workers do not produce enough. Such argument does not impress me. In a large community, we shall always find good and bad. There are good workers and poor workers; and there are good employers and poor employers. It is no use blaming one section of the community or the other. I believe that the question of the basic wage should be decided on the amount required by a man to sustain himself and his family in reasonable comfort. That is the very basis on which the basic wage has been fixed since the inception of the Arbitration Court.

Hon. N. E. Baxter: Do you not think the court has considered the needs of workers on this occasion?

Hon. E. M. DAVIES: Evidently the court did not consider them, because it did not increase the basic wage. No doubt evidence is available from the statistician that there has been an increase in the cost of living. Do not let us think that we can stabilise the basic wage and not stabilise the cost of living, and by so doing stabilise the economy of this country. I do not claim to be an economist, or a person with great business acumen. I believe that commonsense comes into the argument a great deal. If members view this Bill with commonsense, we might arrive at a better decision now than we did previously.

On motion by Hon. A. R. Jones, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. G. Fraser—West): I move—

That the House at its rising adjourn till 2.15 p.m. tomorrow.

Question put and passed.

House adjourned at 8.51 p.m.

Legislative Assembly

Wednesday, 8th September, 1954.

CONTENTS.

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

PERSONAL EXPLANATION.

The Minister for Railways and Incorrect Report in "The West Australian."

The MINISTER FOR RAILWAYS: Mr. Speaker, I would like your permission to make a personal explanation to the House. It is in connection with the report in "The West Australian" of my remarks on the Bush Fires Bill last evening. I complain because there is nothing in "The West Australian" report which truly represents what I did say. It is a complete negation and entirely opposite to what I said when speaking to that Bill. The report has been put up in such a way that it will bring discredit upon me, upon my truthfulness and veracity. "Hansard" was quite capable of taking down what I said.

Newspapers are allowed to have their representatives here as a privilege, and I remember your immediate predecessor refusing a newspaper the right to have a