

Bill was introduced in the Legislative Council. Its objects are to provide for the licensing of river craft and to obviate duplication of licenses such as now occurs. At present all harbour and river launches, steamers, and other vessels are required to be surveyed under the Navigation Act; and under the Boat Licensing Act of 1878 there is also an annual survey. So that in the case of river craft such as the "Zephyr" and many others, an annual survey under the Navigation Act is necessary for the purpose of receiving a license; and since these craft come within the scope of the Boat Licensing Act they are subject to another annual inspection as well. The latter Act has a section reading—

Nothing in this Act contained shall apply to any boat, ship, vessel, or steamer making any coasting voyage within the meaning of the Colonial Passengers Ordinance of 1861.

Thus the duality of licenses does not apply to boats engaged in the coasting trade, but merely to river craft and to vessels plying their trade in the outer harbour. The power of survey contained in the Ordinance of 1861 has been provided for in amendments of subsequent statutes. Therefore the Bill proposes to substitute, in lieu thereof, a section reading—

Nothing in this Act contained shall apply to any boat, ship, vessel, or steamer which is subject to the provisions of the Navigation Act, 1904-1926 (No. 59 of 1904).

Thus boats may be exempted from the provisions of the Boat Licensing Act if they are subject to the other inspection. The innovation will be welcome to all owners of river craft and all owners of vessels trading in the rivers and the outer harbour. This is a very simple measure indeed, and I have pleasure in moving—

That the Bill be now read a second time.

On motion by Mr. Sampson, debate adjourned.

*House adjourned at 11.14 p.m.*

## Legislative Council,

*Tuesday, 1st December, 1936.*

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

### BILLS (4)—THIRD READING.

- 1, Forests Act Amendment Continuance.
- 2, Financial Emergency Act Amendment.
- 3, Guildford Cemeteries.  
*Passed.*

- 4, Trade Descriptions and False Advertisements.

Returned to the Assembly with amendments.

### BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

*Second Reading—Defeated.*

Debate resumed from the 25th November.

**HON. J. NICHOLSON** (Metropolitan) [4.40]: The special feature to which attention has been drawn in relation to this Bill is the departure made from previous Bills of this nature in creating the basic wage as the basis of exemption as against a fixed sum which prevailed in each of the Bills which have preceded this one. Having regard to the remarks which have been made by hon. members in discussing this measure, there is every justification for the House asking that the same method of assessment should be followed as in the past, if we decide to continue this Bill for a further period, and, in place of adopting the idea

which is incorporated in the Bill of the basic wage and basic income as the basis for exemption, we should adhere to the principle which at present prevails, that is, a fixed amount.

Hon. G. Fraser: And exclude someone only getting the basic wage?

Hon. J. NICHOLSON: The point is that by having a fixed amount one knows precisely the sum which is exempt. Mr. Fraser has in mind no doubt the anomaly that is created by the disparity between the basic wage on the goldfields and in the metropolitan area, but it has to be remembered and it was emphasised very fully that most of those men who enjoy the basic wage on the goldfields have the benefit of margins which bring them above the basic wage.

Hon. G. Fraser: They would not be exempt if they were getting the basic wage.

Hon. J. NICHOLSON: They would not be exempt. But we have to bear in mind the circumstances under which this particular tax was introduced in the first instance in 1932. It arose, as was stated when the Bill was introduced, for the purpose of providing for unemployment, so that all those who were in employment were to be taxed with very few exceptions indeed—in the case of a man with dependants the exemption was only up to £104 and in the case of a man or woman without dependants, £52. The tax was a uniform one and was imposed for a specific purpose, namely, to provide means to relieve unemployment, which was very serious at the time. The amount of the tax was a uniform one of  $4\frac{1}{2}$ d. in the pound. But time has worked changes, and gradually we have witnessed the uniform tax of  $4\frac{1}{2}$ d. raised by gradations to 9d. in the pound at present, and, under the present tax Bill, it is proposed to increase it to a maximum of 1s. When taxes are once imposed, notwithstanding that the best hopes are entertained that they will not be increased, how inclined all Governments are to increase them and continue them!

Hon. V. Hamersley: And push the tax on to the other fellow.

Hon. J. NICHOLSON: Precisely. Having regard to the amount of revenue received during the financial year ended the 30th June last, compared even with that of the preceding year, I would have expected a suggestion from the Government to reduce this kind of taxation because it

was introduced merely to meet an emergency and not as a permanent tax. For the year ended the 30th June last the general revenue amounted to £10,033,731, compared with £9,331,430 for the previous year, an increase last year of £702,291. After the Government had received such an increase in general revenue there was reason to hope that a reduction would be made in this taxation during the current financial year. I realise the difficulty confronting the Government this year owing to the reduction of the Commonwealth grant, by which a loss of £300,000 has been sustained.

Hon. L. Craig: That is no reason for releasing a certain section from this taxation.

Hon. J. NICHOLSON: I am coming to that point. It does not justify the method of discrimination and the particular reductions proposed under the tax Bill. Lower paid men receiving from £4 to £6 10s. per week are to be kept on the same basis, but persons receiving wages or salaries from £7 to £10 10s. a week are to have the advantage of a reduction. If the Government intended to give any reduction at all I should have thought that the man, particularly the married man, on the lower scale would be most deserving of consideration. I shall be interested to hear what the Chief Secretary has to say on that point. In the course of the debate some members have suggested that the only course for us to adopt is to reject the Bill on the second reading. We have been told that if the Bill be rejected, the Government may operate under the existing Act. I think that view is wrong. The Financial Emergency Tax Act of 1935 provides for continuity until the 31st December, 1936.

Hon. J. Cornell: That is the tax.

Hon. J. NICHOLSON: And this is the assessment Bill which is related to the tax. There was also the related assessment Act connected with the tax Act of 1935.

Hon. G. W. Miles: Would the assessment Act stand?

Hon. J. NICHOLSON: It could not stand. If the Act authorising the imposition of the tax ceased to operate, I cannot see how the assessment Act, which is merely a measure to provide the machinery for the tax, could continue in operation.

Hon. J. Cornell: All assessment Acts do that.

Hon. C. F. Baxter: What would be the position if a Bill to amend the assessment Act had not been introduced this session?

Hon. J. NICHOLSON: I was about to deal with that phase. I direct attention to Section 4 of the Act.

Hon. G. W. Miles: But that is the tax Act.

Hon. J. NICHOLSON: Yes; I am calling attention to the tax Act because it is related to the assessment Act. The assessment Act stands in clear relationship to the tax Act, and I maintain that the one cannot stand without the other.

Hon. J. Cornell: We are aware of that. That is ancient history.

Hon. J. NICHOLSON: Therefore the contention that, if we reject the assessment Bill, the Government would be able to continue to assess people under the existing Act is wrong.

Hon. C. F. Baxter: I got the opinion of an eminent legal and constitutional authority and his opinion is contrary to yours.

Hon. J. NICHOLSON: If the Bill be rejected are we likely to cause embarrassment to the Government?

Hon. H. S. W. Parker: Surely they could bring in another measure.

Hon. J. NICHOLSON: That is the point.

Hon. J. Cornell: While talking about not embarrassing the Government the hon. member is seeking to reform them.

Hon. J. NICHOLSON: There is no question of reformation. We have to bear in mind that all money Bills must originate in another place.

Hon. J. J. Holmes: Did not you say that you were going to vote against this Bill?

Hon. J. NICHOLSON: I did not; I will explain my attitude presently. When we consult May's "Parliamentary Practice," we realise how the Government would be embarrassed. If the Bill be rejected, another Bill of the same substance, nature and argument could not be introduced in the same session, and Parliament would have to be summoned for a new session so that a new measure could be introduced.

Hon. J. J. Holmes: Is not this a No. 2 Bill?

Hon. J. NICHOLSON: No; the hon. member is alluding to something that happened before the Bill reached this House. Members of another place were quite entitled to withdraw a previous Bill in their

own House. May, 12th Edition, at page 273, states—

When Bills have ultimately passed or have been rejected, the rules of both Houses are positive that they shall not be introduced again in the same session; but the practice is not strictly in accordance with them. The principle was thus stated by the Lords, 17th May, 1606—"That when a Bill hath been brought into the House and rejected, another Bill of the same argument and matter may not be renewed and begun again in the same House in the same session where the former Bill was begun."

Hon. H. S. W. Parker: Is not that the object of throwing this Bill out, namely, that we do not want to have the same tax?

Hon. J. NICHOLSON: By throwing out the Bill, would not we embarrass the Government in administering the finances of the State?

Hon. J. J. Holmes: If it is wrong, we should throw it out.

Hon. J. Cornell: What do the Standing Orders say?

Hon. J. NICHOLSON: Our Standing Orders deal with questions that arise; not with the Bills themselves.

Hon. J. Cornell: A Bill is a question.

Hon. J. NICHOLSON: It may be; I know the Standing Orders contain something on the matter. Let me continue to quote from the Lords' decision as given by May—

"But if a Bill begun in one of the Houses and there allowed and passed be disliked and refused in the other, a new Bill of the same matter may be drawn and begun again in that House whereunto it was sent; and if, a Bill being begun in either of the Houses and committed, it be thought by the committees that the matter may better proceed by a new Bill, it is likewise holden agreeable to order in such case to draw a new Bill and to bring it into the House."

Hon. J. Cornell: An assessment Bill could originate here.

Hon. J. NICHOLSON: There are various other views expressed, but there we have the broad principle that a Bill of this nature, once rejected, could not be introduced again in the same session. We had an instance of that some years ago, and a period of six or eight weeks elapsed before the new session could be held. That operated to the detriment of the Government of the day because there was a consequent loss of revenue during that period. They suffered the loss; and I doubt very much whether it is desirable to reject when we can amend, as we have the power to do, the present Bill, which

is the assessment measure. There are matters which hon. members can see for themselves in the assessment Bill, and which might perhaps be still retained, and there could be introduced into the measure such matters as may bring it into harmony with the ideas that the large number of members who have spoken here think should find expression, bringing the rate of tax back to the existing rate and not increasing it.

Hon. J. J. Holmes: Did not we appoint you a manager for that purpose last year? And with what result?

Hon. J. NICHOLSON: The hon. member will recall what the result was. The occasion was one of those on which one could not do more than what actually resulted.

Hon. J. J. Holmes: There is the same mode of procedure now.

Hon. J. NICHOLSON: No. That was done in connection with another Bill, not the assessment Bill. It was the tax Bill that went to a conference.

Hon. G. W. Miles: Well, if you go to a conference, you will have to give way as usual!

Hon. J. NICHOLSON: I did not give way one whit. I hold that the present Bill could be amended. Having regard to the nature of the tax, how it originated and was imposed, I do not think we are justified in increasing the rate of tax to the amount suggested. Nor would we be justified in increasing it in the manner that is suggested.

Hon. H. S. W. Parker: Assume we amend the assessment Bill, would not the Act then have to be altered?

Hon. J. NICHOLSON: It would be necessary then to make a request on the tax Bill to bring it into harmony, practically re-enacting a Bill on the lines of the present Act. That, in my opinion, is what really would be necessary. I put this phase before hon. members because it appears to me that instead of assisting to get over the difficulty, it will only create more difficulty, and will necessitate the calling of a new session of Parliament to deal with two new Bills, a tax Bill plus an assessment Bill, if we reject the Bill now before the Chamber. In the meantime there would be bound to be a loss of revenue which would further embarrass the Government, just as it did on a previous occasion, when nearly two months of revenue from emergency taxation was lost before the new session was summoned and the necessary measures were passed. That is a course which, if it can be avoided, would be well

worth avoiding. It seems to me that such a thing might be avoided by adopting another method—passing the second reading of this Bill and in Committee amending it in a manner which would be suitable. If there are points in the present Bill which hon. members consider it advantageous to retain, that can be done. I shall listen attentively to what the Chief Secretary has to say, but in the meantime my view is that the better course would be to pass the second reading of the Bill and seek to amend it in Committee.

**HON. J. CORNELL** (South) [5.6]: I thank the Chief Secretary for giving me an opportunity to offer some remarks on the Bill. The first fault I have to find with the measure is that its Title is wrong. It is not a Bill to amend the Financial Emergency Act. The Title should read "A Bill to amend the Financial Necessity Act." Surely we have passed the financial emergency stage which occasioned the introduction of the original Act.

The Chief Secretary "What's in a name?"

Hon. J. CORNELL: If the hon. gentleman inquires outside, he will find there is something in it. "Emergency," as I understand the word, means in cricket parlance the twelfth man, and in football parlance the nineteenth man. If a man is injured, the emergency man takes his place in football, though not in cricket. Evidently "emergency" has become the team. It is about time we got away from the use of the term "financial emergency," because it looks as if this measure is like Charlie's Aunt—here, and here to stay. In the field of revenue it has assumed a proportion of about £1,000,000 a year instead of its original proportion of £280,000. We are told that the State cannot function without this taxation. True, there is an emergency; but it is not the original emergency. The Bill exempts clergymen. I believe it has been stated that an influential deputation waited on the Government and asked for exemption of clergymen. Originally there was no set figure. All salaries of clergymen were exempt. When a section of the community is singled out under conditions of emergency for special consideration and is exempted, and when we are told that an influential deputation waited on the Government with a request for that prerogative, the House is entitled to be informed what section of the

religious element waited on the Minister. In war parlance, "the fancy denominations" have denied that they had anything to do with the deputation. Then there remain only two other denominations, the Church of England and the Roman Catholic. We have to assume that one or the other, or perhaps both, asked for exemption. The House has a right to know. The country has a right to know. I do not think that most of our clergymen desire exemptions. In fact, a good many of them have publicly expressed themselves to that effect. But if a case has been put up for exemption by way of deputation, the House is at least entitled to know who formed the deputation. Ever since the introduction of emergency taxation legislation I have spoken against it, for I argue, why should the man on the basic wage in the metropolitan area be exempt whilst the man on the basic wage on the goldfields has to pay? The rates of wages of goldfields workers were arrived at by the same process of calculation and by the same tribunal as rates of wages in the metropolitan area. The Bill proposes that the amount £3 12s., representing the exemption for wage-earners and salary-earners with dependants, shall go by the board, and that the term "basic wage" shall be substituted. The term "basic wage" is nothing new. Two years ago this Chamber rejected a similar proposal. I find that again I am in practically the same field as I have been in hitherto. With isolated exceptions, all goldfields workers, salary-earners and wage-earners alike, will have to pay the emergency tax even if the term "basic wage" is inserted; for the basic wage on the goldfields is £4 7s. Every man who works directly in the mining industry is given an industry allowance of 10s. or 12s. per week. When one gets away from Kalgoorlie, Coolgardie, and Southern Cross, one finds a district allowance as well. This means that all those men will continue to pay emergency taxation. Municipalities and road boards throughout the length and breadth of our goldfields—not only in the North-East but in the South and North and Central Provinces—pay more than the basic wage; and that section of employees will continue to be subject to this emergency taxation. Adult workers, especially those with dependants, amongst the business section of the community, to the extent of 85 per cent. are paid more than the basic wage. So to speak, just a handful of workers on the

goldfields of Western Australia will escape the emergency tax under the Bill. Shown in its true light, the Bill represents another attempt to exempt metropolitan workers. They alone will be the great beneficiaries under the Bill. I will not agree to such a course. If the State is so hard up that this taxation must be continued and even increased, the present machinery is adequate for the purpose. I refer to the machinery to-day set out in the assessment Act. After all, the starting point is the man with dependants on £3 12s. per week. The basic wage in the metropolitan area and the South-Western Division to-day is either £3 13s. 6d. or £3 13s. 9d. All the workers in the metropolitan area and in that district will receive the benefit of the exemption, whilst outside workers will receive practically no benefit at all. What is more, the basic wage will be varied. The surest and best way, if special taxation must be imposed, is to make everyone, as nearly as possible, contribute a small modicum. I do not know that there is much more in the Bill that I need refer to, but I must express my surprise at the basis of reasoning adopted by Mr. Nicholson. That hon. member has gone to considerable pains and, in quoting May, has reverted to the time when the head was taken off King Charles the First. As I view the position, however, if this Bill is rejected, the present machinery stands. Necessarily, the taxing Bill will not fit in with the existing Assessment Act. The battleground in this House as regards the imposition of taxation and the granting of exemptions and the machinery governing that aspect is always the assessment measure. Strange to say, members will find that in practically all assessment Bills, the increases have been given by this House. It is on the assessment Bill that this House can express an opinion, whether or not the starting point is too low or too high, or whether or not exemptions are too general or not general enough. Assuming this House rejects the Bill, there still exists machinery under which the Government are at present collecting tax. That is a permanent piece of legislation and does not require to be renewed each session. If this Bill is defeated, the tax will be out of gear, so to speak, because then the starting point in the tax Bill will be the basic wage, and the starting point in

the assessment will be £3 12s. I understand there has never been any question as to the right of this House to amend or reject an assessment Bill. The ex-Premier told me that he never took any exception to what this House did as far as the assessment Bill was concerned, but he did take exception as far as the tax Bill was concerned, the tax Bill being the prerogative of the Assembly. My view is that if this Bill is rejected, the existing machinery will stand, and there is nothing to prevent the Government bringing down a new tax Bill starting at £3 12s. If I read our Constitution aright, there is nothing to stop the Government from increasing the tax to 2s. in the pound, or even to 5s., if they so wish. This House can request an amendment if it is desired to bring about a reduction. Mr. Nicholson has said that delays may occur, and by way of illustration he cited the introduction of the graduated emergency tax, and so much revenue having been lost; but he did not give a recital of the actual facts. If I remember correctly, the emergency tax introduced by the Mitchell-Latham Government was 4½d. in the pound, and it expired on the 30th June. The Government that followed did not bring down their taxation Bill to alter the incidence of the tax until some two months or more after the Mitchell-Latham Government had left office. There was a delay, which was inevitable. Whereas the Mitchell-Latham tax made everyone pay 4½d. in the pound, the new Bill brought down by the Collier Government proposed to start at £2, that is, for the worker without dependants. Naturally, that brought about a certain amount of hostility, and eventually the question went to a conference between the two Houses. The conference agreed on 30s. for workers without dependants and £3 10s. for workers with dependants, and I think the tax Bill at that time was adjusted to square with the assessment Bill.

Hon. J. J. Holmes: Was it not made retrospective?

Hon. J. CORNELL: I think it was, from the date of the introduction.

The Chief Secretary: How could you make it retrospective if you collected it at its source?

Hon. J. CORNELL: Three months of the time was lost. That was the fault of the Government because they did not call Par-

liament together, and then there was the disagreement which arose between the two Houses. Mr. Nicholson has said that if this Bill is rejected another session will have to be called. I do not see why that should be necessary.

Hon. T. Moore: Why did another session have to be called on the last occasion?

Hon. J. CORNELL: That was for the Financial Emergency Act.

Hon. T. Moore: The same thing.

Hon. J. CORNELL: No. I understand the Financial Emergency Act went to a conference and the conference could not agree. Therefore the Bill was lost and the Government decided to prorogue Parliament and call a special session. That does not say there was any necessity for that to be done. Still, it was what the Government decided to do. If the assessment Bill before us is rejected, what is to prevent a new assessment Bill being brought down? What is to prevent the Government introducing another method of assessment? I submit that such a Bill would be in order, and could be brought down this session. If members think that the starting point should be as Mr. Nicholson said, £3 12s., the safest thing to do would be to reject the Bill. But if my reading of the Constitution is correct, and we pass the Bill and endeavour to substitute £3 12s. for the basic wage, it will not be in order because we will by such an amendment increase the proposed burden on a good many people. I will vote against the second reading of the Bill because I consider that of the constituents you, Sir, and Mr. Williams and I represent, 95 per cent. will have to pay the tax, and I think a similar percentage in other parts of the State will have to do likewise.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [5.24]: In replying to the Bill, I do not propose to traverse all the points that have been raised by the different speakers. There are, however, one or two very important questions which have been raised by some members, and which I find it necessary to deal with. In doing so I should like members to realise that I am speaking on behalf of the Government, with an idea of conveying to members just what our views are on this most important question. Members will realise that at the present time finance is perhaps playing a more

important part in the affairs of our Government than at any other period of our history and therefore it is necessary that we as a Government, and as members of this House, should be careful lest we do something which is likely to precipitate a position which might prove very awkward, to say the least of it, to a large section of our community. I have been somewhat amused by some members who have said that they want to assist the Government in this matter. One hon. member went so far as to say that he desired to assist the Government even against the Government themselves, and he gave his reason for making that statement. I appreciate at all times the assistance that is proffered to the Government on matters of this kind, provided it is what I would call genuine assistance. On this occasion we are faced with this position, that for three years a certain policy has been in operation in this country in regard to financial emergency taxation, and the main principle of that taxation has been that the basic wage earner shall be exempted. We have endeavoured to do our best from time to time to see that the policy of the Government in that regard is carried out. We have met with difficulties in this House and it has only been possible for us to exempt the basic wage earner in the South-West land division and the metropolitan area, and that only for a given time, because the Arbitration Court, by virtue of its decision from time to time, has stated that the basic wage shall be a sum which has been higher than the exemption provided for in the assessment Act. And so on this occasion we are again making an effort to provide that all basic wage earners in the State shall be exempt from this tax. That is the principle underlying the Bill.

Hon. C. G. Elliott: Will that include the men on the goldfields?

The CHIEF SECRETARY: Yes, men on the goldfields who are receiving the basic wage or less than the basic wage will be exempt from this measure.

Hon. C. G. Elliott: What about the industry allowance?

The CHIEF SECRETARY: That does not come into it. This measure provides that all persons in the State who are earning the basic wage or less than the basic wage as prescribed by the Arbitration Court, shall be exempt from the payment of the financial emergency tax.

Hon. V. Hamersley: It is not a general exemption up to the amount of the basic wage?

The CHIEF SECRETARY: Yes, it is. If a person earns more than the basic wage, then of course he has to pay the tax. So if we consider this measure in relation to that principle, and take into consideration the fact that that principle is the policy of this Government and was part and parcel of the financial policy of this Government when it was placed before the people a few months ago—

Hon. G. W. Miles: Whether you can afford it or not.

The CHIEF SECRETARY: —members will realise that it is rather a serious question and one to which they should give every consideration. There are one or two minor points I should like to deal with before getting on to the more serious part of the question as a whole. More than one member has suggested that the time is long since past when we should have an emergency tax. They may be right in their premises. May I ask what there is in a name? What does it matter what we call it, and in any event is there any member in the House who will say there is no emergency at the present time? As a matter of fact, so far as Government finance goes, I suppose that our present position, arising out of matters beyond our control, is worse than has been our position for many years past. And as a result, we get Mr. Seddon asking very definite questions as to what the policy of the Government really is. If there is anything in a name, this measure is very aptly named. Because from all parts of the country we are being inundated with requests for the provision of facilities for this, that and the other and for assistance to large numbers of people, all of which will cost money, and money to an amount that members of this House know is not available at the present time. And so I say that the question of a name or title is neither here nor there. One or two other members have suggested that the time is long since past when we should collect tax of this kind in the way we are doing. They ask "Why not increase the income tax and collect the money in that way? If you are prepared to do that, there will be no objection to the increase." Just the same, I am afraid that members would still raise objection to the increase in the income tax, exactly as they have raised objections to the increases proposed in the Bill.

So cutting out all these extraneous matters and getting down to bedrock, dealing with both measures at the one time, the Assessment Bill and the Tax Bill, I only wish to point out that our desire is, first of all, to carry out our policy which provides for the exemption of the basic wage earner and, secondly, to make the incidence of the taxation we propose as equitable as possible.

Hon. J. Cornell: You can make the tax as high as you like in certain circumstances.

The CHIEF SECRETARY: That is what the hon. member says now. I do not know what he would say or do if we were to accept his suggestion and bring in increases for certain sections of the community; the hon. member would probably argue that we should still spread the taxation over those receiving the lower incomes or the lower wages. So I come to the point where I must refer to what individual members have had to say. Mr. Baxter, when opposing this measure, certainly stated what is a fact. He said—

However, the point I wish to make is that after the Mitchell Government went out of office, the incoming Government carried out a promise they had made to the people. They carried out that promise, more especially in view of the bitter fight they had put up in another place when the Mitchell Government introduced the emergency taxation. The Bill imposing it came to this House, and on two occasions this House expressed itself opposed to the exemptions. On going to conferences, however, the Council had to give way. To say that this Chamber approved of the basic-wage exemption is absolutely wrong. A majority of the House did not agree to that exemption at all.

I have no complaint to make about that statement. I think that, generally speaking, it is absolutely true; and if I am any judge, there is a large number of members in this House who are still prepared to agree with the hon. member that there shall be no exemption for the basic wage earners. In other words, Mr. Seddon and others have advocated for some years past that everybody should pay some taxation under this measure, no matter how small the amount might be, with a view to making them realise that they have an obligation towards the State. That is the argument used. And of course as against that, one can point out that the basic wage in this State is a wage that is based on what is considered by the Arbitration Court to be the minimum requirement.

Hon. H. Seddon: What for? For a reasonable standard of comfort.

The CHIEF SECRETARY: Yes, to provide a reasonable standard of comfort for a man, his wife and two children. Anyone who has any knowledge of what the basic wage earner has to do with the money he earns as a result of the decision of the Arbitration Court, will be able to say that very frequently those on the basic wage are not able to obtain a reasonable standard of comfort.

Hon. J. Cornell: That all depends upon their point of view.

The CHIEF SECRETARY: Yes, and there may be room for a difference of opinion on that point of view. I point out that in the assessing of the basic wage no provision whatever is made for payment of taxation of this or any other kind. So, of those who have said in the House that the basic wage should include some small sum to cover taxation of this kind, I would ask what is the use of going such a roundabout way in order to make those persons realise that they have an obligation to the State? What is the use of giving them 6d. or 1s. or even 2s. with one hand, and taking it away with the other? What is the use of putting on the employer the responsibility of seeing that that amount of money is deducted each week in those cases, when by the means provided in the Bill it can be done without any trouble at all? Mr. Baxter, after making the statement that I have quoted, said he was prepared to vote against the Bill and defeat it on the second reading, leaving the Government to adjust the financial emergency taxation to meet the position due to certain circumstances. He said he realised that the Government must have money, and he had no desire so to alter the position that the Government would receive less than the Government had estimated to receive from this tax. So it comes down to a question of principle of policy, and Mr. Baxter and other members apparently do not agree with the policy of the Government in this regard. I would ask in view of the fact that this policy has been in operation for three years as far as was possible for it to be put into operation, is there any justification for this House saying to the Government that notwithstanding that fact, this House does not agree that the basic wage earner should be exempt from this tax? That brings me to the alternative suggested by Mr. Baxter, which has been referred to by Mr. Nicholson and Mr. Cornell this afternoon. I think Mr. Nicholson was trying to be helpful in this matter, because there can



be no doubt that if the Bill be rejected there will be very serious difficulties created for the Government. I have not the slightest doubt that the Government will be seriously embarrassed.

Hon. J. Cornell: In what way; in their policy?

The CHIEF SECRETARY: Because of the fact that the Government will find it extremely difficult to put their policy into operation. Mr. Cornell, when dealing with this same point was perhaps a little more accurate than was Mr. Nicholson, or so it seemed to me; but even Mr. Cornell, I think did not state the position as it actually is, although there can be no doubt that if the Bill be rejected, the Government will have to fall back upon the existing Assessment Act, and the question will then arise as to just how that Assessment Act can be amended. The question whether we can alter the exemption in the Act, namely, £3 12s., to a higher sum, which would lead to the exemption of the basic wage earner in the metropolitan area and south-west land division, is one on which I am not going to express an opinion. Mr. Cornell's idea was that it would be possible to state an amount that would also include the basic wage earner on the goldfields, but there is no possibility of that being done. If that were done it would exempt all workers or taxpayers, not only in the metropolitan area, but through the south-west land division who were receiving less than the basic wage as it exists on the goldfields, and who to-day are providing a fair proportion of the financial emergency taxation. I refer to the large body of people who are receiving between the basic wage prescribed for the metropolitan area and that prescribed for the goldfields areas.

Hon. J. Nicholson: You mean there would be one uniform sum?

The CHIEF SECRETARY: That would be the only way to do it.

Hon. J. Nicholson: Why?

The CHIEF SECRETARY: We have been advised that we cannot have more than two or three rates specified as such in the Bill.

Hon. J. Cornell: This Bill has two starting points in basic wages.

The CHIEF SECRETARY: We are very anxious to implement our policy. The Premier has made that clear in another place, and I have tried to make it clear here. In our desire to implement our policy we also

desire to do so as equitably as we can. It is purely a question of principle. I do not object to a member saying, "I believe that everyone should pay his share of taxation." I realise that members are entitled to believe in that principle, though I do not agree with it myself. There are many people in the community who are not in a position to pay the smallest amount towards taxation of this kind. They are not receiving sufficient income, as proved before the Arbitration Court, to maintain a reasonable standard of comfort in their everyday life. I now come to the statement made by Mr. Holmes. He delighted us with one of his usual speeches on a subject of this kind, though he certainly introduced a little variety on this occasion. He said that if one chose to analyse the Bill one might easily say it was designed to lighten the burden of Government supporters and to victimise thrifty people.

Hon. J. J. Holmes: What is wrong with that?

The CHIEF SECRETARY: He went on to say that the people it was proposed to exempt were the people who had enjoyed continuous employment right through the depression.

Hon. V. Hamersley: That is so.

The CHIEF SECRETARY: I should like to feel that it was so. Mr. Holmes went on to say that they had been on velvet compared with farmers, sustenance workers and others right through the five years of the depression; that the Bill would kill enterprise, kill development, and minimise employment instead of getting everybody back to work on full time, as we ought to do. I have often heard the hon. member make statements of a somewhat similar character, but I never remember him going so far as he did then. I should like to examine his remarks. He talks about this Bill lightening the burden of Government supporters and victimising thrifty people. I would ask him how a man receiving the basic wage or less can be placed in the category referred to by the hon. member when he speaks of thrifty people.

Hon. J. J. Holmes: You make them all pay into the union.

The CHIEF SECRETARY: It cannot be done. Then he says that the people to be exempted are those who have enjoyed continuous employment right through the depression. I suggest he has not examined

the position closely, and that is being charitable towards him. The people we are endeavouring to exempt under this Bill are those who are earning the basic wage or less.

Hon. J. J. Holmes: Why do you not extend it to union fees?

The CHIEF SECRETARY: The great majority of those people are not in regular employment. Most of the basic wage earners are only in casual or seasonal employment. In almost all those occupations where persons are employed permanently, there is a margin, even if it be a small one, over and above the basic wage. Even if they have been employed continuously on the basic wage for five years what opportunity have they had to come into the class of thrifty persons? They have had to be thrifty if they desired to live a decent life at all. Even with all the thrift they might exercise, in far too many cases it has been impossible for them to save anything out of their income.

Hon. J. J. Holmes: But they must pay their union fees?

The CHIEF SECRETARY: Mr. Holmes went on to say that they had been on velvet compared with farmers, sustenance workers and others. No distinction is made in this Bill. If a farmer has earned only the basic wage or less he has been exempt during these years. What difference is there between a farmer and the man to whom the hon. member is referring? The Government have exempted the sustenance worker right through the piece. That was part of our policy when the change of Government took place. Did we not state that it was highly undesirable and most unfair that men who were only receiving sustenance should be taxed under the Financial Emergency Act? It was our policy in that direction which contributed to the change in the Administration that occurred at the time.

Hon. J. J. Holmes: They still have to pay their union fees.

The CHIEF SECRETARY: The hon. member himself pays his contributions to his association. He would feel he was not doing his duty if he failed to do that. If his association went out of existence he would not receive the benefits he is getting to-day. The same principle applies to the worker. I know the hon. member has every regard for the man who is a member of his organisation and is loyal to it. The hon. member also said that the Bill would kill enterprise, kill development, and minimise

employment instead of getting everybody back to work full time. How can the hon. member justify that remark? Does he contend that the individual who is earning a salary sufficient for him to pay a tax at a rate of 1s. in the pound in lieu of 9d. in the pound is going to feel the effects of this taxation to such an extent that it will put him out of business, or prevent him from providing the employment he is now providing? Does he contend that the same arguments would apply to a company? Statements of that kind are easy to make but are difficult to justify. When we make comparisons between this State and the other States it appears that for a long time past we have been considerably better off here than the other States with respect to the severity of taxation.

Hon. J. Cornell: It does not amount to much in the long run.

The CHIEF SECRETARY: It has been used as an argument that we are so increasing the rate of taxation by this Bill that certain companies have determined that if we go through with it they will take their money to the Eastern States. A certain insurance company, we have been told, which has already provided money for the Government from time to time is of opinion that if this Bill is passed it will be unable to do as much in the future as it has done in the past. I have had a return prepared showing the taxation in all the States of the Commonwealth, as well as the average for the various classes of income ranging from £100 to £3,000 per annum. I do not propose to read all the figures, but members may examine the return at their leisure. The document is based on a married man with two children. If this Bill is passed it will place taxation in this State practically on an average with all the States of the Commonwealth.

Hon. J. Nicholson: Are we justified in going to the same height?

The CHIEF SECRETARY: It will be less in some cases and more in others. It is remarkable how the figures work out. Starting with an income of £100 we find that our taxation will be 9s. 9d. less than the average for the whole of Australia; at £300 it will be £1 8s. 3d. less; at £2,500 it will be 16s. 4d. more; and at £3,000 it will be 14s. 9d. more than the average. By means of this scale we have got very close in taxation to the average for all the States of the Commonwealth.

Hon. G. W. Miles: That includes income tax?

The CHIEF SECRETARY: Yes, and special taxation. In South Australia they have no special taxation, but have evolved a method whereby special taxation and income tax have been amalgamated. In the other States they have special taxation of the kind that we have here. The return from which I have quoted shows how the figures work out on these particular incomes. In order that I may not be accused of wanting to put only the best side forward, I would point out that the person most affected is the one with an income of £900 a year. In that case our total taxation, emergency and income tax, would be £7 2s. per annum more than the average for the whole of the States of the Commonwealth.

Hon. G. B. Wood: We cannot stand the taxation that the other States can stand.

The CHIEF SECRETARY: How can the hon. member justify that statement? If a man is receiving £1,000 a year in this State, surely he is entitled to carry the same liabilities in respect to taxation as other men in Australia carry on the same income. I do not care whether a man is a farmer, a business man or a salary earner, the same principle applies. Surely every member will agree with that statement.

Hon. G. W. Miles: Are ministers of religion exempt in the other States?

The CHIEF SECRETARY: I believe one State exempts them, but I am not much concerned with that for the time being. Members are at liberty to peruse the statement to which I have referred at any time they wish to do so. It has been brought up to date. The statement has been made that we are driving capital away from Western Australia.

Hon. H. V. Piesse: What about the higher incomes enjoyed elsewhere in Australia? Are they not paying the tax? You gave us particulars regarding incomes up to £3,000 only.

The CHIEF SECRETARY: I did not think it necessary to go beyond that figure.

Hon. H. V. Piesse: Some companies are paying taxation on more than that.

The CHIEF SECRETARY: Of course they are.

Hon. H. V. Piesse: It is the incidence of the tax that counts.

The CHIEF SECRETARY: The company referred to by the hon. member the

other evening probably makes a much larger profit than £3,000. I cannot subscribe to the idea that because such a company is making so great a profit in this State, and merely because we propose to increase the rate of the financial emergency tax from 9d. in the pound to 1s. in the pound, that company will, in view of our action, invest its capital in another State, where the tax is just the same.

Hon. H. V. Piesse: No, it is not. The incidence of the financial emergency tax is not the same with regard to these companies.

The CHIEF SECRETARY: It is. The hon. member can quote the two extremes. He can quote two States where the incidence is less, and three States where it is just the same. We must take the average, and that is what I have done.

Hon. J. Cornell: I understand that the Colonial Mutual Assurance Co. merely said that the rate of accommodation to clients would have to be raised.

The CHIEF SECRETARY: If it is a mutual company and can put forward such a proposition, I suggest that it is not acting in accordance with the principles upon which the company was founded. If there is a margin of profit that entails the payment of the tax at the 1s. rate instead of on the basis of 9d. in the pound, there will still be plenty of margin to work on, without the necessity to raise the rate of accommodation to clients, as suggested.

Hon. J. Cornell: The company think otherwise, and they are running the business.

The CHIEF SECRETARY: That is so, and I do not know that a discussion of this description will get us very far. I merely want to stress the point that this proposal will place taxation in this State—I refer to financial emergency and income taxes—on the same plane as the average taxation for the whole of the Commonwealth. I do not think any reasonable member will object to that state of affairs. Now I come to the remarks of Mr. Seddon. I wish to state frankly that I appreciated his address, which showed that he had given much time and study to the question of taxation. It indicated that he had delved into the matter from his point of view, and had arrived at certain conclusions. I will not debate the point as to whether his conclusions were right or wrong, because he and I know that it is possible to extract figures from a report and deal with them in such a manner

that he and I could use them to arrive at entirely different conclusions.

Hon. J. J. Holmes: Yet you asked us to accept your figures as correct.

The CHIEF SECRETARY: Of course; because the figures I have quoted are absolutely correct.

Hon. J. J. Holmes: But the same principle applies.

The CHIEF SECRETARY: I assumed that Mr. Seddon's figures were correct, because he quoted the official reports from which he had taken them. During the course of his remarks, Mr. Seddon said he was desirous of ascertaining how the Government had arrived at the figure of £840,000, which it was estimated would be collected during the current financial year on account of the financial emergency tax. He also requested that particulars of the tax to be collected from each grade of taxpayer should be supplied for the information of the House. I do not know whether Mr. Seddon is aware of the fact, but the questions he raised were also dealt with in another place where they were replied to by the Deputy Premier. I can only repeat that the Deputy Premier pointed out, as I have explained here, that the major portion of the financial emergency tax is collected at the source, and is paid by employers by means of stamps and remittances. Dissection of those amounts into the respective rates of incidence is not possible, as no information is supplied from which the dissection could be made. I do not suggest that it could not be done in the future, but it cannot be done with regard to past collections of the tax. In order to gain that information, we would have to place the responsibility on employers to keep records, and I do not think they would be prepared to go to the expense and trouble that would be necessary in order to make it available. With regard to the portion of the tax that is collected by means of annual assessments, no particulars of the tax paid at the respective rates of incidence have ever been taken out by the department, and those particulars could not be compiled without a detailed and costly examination of all assessments. Then again, even if that were done by the officers of the Taxation Department, the results would not help us very much unless we were prepared to take the necessary steps to procure the same

information with regard to the collections at the source, which, as I have already indicated, would be impossible to obtain. I need not elaborate this statement except to say that the hospital tax returns would not be an effective basis for an estimate as the greater part of that tax is also collected at the source. There is nothing to indicate, when hospital tax is paid, the particular amount received by the individual who is paying that tax.

Hon. H. Seddon: I was anxious to know how you arrived at your total.

The CHIEF SECRETARY: I appreciate that. In view of these facts, I think it will be clear to members that the tax that is collected in each grade is not known, and cannot be known except by going to a lot of trouble. It is obvious that the estimate of revenue to be obtained from the tax during the current financial year is not, and cannot be, arrived at by ascertaining the probable amount to be collected in each grade and adding the items together to secure a total amount. I referred this matter to the Commissioner of Taxation, and I am advised that the procedure adopted in estimating collections is to take the known factor of total collections for the past financial year, and then take into consideration the industrial, commercial, economic and other relevant conditions operating during that period, which have conduced to the derivation of that revenue. It is then necessary for the Commissioner to consider to what extent those conditions are likely either to continue or to vary during the period for which the estimate is to be made. He informs me that all the available authoritative sources are drawn upon for this purpose. Where no violent variation in the conditions that influence the tax can reasonably be anticipated, the conclusion to be formed is that the revenue will remain round about the figure proved by actual collections. The Commissioner of Taxation has also informed me that he has nothing to say with regard to estimates for former years, as he has no knowledge of the basis upon which the former Commissioner proceeded. The discrepancy between actual and estimated collections in the past indicate, however, the difficulty encountered by even an officer of very long experience in endeavouring to estimate the annual revenue to be received from a new tax. We have

been advised on the best authority it is possible for us to consult—I refer to the Commissioner of Taxation—that the revenue to be collected under the new scale will return about the same revenue for the current year as was originally estimated under the scale it was designed to replace. After having taken into consideration the changes that are proposed, he anticipates that the revenue to be raised will be about the same, but it is impossible, for the reasons I have explained, to state with any exactitude what will be lost in one grade and gained in another. The Commissioner, with due regard to all the known factors, both within and outside the Taxation Department, has carefully weighed all the alterations that tend to increase or reduce the tax under the new proposals, and has arrived at the conclusion that, having regard to seasonal and industrial conditions, those alterations will tend to offset each other. He is unable to go further and set out the detailed conclusions in the form of a mathematical calculation capable of dissection by individual members. Here again I think it would be an innovation if a Government were to be called upon to produce for discussion the detailed figures upon which estimates of revenue have been based. Of course, speaking broadly, that could be done quite easily. I would also like to reply to a question Mr. Seddon asked when he sought to know who were the clergymen that had made representations to the Government for exemption from payment of the financial emergency tax. Hon. members will recollect that in the Bill and in the assessment measure provision is made for the exemption of clergymen in receipt of stipends up to £400 per annum. Replying to Mr. Seddon's question, I would point out that in April, 1935, a deputation representing the Anglican and Roman Catholic demoninations waited on the then Premier, Hon. P. Collier, and submitted a request for the exemption of clergymen from payment of the financial emergency tax.

Hon. G. W. Miles: And he turned the request down.

The CHIEF SECRETARY: No. Their representations were considered and were approved at a meeting of Cabinet on the 19th July, 1935. It was decided, however, not to implement Cabinet's decision until an assessment measure was again before

Parliament. The present assessment Bill is the first of that description to be introduced in Parliament since that date.

Hon. H. S. W. Parker: Was there not an assessment Bill before us last session?

Hon. C. F. Baxter: No.

The CHIEF SECRETARY: No, not last session. As a result of the definite promise made at the time by the then Premier and endorsed by the Government of the day, we considered there was one thing only to do, and that was to honour the promise given to the deputation. Therefore the provision has been included in the Bill. I realise there may be different opinions as to the necessity to grant an exemption of this description. On the other hand, I know quite a large number of clergymen who are certainly not earning much more than the basic wage. Their stipends do not reach a much higher rate than the basic wage in the metropolitan area. I know some in country areas who are worse off than that. Every member knows that more often than not the first person to whom a man or woman goes when in trouble is to the local clergyman.

*Sitting suspended from 6.15 to 7.30 p.m.*

The CHIEF SECRETARY: There are only one or two other points to which I wish to refer. One of the important points raised by hon. members is bound up with the question asked as to why the Government should relieve one or two grades from the payment of the tax they are paying at the present time. In other words, why should we reduce those who are receiving between £7 and £8 a week by 2d. in the pound, and those who are receiving between £8 and £9 10s. by 1d. in the pound. I have already pointed out to the House that when the Government decided to amend the incidence of the tax, they agreed they would endeavour to make it as equitable as they could, having regard to the incomes of the various sections of the people. Bearing in mind that at the last elections the severest criticism of our financial emergency tax came from Mr. Keenan, the Leader of the National Party, who in his policy speech claimed that we were taxing those who he claimed to be on the lower incomes much higher by comparison than those on the higher incomes, and also bearing in mind the fact that in endeavouring to spread the incidence over a more graduated scale than that operating at

the present time, it would be necessary to alter those grades, we decided that we would start at the same figure of 4d. and raise the tax by 1d. in the pound, chiefly by grades of 30s., until we reached the stage where 12d. in the pound would be the tax. During his policy speech, Mr. Keenan claimed—I have his words here—that this hugely increased sum—speaking of the amount received from the financial emergency tax—had been received not, as the Government pretended, by placing the burden on the rich man's shoulders, but from the amount imposed on the small taxpayer, and according to him the small taxpayer was the man with a gross income of £416, who, after the average deduction of £100, was assessed at £316 per annum. While I do not propose to read all the figures he quoted, he made a comparison on that basis between a man receiving £316 a year and a man receiving the same salary as the Premier, £1,700 a year. He said it was grossly unfair and also suggested during his speech that if his party were returned to power they would see that that was altered. To-day we have an entirely different argument in this Chamber. Members of that same party are saying there is no alteration necessary in the incidence of taxation so far as it affects those particular grades. Even Mr. Nicholson to-night argued that it was desirable from his point of view that we should make no alteration whatever, insofar as taxation of those particular grades was concerned. The argument is advanced that the Government cannot afford to lose the money. I have pointed out that in the aggregate we will not lose money. We are advised that the tax will bring in approximately the same amount as last year. But we have done as we said we would do, we have altered the incidence of taxation so that to-day those receiving higher incomes will pay 10d., 11d. or 1s. in the pound, as the case may be, and those in the middle grades will be given a relief of 2d. and 1d., according to the grade to which they belong. In addition, we have made provision in this Bill whereby the policy of the Government will be carried out in the exemption of those receiving the basic wage or less. There seems to be some misapprehension in the minds of some members as to what is meant by the basic wage. I propose therefore to tell the House that so far as the metropolitan area is concerned, it would be £3 13s. 9d. a week, or £191 15s. per annum in the case of those receiving salaries or income from businesses. In the South-West land division, exclusive

of the metropolitan area, it would be £3 14s. 8d., or £194 2s. 8d. per annum; and in the goldfields area £4 7s. 6d. a week or £227 10s. per annum. So far as the goldfields area is concerned, this exemption would not exempt those who are engaged in the mining industry because almost without exception these men are to-day receiving a margin, large or small, over the goldfields basic wage, and in addition to that are receiving an industry allowance, which, of course, takes them far and away above the basic wage declared by the Arbitration Court for the goldfields area. I think that should make the position particularly clear from that point of view.

Hon. E. M. Heenan: The man on the basic wage in Kalgoorlie is exempt?

The CHIEF SECRETARY: Yes.

Hon. J. Cornell interjected.

The CHIEF SECRETARY: The hon. member is putting a very strange construction on what is known as the industry allowance.

Hon. J. Cornell: That is the construction the court put on it.

The CHIEF SECRETARY: The hon. member knows full well that the industry allowance applies only to those engaged in the mining industry. Those engaged in shops and business of all kinds, municipal employees and railway men, do not get the industry allowance.

Hon. J. Cornell: The mining industry did not get the basic wage for some years.

The CHIEF SECRETARY: That may be so. I am stating the position as it is to-day. The principle of this Bill is as I have declared it to be. I have no desire to get away from the principle contained in the Bill. Mr. Seddon said that he would like to have certain information which might possibly determine which way he would vote on this measure. He followed that up by giving notice that he would ask a question to-morrow with regard to what is the intention of the Government so far as balancing the Budget is concerned. I do not wish to anticipate what the answer will be, but I can say that the Estimates which Parliament has been dealing with up to date are Estimates which were prepared prior to the reduction in the Commonwealth grant; they were prepared prior to the Government being aware of the serious position which had to be faced in regard to the primary industries. After all, estimates are estimates. They are prepared to the best of our ability with the object of allowing Parliament and the coun-

try to know just what our proposals are. When the hon. member asks me whether we are going to take steps to balance the Budget on this occasion, all I can reply is to ask him to use his own common sense. He knows that there is a reduction of £300,000 so far as the Commonwealth grant is concerned.

Hon. L. Craig: Knowing that, why exempt these people?

The CHIEF SECRETARY: He knows that there has been an increase in the basic wage, which I have informed the House will cost £70,000. He knows the Government have been committed to giving certain relief so far as the primary industries are concerned, and also to finding employment or sustenance for those thousands of men who otherwise would be destitute. Knowing that, and that five months of the year have already elapsed, the hon. member must know that it is a physical impossibility for the Government to balance the Budget this year, unless, as a result of the next meeting of the Loan Council in February, the money we have been promised, if it can be raised, is obtained.

Hon. H. Seddon: Is it not intended to carry out the decision of the Premiers' Conference in 1931?

The CHIEF SECRETARY: We will carry out the decision of the Premiers' Conference of 1931 to the best of our ability. I should like to ask the hon. member a question, but I know he cannot reply to it now. The question would be what would he do to rectify the position as we know it to-day? He says he would bring in supplementary Estimates, he would reduce the amount of work available. That is the only way in which the position could be altered—by bringing in supplementary Estimates or by increasing taxation.

Hon. L. Craig: Why not do that by leaving the tax on the basic wage and increasing the tax on the higher rates?

The CHIEF SECRETARY: I have already told the House that the Government are committed to exempting those on the basic wage or those receiving less than the basic wage. This is part and parcel of our financial policy and the Government are not likely to depart from it. That being the case, I submit for serious consideration the Bill before the House. I know there is a difference of opinion based on the principle I have tried to enunciate. I do not propose to go over the ground again except to say that the Government are very anxious to

carry out their policy to the best of their ability with equity to all sections of the community, doing justice to those who are at the present time feeling very severely the position with which we are faced, and if there should be any serious embarrassment of the Government so far as their finances are concerned, the Government cannot take the responsibility if this House is to assume it. Usually this House, when dealing with Government measures, finds a way of expressing its ideas other than by rejecting the Bill. On this occasion I wish to point out the possible serious consequences of rejecting the measure. I cannot do more than I have already done to explain the position in which the Government find themselves and the justification that the Government feel in bringing forward the Bill. The amendments we propose are strictly in accordance with the policy of the Government as enunciated during the last three or four years. In conclusion I point out that for three years the principle contained in the Bill has been put into operation by the Government to the best of their ability, and I am afraid that it will be a little embarrassing for the Government to continue to do so if the Bill be rejected.

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

Ayes	..	..	..	..	9
Noes	..	..	..	..	18

Majority against .. .. 9

AYES.			
Hon. A. M. Clydesdale		Hon. E. M. Heenan	
Hon. J. M. Drew		Hon. W. H. Kitson	
Hon. G. Fraser		Hon. J. Nicholson	
Hon. E. H. Gray		Hon. T. Moore	
Hon. E. H. H. Hall			(Teller.)

NOES.			
Hon. E. H. Angelo		Hon. G. W. Miles	
Hon. C. F. Baxter		Hon. H. S. W. Parker	
Hon. L. Craig		Hon. H. V. Piesse	
Hon. C. G. Elliott		Hon. H. Seddon	
Hon. J. T. Franklin		Hon. A. Thomson	
Hon. V. Hamersley		Hon. H. Tuckey	
Hon. J. J. Holmes		Hon. C. H. Wittenoom	
Hon. J. M. Macfarlane		Hon. G. B. Wood	
Hon. W. J. Mann		Hon. L. B. Bolton	
			(Teller.)

PAIR.			
AYE.		NO.	
Hon. C. B. Williams		Hon. J. Cornell	

Question thus negatived; Bill defeated.

### BILLS (3)—FIRST READING.

- 1, Lotteries (Control) Act Amendment.
  - 2, Dairy Industry Act Amendment.
  - 3, Mines Regulation Act Amendment.
- Received from the Assembly.

## BILL—WESTERN AUSTRALIAN BUSH NURSING TRUST.

Returned from the Assembly without amendment.

## BILL—DIVIDEND DUTIES ACT AMENDMENT.

### *Assembly's Message.*

Message from the Assembly received and read notifying that it had agreed to the Council's amendments.

## BILL—PURCHASERS' PROTECTION ACT AMENDMENT.

### *Second Reading.*

Debate resumed from the 17th November.

**HON. G. FRASER** (West—in reply) [7.56]: The only point raised during the debate was one by Mr. Parker. He said he did not see the reason for passing the Bill as the point dealt with was already covered by the Act. He could not understand why the persons affected had not taken action previously. The point stressed by the hon. member was tested in the court. When the matter of enforcement came before the court, the person affected endeavoured to contest the original judgment, but the court was not able to take that matter into consideration. The only way out of the difficulty is that proposed by the Bill. Many of the cases were uncontested in the courts because the cases were heard in Perth and the defendants were people located in various parts of the State. For reasons financial or otherwise, they were unable to defend their cases, and when they tried to defend proceedings for enforcement, the court was unable to alter the original decision. The Bill seeks to remedy that defect and will permit those people to appeal against the original judgment. The Act gives the court power to reduce the rate of payment or the purchase price of the land in question. All that the measure seeks to do is to give people who have been caught in land deals—I use the word "caught" advisedly—the right of appeal against the original judgment of the court. I hope members will see their way to support the Bill in view of the many hardships created by the foolish negotiations entered into some years ago. The court would still have the right to decide. The purchasers would not be let off in any

way; they would still have to stand to their obligations if the court so decided. The Bill would merely give the right of appeal against the original judgment.

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

Ayes	..	..	..	..	22
Noes	..	..	..	..	5

Majority for .. .. . 17

### AYES.

Hon. E. H. Angelo	Hon. E. H. H. Hall
Hon. C. F. Baxter	Hon. E. M. Heenan
Hon. L. B. Bolton	Hon. W. H. Kitson
Hon. A. M. Clydesdale	Hon. W. J. Mann
Hon. J. Cornell	Hon. T. Moore
Hon. L. Craig	Hon. H. V. Piesse
Hon. J. M. Drew	Hon. H. Seddon
Hon. C. G. Elliott	Hon. A. Thomson
Hon. J. T. Franklin	Hon. H. Tuckey
Hon. G. Fraser	Hon. G. B. Wood
Hon. E. H. Gray	Hon. C. H. Wittenoom

(Teller.)

### NOES.

Hon. V. Hamersley	Hon. J. Nicholson
Hon. J. J. Holmes	Hon. H. S. W. Parker
Hon. G. W. Miles	(Teller.)

Question thus passed.

Bill read a second time.

### *In Committee.*

Hon. J. Cornell in the Chair; Hon. G. Fraser in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 10 of principal Act:

Hon. H. V. PIESSE: I move an amendment—

That the following proviso be added to proposed Subsection 2:—"Provided that no such relief shall be granted after judgment in any such proceeding unless the court is satisfied (a) That the proceedings in which the judgment was obtained were not contested by the applicant by reason of poverty, or (b) That evidence tending to prove that the sale was in any respect not bona fide could not for any reason be adduced at the hearing of the proceedings but is available on such application, or (c) That notwithstanding that all rules of court have been complied with by the plaintiff in such proceedings the defendant by reason (i) of the distance from or inaccessibility to the court such proceedings were commenced; (ii) ill-health; (iii) any other reason which the court deems sufficient had not had a reasonably sufficient opportunity of defending such proceedings."

I ask Mr. Fraser to postpone consideration of the clause until to-morrow.

The CHAIRMAN: Seeing that the amendment is as long as the Bill, that course is advisable.

Hon. G. FRASER: I hope Mr. Piesse will not persevere with this amendment. The



first paragraph of it refers to poverty, and thus cuts things pretty fine. One of the reasons for the measure is that persons sued were at a distance from Perth, and unable to attend the court. They were, however, working, and in the circumstances poverty could not be pleaded. The Bill is intended purely to cover cases arising out of land agencies. The proviso is longer than the Bill itself, and is unnecessary.

Hon. H. V. PIESSE: I was rather caught napping. I would have liked time to go further into the amendment with the Crown Law Department. I ask Mr. Fraser to report progress. To-morrow I may be able to submit a shortened amendment.

Hon. H. S. W. PARKER: The Bill as it stands has no meaning. It speaks of any purchaser threatened with proceedings "mentioned in the preceding section." No proceedings are mentioned in the preceding section.

Hon. G. FRASER: I thank Mr. Parker for drawing attention to the matter. "Section" should read "subsection."

Hon. J. J. HOLMES: I hope Mr. Fraser will report progress. I would not undertake to state the meaning of such a long amendment without having it in print before me.

The CHAIRMAN: The member in charge of the Bill is not responsible for the amendment. Another hon. member is responsible for it. Does Mr. Fraser wish to have the word "section" altered to "subsection"?

Hon. G. FRASER: Yes.

The CHAIRMAN: Then I ask Mr. Piesse to withdraw his amendment for the present, with a view to placing it on the Notice Paper.

Hon. H. V. PIESSE: I ask leave to withdraw the amendment.

Amendment by leave withdrawn.

Hon. G. FRASER: I move an amendment—

That in proposed Subsection 2 the word "section," line 3, be struck out, and "subsection" inserted in lieu.

Amendment put and passed.

Progress reported.

## BILL—FAIR RENTS.

### *Second Reading—Defeated.*

Debate resumed from the 26th November.

HON. H. SEDDON (North-East) [8.15]: This Bill was introduced with the idea of curing an evil on the goldfields. One may

have a great deal of sympathy with the object behind the Bill, but at the same time one really wonders whether it is not going to create a bigger evil in another direction than the one it proposes to cure. Mr. Parker rightly pointed out that if the Bill were passed, it would probably have the effect of raising rents to quite a considerable extent in the metropolitan area, because anyone who has a knowledge of the rents obtaining in the metropolitan area realises that by the time the cost of the building is paid for there will be very little left for the unfortunate owner. There is a feature of the Bill that we should take into serious consideration because it goes a very long way. If we are going to accept the fact that we have the right to take a man's property out of his control, and make that the basis of legislation, we are going a long way indeed towards following what has been adopted by the Soviet Government in matters dealing with property. Expropriation is one of their foremost principles. The Bill goes a long way in that direction; it does not even give a man the right of control over his house after the court has given its decision. From that standpoint I find myself unable to support the Bill. I should like to offer a few remarks with regard to the position on the goldfields. As members are aware, the position regarding housing is very acute and has been so for years. Year after year members have stressed that point and have suggested that the Government might ease the position considerably by undertaking to extend the operations of the Workers' Homes Board to the goldfields. We have found strenuous opposition to that proposal. Year after year, although suggestions were made, objections were raised, and in another place there was strong comment by the Premier with regard to the idea of building homes on the goldfields.

Hon. G. W. Miles: Quite right, too.

Hon. H. SEDDON: One of the comments made was "Why do not some of the wealthy people of the goldfields do something towards building houses there?" I wish to place a few figures before hon. members to show that the people on the goldfields have done their share towards providing housing accommodation. There have been quite a large number of houses built in Kalgoorlie and Boulder during the past few years. I draw members' attention to an article which appeared in the

"West Australian" on the 20th October. It is one of the best summaries of the position I have read for a long time. Members will find it is estimated that about £300,000 has been spent on the goldfields during the last few years in building operations, and it is further pointed out that 500 dwellings have been erected within the boundary of the Kalgoorlie municipality. In Boulder, 330 are quoted as having been built, and 150 were erected last year in the road board area. All this money has been found on the goldfields by goldfields people. There has been the greatest difficulty with regard to getting money to assist in solving the housing trouble not only on the goldfields, but in the metropolitan area and other parts of the State. It was only immediately preceding the last general election that the Government saw their way clear to arrange for the building of workers' homes on the goldfields, but only in the Kalgoorlie-Boulder district. Nothing has been done to assist in the outback goldfields towns. All that has been dealt with by private finance in places like Laverton and Beria, where a large number of men are employed on the Lancefield Mine; and also in towns like Menzies, where there are many men engaged in mining operations. No assistance whatever has been rendered to those districts; it has all been given to the Kalgoorlie-Boulder district. Although there has been a large amount of money spent in building houses on the goldfields, very few have been built for letting purposes. Most buildings have been constructed by residents of the goldfields to provide their own housing accommodation. I have pointed out that the position on the goldfields for many years past has been that a great number of dwellings there are owned by the workers themselves, and very few houses have been erected for letting purposes. Therefore the most pressing need to-day is to assist them to build their own homes.

Hon. E. M. Heenan: Do you admit that during the depression a few individuals bought up a large number of houses?

Hon. H. SEDDON: During the period of the depression I saw houses bought for £100 that cost from £500 to £700 to build. Those houses were taken away. At that time it was not possible to get people to buy house property. The only buyers were those who were able to get the properties at their own prices.

Hon. J. J. Holmes: Is not that likely to occur again on the goldfields?

Hon. H. SEDDON: I will deal with that presently. Apart from those few people who were courageous enough, practically no one bought houses on the goldfields. I know that a lot of people wanted to sell houses, but were unable to do so because of the low prices offered, and it was only after 1928 that the housing problem began to show itself. If a suggestion had been made at that time that anybody might find money with which to build houses on the goldfields, such a suggestion would have been scouted as being that of a person not quite sane. The position on the goldfields is different from what it is elsewhere. One has to allow a large amount for a satisfactory return on the amount invested by reason of the fact that the goldfields are not permanent and it is not known how long they are going to last. If we ask an average business man in Kalgoorlie what he considered a fair life to calculate the purchase price for a house on the goldfields, the reply would be, "Not more than three or four years." The Workers' Homes Board adopted a ten-years purchase, and I myself would be prepared to work on that basis. If we are going to do that, we must allow a 10 per cent. depreciation so as to be able to calculate that the money will be returned in that period. I ask members to reckon what return one would have to expect on a £500 house to be sure of getting his money back.

Hon. E. H. Angelo: And making allowance for repairs, and maintenance in the meantime.

Hon. H. SEDDON: I have had a long experience in handling houses on the goldfields, and I say quite frankly that I would not build a house there for renting purposes. I would assist people to build their own homes, and that might seem an illogical stand to take. But to assist a man to build his home, you are helping him to save rent, and if he has been there for three years, he will probably show a profit when effecting a sale, by the rent he has saved. It is not a sound investment to build houses on the goldfields, even allowing for the high rents prevailing to-day. It is not possible to get money for building homes on the goldfields. We have tried some of the big institutions in the metropolitan area, institutions that

had money in the bank and did not know what to do with it. But they would not listen to the suggestion that we might be able to make use of that money to build homes on the goldfields. Although a jibe was hurled at goldfields people about finding money to carry out building operations, it might be an interesting question to ask how many goldfields members have assisted to build houses on the goldfields? How many goldfields members own houses on the goldfields? This is a relevant question which will not readily be answered. The Government have built about 40 workers' homes on the goldfields, and made a very good job of them. The houses are well built, and the rents are such that the occupiers are enabled to purchase them in about eight or ten years. The rooms are rather small, but for the class of people for whom they were built, they came up to the standard required. The Government did the right thing in erecting those houses. The time factor allowed for is ten years, and that should enable the price of the house to be repaid. I think the Government would have been very well advised to extend the principle and adopt the idea of making small loans to men who wished to acquire homes of their own. Quite a number of men there would have been getting homes together if they had been advanced the money. Regarding land on the goldfields, it is possible to get a block there for 10s. a year. The Government have thrown open blocks and I understand that it is possible either to take up an area on a 99-years' lease at a rental of 10s. a year, or one can pay £12 10s. and secure the freehold. A number of blocks which were held privately commanded a pretty high price, but, as I have said, it is possible for a man to secure a block at 10s. a year and on that he can build his own home.

Hon. G. W. Miles: Do you advocate Government finance in this direction?

Hon. H. SEDDON: Yes, by way of a small loan and getting building material out to the blocks.

Hon. E. H. Angelo: Where are the Government to get the money?

Hon. H. SEDDON: It is only a matter of diverting loan funds from one direction to another.

Hon. E. H. Angelo: They could get the whole of the money from private enterprise at 3½ per cent.

Hon. H. SEDDON: Very well, the hon. member says so, but my experience was that

we could not. So far as I know, the money is simply not available at any price. Now I wish to deal with the land question just a little farther. It was found that many of those blocks were being taken up by speculators and, in consequence, a working man could not get a block. So the Government inserted in the lease a clause providing that unless a man taking a block erected a dwelling on the block within six months, he lost his deposit. That stopped the operations of a good many speculators. So it must be recognised that the Government are fully awake to that position; certainly they stopped the practice that was going on. If the Government had applied to the goldfields the building of homes for Government employees four years or more ago it would have gone a long way towards checking the excessive rises that were then taking place. My idea is that the best remedy would be to make small loans available to the men desirous of acquiring homes for themselves. Thus, those men would get roofs over their heads, save rents, and each owner could make additions later as they were required. Clause 8 of the Bill provides for the fixing of the fair rental at not less than 1½ per cent. above the rate of interest for the time being charged on overdrafts by the Commonwealth Bank. As a matter of fact, the banks on the goldfields will not advance money for building; the only advances made by the banks up there for building have been made to builders, for the banks will not advance money to a man who wants to build a home for himself. They say it is not banking business. Here is another point: the Bill makes no provision for the man who will not pay his rent. In other words, the man who will not pay his rent is in exactly the same position as the man who tries to pay.

Hon. G. W. Miles: Well, let us fire out the Bill.

Hon. H. SEDDON: The Bill certainly should have been fair to the man who does pay his rent. Not only does it place the man who does not pay his rent on the same footing as he who does pay his rent, but there is in it a remarkable feature in that after the rent is fixed the tenant can sublet portion of his house, and thus make a profit, provided the rent he charges for the portion sublet is not regarded as unreasonable. It may surprise members to know that since interest has been taken in the Bill there has been a serious slump in building on the gold-

fields. People are not buying houses, nor are they building, and I know of at least two builders who have ceased operations on certain houses. Yet we know that the only way to overcome the housing shortage is to build new houses.

Hon. E. H. H. Hall: You have a pretty good idea that the Bill is going out, have you not?

Hon. H. SEDDON: I am just pointing out the position. The man who requires the help and should get it is the man who is trying to acquire a home with a view to saving the payment of rent. That is the man I wish to help and whom I hope the Government will try to help. I have placed these points before the House because I do not wish to cast a silent vote. I could easily adopt the attitude of approving the Bill instead of criticising its defects, but I want to do the best to help solve the housing problem. I think the Government could have found a better way of helping the people on the goldfields than by bringing down a Bill that is unfair in its incidence and will restrict building operations rather than encourage them. A far better investment for Loan Funds than the investments adopted in the Loan Bill would be to assist men to get homes for themselves.

**THE HONORARY MINISTER** (Hon. E. H. Gray—West—in reply) [8.40]: The debate on this measure has been characterised by the conflicting arguments of certain members who have expressed their opposition to its proposals. I always thought the House prided itself on its cold logic, but in this case we have had nothing but contradictory statements. It has been suggested, for example, that the enactment of the Bill would discourage investment in the building of houses for renting purposes. Then we have been told by Mr. Parker that landlords of small properties in the metropolitan area are not getting anything like the rates that this Bill if passed would give them, while Mr. Wittenoom has stated that the rents in such places as Bunbury and Albany never rise as high as 6½ per cent. Having regard to these statements, together with the suggestion by Mr. Parker that rents all round would be certain to go up if the Bill were to be amended to include a provision making it obligatory for tenants to pay a fair rent, as determined by Clause 8, I think members are quite unjustified in entertaining any fears touching the discouragement of build-

ing. The speakers I have mentioned have very properly indicated that the Bill will not affect the landlord who lets his house for a fair rent. I willingly concede, too, that the great majority of landlords will be found to compose this class. This legislation is by no means new, for it has been in force in New South Wales for the past six years.

Hon. J. Cornell: Longer than that; since 1928.

**THE HONORARY MINISTER**: It was introduced by a Labour Government and has not been repealed by the National Government. When moving the second reading, I stated that the ex-Registrar of Homes in New South Wales had had a lot of experience. The ex-Registrar in charge of this legislation in New South Wales said that without question the Act had been of great benefit to a large number of tenants. The point is that it has been successful in dealing with a certain class of people in trouble in regard to paying high rents.

Hon. C. F. Baxter: It is a much older State, and houses are wanted.

**THE HONORARY MINISTER**: But the same applies to Western Australia, especially on the goldfields. The arguments used by Mr. Seddon all go to show the necessity for this legislation.

Hon. J. Cornell: Will the Bill enforce the payment of rent when it is fixed?

**THE HONORARY MINISTER**: There is a risk in all lines of business. Certainly this legislation would not prejudicially affect any landlord in the State. The Bill will not apply to any member of this Chamber. It will not affect Mr. Holmes, because he is a good landlord. It will only affect people who extract high rents from their tenants. Mr. Wood suggested that we should leave the matter to the law of supply and demand. He holds that is an efficient law though an invisible arbitrator. Surely he would not apply that law to the farmers. In some cases we have had to interfere with the law of supply and demand and assist farmers. We must also interfere under special conditions on the goldfields. Mr. Seddon made some valuable suggestions. It cannot, however, be expected that the Government should advance the money. The hon. member must know that the Government have no funds with which to embark upon an extensive housing scheme. The Workers' Homes Board cannot meet the demands already made upon them. If the hon. member's contention is right, the Kalgoorlie Municipal

Council should contribute their share towards the housing problem.

Hon. H. Seddon: Members have done so individually.

The HONORARY MINISTER: The municipality has no loan account and has big resources to draw upon.

Hon. J. Cornell: And perhaps get into debt.

The HONORARY MINISTER: It should do its share. It is no use suggesting that the Government should advance the money, because they are already hard pushed to keep the activities of the State going.

Hon. G. Fraser: They will be more hard-pushed after the vote to-night.

Hon. J. Cornell: They will be hard-pushed on this Bill, I think.

The HONORARY MINISTER: It is our duty to protect those who are at the mercy of landlords. The Bill will not affect fair landlords. There are thousands of people, especially those working on Government relief work and on the basic wage, who cannot build their own homes. If men are in a constant job and have an assured future they are foolish to pay rent when they can build their own homes through a building society, the Workers' Homes Board, or some speculative builder. If such a man chooses to pay rent that is not the responsibility of the Government. Thousands of other people have to rely upon the Government for a living and for protection against extortionate and rapacious landlords. These are the people the Bill will save.

Hon. J. Cornell: You are suggesting housing the impecunious?

The HONORARY MINISTER: A proportion of the relief workers in the metropolitan area cannot afford to pay anything but the lowest rent. Many of them are not properly housed as it is, and those houses they can occupy carry unreasonably high rents. Most of the members representing the goldfields have spoken of the extortionate rents charged there. Mr. Heenan said they amounted to over 30 per cent. of the capital cost. Mr. Wood suggested that people were not obliged to pay high rents, and could buy their own shacks. It is too late in the day to ask goldfields workers to live in shacks, made up of four sticks covered with hessian. We have gone beyond that stage. Seeing that the goldfields workers are contributing materially to the salvation of the State through the wealth

they produce, we should do what we can to save them from extortionate rentals. It would be a bad principle to allow people on the fields to build shacks in which to rear their families.

Hon. H. S. W. Parker: Who will provide the houses?

The HONORARY MINISTER: This Bill does not affect the building of houses.

Hon. J. Cornell: The Honorary Minister ought to go to Norseman and places like that to see how people live.

The HONORARY MINISTER: We should not advocate hessian shacks for miners. That is opposed to their present standard of living. If people were encouraged to put up shacks and left the district, some speculator would buy them up for a few shillings and rent them to the newcomers at a high price. This Bill is very necessary on the goldfields, and also in the metropolitan area, to protect workers on the basic wage and on relief work. Members should be guided by the results of legislation of this kind elsewhere. It has been in operation in New South Wales for more than six years, and is in operation in Queensland, Ireland, South Africa and other places. It is neither new nor experimental legislation. The fears of members are groundless. The Bill will assist in the present housing problem and is urgently required.

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

Ayes	..	..	..	..	10
Noes	..	..	..	..	16
Majority against					6

#### AYES.

Hon. A. M. Clydesdale	Hon. E. H. Gray
Hon. J. Cornell	Hon. E. H. H. Hall
Hon. J. M. Drew	Hon. W. H. Kitson
Hon. C. G. Elliott	Hon. T. Moore
Hon. G. Fraser	Hon. E. M. Heenan (Teller.)

#### NOES.

Hon. E. H. Angelo	Hon. J. Nicholson
Hon. C. F. Baxter	Hon. H. S. W. Parker
Hon. L. B. Beeson	Hon. H. V. Piesse
Hon. L. Craig	Hon. A. Thomson
Hon. J. T. Franklin	Hon. H. Tuckey
Hon. V. Hamersley	Hon. C. H. Wittenoom
Hon. J. J. Holmes	Hon. G. B. Wood
Hon. W. J. Mann	Hon. G. W. Miles (Teller.)

#### P.A.M.

AYR.	NO.
Hon. C. B. Williams	Hon. H. Seddon

Question thus negatived; Bill defeated.

# **BILL—FACTORIES AND SHOPS ACT AMENDMENT.**

*Second Reading—Defeated.*

Debate resumed from the 25th November.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [8.57]: When I introduced this Bill I indicated that the Act had not been amended since 1920, and that perhaps as a result of that lapse of time this Bill was rather comprehensive and necessarily dealt with a number of sections requiring amendment, some of which had not previously been submitted to the House from time to time and had met with approval here. I also expressed the hope that on this occasion members would at least give reasonable consideration to the more important amendments contained in the measure. The remarks of many members have led me to believe that they have perhaps committed themselves to one or two points that are included in the Bill to an extent that is hardly warranted. Several who have opposed it have said they are doing so chiefly because it interferes with the Arbitration Court. I hope to show them that they are entirely wrong. Mr. Baxter, in leading the opposition to the Bill, made some very strong statements, which he attempted to justify, but which in my opinion, by no stretch of the imagination, can be justified. Although he is reported in the Press to have submitted a very critical analysis of the Bill, which left very little to be said, I submit that the arguments he used were pure misrepresentation of the effects of the Bill, if passed. One statement made by Mr. Baxter was—

The Bill shows plainly that the results will be detrimental to those in industry, and will inflict such conditions that industries will suffer, production languish, put people out of business, and throw them on the labour market.

The hon. member would be hard put to it to find a stronger denunciation of any Bill, let alone the one under discussion. Certainly there is nothing in the Bill to warrant the hon. member arriving at such a conclusion. Those premises that now constitute factories are subject to restrictions already imposed by the existing Act, and the extension of those restrictions to premises that are now exempt will have practically no effect on production but will afford some protection to, and improve the working conditions of, many workers who are not now subject to either the Factories and Shops Act or

awards under the Industrial Arbitration Act. I submit that if that is true, then it is about time this House agreed to amendments to the Factories and Shops Act that will give the workers the protection that the Bill seeks to accord them. The only hardship that the Bill will impose on the small manufacturer is that of preventing him from inflicting hardship on, and exploiting, the one, two or three workers he may employ, and prevent them from working excessive hours at whatever wages he may choose to pay. It is because comparatively few take advantage of the existing legislation that a Bill of this description becomes necessary. The larger employers more often than not have to comply with Arbitration Court awards that cover wages and working conditions, but in other instances where the employers are not compelled by the Arbitration Court to pay such wages or observe such conditions, it is necessary to provide regulations with which those employers must comply. For that reason, it is necessary to amend the Factories and Shops Act. My remarks in reply to Mr. Baxter will also apply to one or two other members. I do not wish to repeat myself any more than is absolutely necessary, and I hope that those who followed the lead set them by Mr. Baxter and also claimed that the Bill meant an interference with the Arbitration Court, asserting also that many matters dealt with should be made subject to the provisions of the Health Act, will give close attention to my statements regarding the points in question. Mr. Baxter went on to say—

The Bill interferes with the Arbitration Court. Parliament gave the court power to fix hours, and the court, after the fullest consideration, decided the question.

I do not like to tell Mr. Baxter that he knows better, or should know better than to make a statement of that description. He has been a Minister of the Crown and has been Leader of this House. He should know what the Factories and Shops Act includes. He should know why it is necessary that in that Act there should be provisions dealing with conditions of labour, hours of labour, and with the wages for those young persons who are not covered by an Arbitration Court award or an industrial agreement. Clause 19, which proposes to prescribe the statutory paid holidays for all workers in factories, shops and warehouses, is the only clause in the Bill that in any way interferes with the Arbitration Court, and that question is one

of Government policy. I want members to bear that in mind.

Hon. C. F. Baxter: Has not the Arbitration Court awarded 88 hours per fortnight in some industries?

The CHIEF SECRETARY: Yes.

Hon. C. F. Baxter: The Bill represents 44 hours per week.

The CHIEF SECRETARY: If the hon. member will wait, I will prove conclusively that it does nothing of the kind. I want members to keep my statement in mind, namely, that there is only one clause in the Bill that can in any way be said to interfere with the Arbitration Court, and that is Clause 19, which deals with holidays. All that clause does is to increase the number of holidays provided for in the existing Act from 8 to 11. The three holidays that are added to the list already prescribed under the Act are Easter Saturday, which most members recognise is already conceded as a holiday; Foundation Day, which is observed on the 1st June; and Australia Day, which is observed on the 26th January. That being the only clause that can be construed to interfere in any shape or form with the Arbitration Court, I would like to ask those members who have followed the lead given by Mr. Baxter and have asserted that, because the Bill interferes with the Arbitration Court, they are not prepared to vote for it, to bear in mind that there are other clauses that are necessary from the point of view of the worker, the employer and the general public alike. Subject to Clause 19, Section 155 of the parent Act remains operative, and under that section the provisions of any award or common rule agreement may vary, alter, modify, or exclude any of the provisions of the Act, consequently the industrial provisions of the Act and of the Bill will operate only for the protection of those workers who are not covered by an award or common rule agreement. If the court were to award a working week of 48 hours or any other period in any industry whatever, the award of the court would operate irrespective of what is contained in the Factories and Shops Act. In those circumstances, where does the argument come in that we are trying to interfere with the Arbitration Court by means of amendments included in the Bill? I strongly suspect that members who used that argument have no knowledge whatever of what is contained in the parent Act. I will not say that they have not read the Bill. No doubt they have done so, and

have accepted the statements made by Mr. Baxter.

Hon. H. V. Piesse: Why stress Mr. Baxter?

Hon. G. B. Wood: We have minds of our own

The CHIEF SECRETARY: I will deal with the hon. member's mind in a moment. If my statement is correct, then the charges that have been levelled against the Government of seeking, through the Bill, to interfere with the Arbitration Court, cannot be substantiated. Mr. Baxter further stated—

Clause 13 will prohibit the extension of hours in special industries during rush periods.

All I can say is that that statement is absolutely incorrect. Clause 13 repeals Section 33 of the Act, and that section empowers the Minister to exempt a factory from the operations of paragraphs (b) of Sections 31 and 32 to permit of the working week of 48 hours for males and 44 for females, being worked in five days. Section 40 relates to exemptions of special industries to permit of extended hours being worked to meet an unforeseen pressure of work or extraordinary circumstances, and that principle is still retained in the Act. It is not affected by the Bill at all. Yet Mr. Baxter says the Bill will prohibit the extension of hours in special industries during rush periods! When I consider the statements made by that hon. member, I begin to wonder whether he has really compared the amendments in the Bill with the Act as it stands at present. Mr. Baxter went on to say that the matter dealt with by Clause 18 had been investigated by the Arbitration Court, and the decision given was against the proposal. Clause 18 deals with the question of persons found in a factory being deemed to be working there while they are on the premises. I defy Mr. Baxter to point to any case dealt with by the Arbitration Court in which the court has exhaustively investigated this particular question and decided against it. As a matter of fact, that particular clause merely extends to all adult male employees in factories what now exists regarding females and boys. There again I say Mr. Baxter had no justification whatever for the statements he made. The hon. member also dealt with Clause 26. He is reported to have said that the employer will not dare to enter his own premises after working hours. I again point out that the clause, and Section 52

of the Act, limit the operations of the occupier to the working hours prescribed by the Act and awards of the Arbitration Court for employees. As the Act and also, I believe, every award and industrial agreement provide for the working of overtime, this particular clause will not affect that position. The occupier will have the right to work in his own factory if he desires to work overtime, but if there is any award or agreement covering that industry or any section of industry, all this clause does is to see that he shall comply with those conditions, so that he shall not have an advantage over other employers who are compelled to abide by them. This clause can be justified, not only from the point of view of the workers but of the employers, and in some cases large employers, of labour who are called upon to and do comply with all the conditions laid down both in the Factories and Shops Act and under the Arbitration Court awards and agreements. There is another clause which seemed to raise the ire of some members because it was supposed to affect country interests materially. That was the clause dealing with the compulsory Saturday afternoon holiday. Mr. Baxter said that as far as the country population was concerned, Saturday afternoon closing would upset their week. Other members were a little stronger than he on that point, but I think the remarks of most members on that question showed there is a division of opinion throughout the country as to the advisability of the Saturday afternoon holiday being made universal. There is very divided opinion on the subject. Experience of those places in the country wherever they have the Saturday afternoon holiday will not bear out some of the statements made by members opposed to this clause and to the Bill. The Saturday half-holiday has operated for many years at Albany, Katanning, Wagin, Narrogin and Geraldton, and traders in those centres would not change to a mid-week afternoon in their districts. Members do not require me to remind them that the banks, wholesale houses and Government offices all close in country towns on Saturday afternoon.

Hon. H. S. W. Parker: The bank is always open for business at any time in a country town. The manager will always interview clients.

The CHIEF SECRETARY: My experience has been different from that of the hon. member. My requests, of course, might have been of an entirely different character from his.

Hon. H. S. W. Parker: Mine have been quite impersonal. They have been made on behalf of clients.

The CHIEF SECRETARY: I do not think that as a result of these concerns being closed on Saturday afternoon the farming community or the people in any country centre have suffered, or would suffer, any real inconvenience. When speaking before on that point, I mentioned just what is happening in some districts. In reply to my remarks, quite a number of members took up the cudgels on behalf of various centres in their electorates and disagreed entirely with the reasons I submitted for some districts having changed from Saturday afternoon to some other afternoon. Mr. Baxter said, "Take towns like York and Northam. Did not Northam try Saturday afternoon closing, and were they not glad to get back to the old system?" It is a fact that as a result of a referendum the people of Northam agreed to Saturday afternoon closing and, after a period, took another referendum as a result of which the day was changed. I am advised that the reason for the change at Northam was the fact that the two adjacent towns of York and Toodayay were observing Wednesday as a half-holiday and Northam traders thought they were losing business on that account. The argument I submitted when introducing the Bill is sound, notwithstanding all the criticism it received; and that argument is that if we had a universal Saturday afternoon holiday the disability the Northam people thought they would suffer would not exist. Consequently there would be no possibility of losing their trade to neighbouring towns where shops and stores were open while theirs were closed. If the Saturday afternoon holiday became universal, there would be no desire on the part of the great body of people to revert to some day other than Saturday. I believe I mentioned when speaking before that I had received a large number of communications from other parts of the State. Other members told me I had received more against than in favour of Saturday closing. Mr. Wood is smiling. Again I say that apparently I have received considerably more letters from various parts of the country in favour of Saturday after-



noon closing than Mr. Wood has. That reminds me that when he was speaking he referred to the fact that the Northam Chamber of Commerce had had a meeting and had declared in opposition to the Saturday afternoon closing. He went further and said he knew that a petition had been sent to the Minister in charge of the Bill in another place favouring Saturday afternoon closing and said that that did not count for very much.

Hon. G. B. Wood: I do not remember saying that.

The CHIEF SECRETARY: Well, words to that effect.

Hon. G. B. Wood: I gave both sides of the question.

The CHIEF SECRETARY: In the way about which I am going to tell the hon. member. I believe the Primary Producers' Association also had a meeting last week.

Hon. G. B. Wood: After I spoke.

The CHIEF SECRETARY: Yes. They had a meeting quite recently, probably last week, and the opinion in the Primary Producers' Association was so divided that I understand they decided not to arrive at a decision. The Northam Chamber of Commerce, too, I understand, at its meeting had 16 present. Of those 12 voted, seven against Saturday closing and five in favour. Then we received a petition from 33 responsible traders in Northam in favour of Saturday closing. Apparently they are not members of the Chamber of Commerce. I think it can be said quite definitely that the feeling in Northam in this matter is very divided indeed. The same thing can be said of many other centres, and while I do not want to spend a lot of time giving instances that have come to my notice in the last two or three weeks, I admit that perhaps there is room for a difference of opinion on that point; but that is no reason why this Bill should be rejected in its entirety. The Saturday half-holiday is a very important point, and I believe it would be in the interests of most of our country communities if they had Saturday afternoon closing. But if the majority of members disagree they can let the Act stand as it is at present, without discarding the Bill entirely. Another clause Mr. Baxter dealt with was Clause 54. He said that it, "ignores an Arbitration Court decision arrived at after exhaustive inquiries." There again I have to tell this House that that statement

is not correct. The clause fixes the opening and closing times of butchers' shops. The award fixes the working hours of butchers, and those hours are not interfered with by this Bill.

Hon. J. J. Holmes: The starting time is.

The CHIEF SECRETARY: The hours are not interfered with by this Bill.

Hon. J. J. Holmes: The starting time is.

The CHIEF SECRETARY: No. All the Bill does is to fix the opening and closing time of the shops. The hon. member knows as well as I do that in most butchers' shops the employees are working before the shop is open to the public. The Bill does not in any way interfere with the hours of the employee. Mr. Holmes mentioned the question of butchers' shops when speaking to the Bill, and having had a knowledge of that trade for a lifetime one would have thought he would have understood the import of this clause a little better than he did.

Hon. J. J. Holmes: What I said was that the Arbitration Court award fixes the starting of the day at 6 o'clock and the Bill fixes it at seven.

The CHIEF SECRETARY: The Bill does nothing of the kind; it simply says that the opening hour shall be 7 o'clock.

Hon. J. J. Holmes: The Bill also says a man shall not be at the premises before the time of opening.

The CHIEF SECRETARY: No. In the Factories Act there are provisions dealing with all those points. If hon. members had compared the Factories and Shops Act with the provisions of this measure, it would not have been possible for them to have made the statements they did make.

Hon. C. F. Baxter: What is a man going to do in a shop if it is not open?

The CHIEF SECRETARY: Butchers are engaged in cutting up and in various other ways. I have not had much experience but what I have had leads me to believe that, so far as employers are concerned, there is a lot of work they do, and prefer to do, while the shop is not actually open.

Hon. J. J. Holmes: That will not give a hungry man meat for breakfast.

Hon. G. Fraser: Cannot employers deliver?

The CHIEF SECRETARY: That is an argument that has been blown out repeatedly. There is nothing in this clause which will prevent the employees of a shop being

occupied before the opening hour. All this clause does is to regulate the hours at which the shop itself shall be opened. In the case of butchers' shops, some of the holidays are not award holidays in so far as these shops are concerned. Butchers' shops are compelled to be closed on holidays and some of these holidays are not award holidays, and as a consequence the employees are working on those particular holidays when the shops are closed. All that this clause does is to fix the opening and closing times of those shops.

Hon. J. J. Holmes: And the Arbitration Court fixes something entirely different.

The CHIEF SECRETARY: The Arbitration Court does not fix the hours of opening at all. All it does is to fix the hours of labour, not the hours of opening and closing the shops. Mr. Holmes had something to say about interfering with the Arbitration Court. He said—

The Bill proposes to take away from the Arbitration Court the power to fix holidays, and give it to a Minister of the Crown.

I have already dealt with that point. Mr. Holmes is wrong when he says it gives power to a Minister of the Crown. There is only one clause that interferes with the Arbitration Act or with awards of the court and that is the provision to increase the statutory holidays from eight to eleven, namely, by including Easter Saturday, Foundation Day and Australia Day. Certainly the Bill leaves it to Parliament to decide whether those three days shall be conceded as holidays within the terms of the Factories and Shops Act. It is an expression of policy on the part of the Government. Members will agree that those three holidays are recognised more often than not. I do not think that any member who employs labour would say that his employees were not entitled to those three holidays.

Hon. H. S. W. Parker: They do not get Foundation Day now.

The CHIEF SECRETARY: Many awards of the court include Foundation Day as a holiday, and we know what holidays apply to the Public Service. The court, by awards or agreements, usually provides for at least 12 paid holidays, and the three mentioned are usually part and parcel of the 12. Thus there is not much to complain about when we simply propose that in those instances where factories and

shops are not covered by the court, the employees shall be entitled to those holidays.

Hon. H. S. W. Parker: Do not the awards usually provide for 12 days and the other odd days as well?

The CHIEF SECRETARY: Sometimes.

Hon. H. S. W. Parker: This will mean more.

The CHIEF SECRETARY: Nothing of the kind. Most awards provide for at least 12 paid holidays. We provide in the Bill that those not covered by awards shall have 11 holidays. We name the holidays and I do not think any member in his own business would take exception to them. Mr. Holmes also said that we were not satisfied with fixing the hours of employees; it was now proposed to fix those of employers. Section 52 of the Act now requires working operations to cease in the factory—

Hon. J. J. Holmes: You are trying to read that into it and you are beaten every time. Hence the amendment.

The CHIEF SECRETARY: I am trying to read nothing into it. I am giving the actual facts of the case. I am prepared to stand by what I say and that is more than some members can do. Section 52 of the Act now requires working operations to cease in the factory at the hour fixed for the cessation of work by the employees under any award or common rule agreement. That almost reverses what the hon. member would have us believe, and if he had another opportunity to speak, he would still say that the Minister was wrong and that he was right.

Hon. J. J. Holmes: If you say I am wrong, I have a right to say you are wrong.

The CHIEF SECRETARY: I say the hon. member is wrong.

Hon. J. J. Holmes: Then definitely I say you are wrong.

The CHIEF SECRETARY: The clause merely amplifies the existing provisions of the Act and permits of the employer and employees working extended hours in accordance with the overtime provisions of the award or agreement. Mr. Holmes made a rather strange statement. He said—

The Minister has stressed the fact that there are a great number of persons who do not come under the Arbitration Act. I tried to find out whether that is so, and as far as I can ascertain, that position has been deliberately evaded.

If the hon. member had made inquiries—there are plenty of telephones in the building and he could have got into touch with the court or with the Employers' Federation—he would doubtless have received the information I am about to give. The inquiries he made must have been very limited, and apparently they were made in those quarters where the persons were just as ignorant of industrial conditions as the hon. member leads me to believe he is. It is a fact that there are a very large number of workers who are not covered by any award of the Arbitration Court. For example, there is no award or agreement covering workers in any of the following industries in any part of the State, and in those industries many workers are employed:—Manufacturing chemists; egg-packing and pulping; jam, pickles, and preserve making; female pastrycooks; manufacture of confectionery; ice-cream making; cereal foods making and packing; manufacture of curtains, bedspreads, cushions and other house furnishings; manufacture of matches, and furriers. If I had spent a little longer in thought, I could have added to the list. In country districts many workers in the following industries are not covered by awards or agreements:—Shop assistants in the country, except at Kalgoorlie, Bunbury, Harvey and Pemberton.

Hon. J. J. Holmes: They were covered; why did they pull out?

Hon. H. V. Piesse: They were covered at Katanning at one time.

The CHIEF SECRETARY: That does not affect the position. They are not covered.

Hon. H. V. Piesse: Why are they not covered?

Hon. C. F. Baxter: Because the aim has been to get one big union.

Hon. J. J. Holmes: And they will not pay their 25s. a year for one big union.

The CHIEF SECRETARY: There the hon. member shows his abysmal ignorance. The 25s. a year has nothing to do with that organisation. Let me continue the list to show that the information received by Mr. Holmes was not as accurate as it might have been. In country districts there is no award covering dressmaking, millinery, white work and knitting; or tailoring, except at five large country towns.

Hon. J. J. Holmes: No award covering egg-laying, is there?

The CHIEF SECRETARY: There is no award covering hotel and restaurant and tea-room employees except at Kalgoorlie, Collie and Merredin. There is no award covering laundry workers; there is none covering motor service station employees except at Kalgoorlie. That is a comprehensive list and an effective refutation of Mr. Holmes's contention.

Hon. H. V. Piesse: Do you mean to tell me that employees in garages at Katanning are not under awards? I had to pay up for one of them the other day.

Hon. J. J. Holmes: The 25s.?

The CHIEF SECRETARY: I say definitely there is no award covering country service station employees except at Kalgoorlie.

Hon. H. S. W. Parker: What about the engineers' award or something of the sort?

The CHIEF SECRETARY: A man might be employed as an engineer and have to be paid at that rate, but he would be entirely different from employees of motor service stations such as I have referred to.

Hon. E. H. H. Hall: Are not some of those vocations covered by a common rule?

Hon. G. Fraser: Not those mentioned.

The CHIEF SECRETARY: It is difficult for some members to follow the workings of industrial agreements and common rules unless they have been associated with them.

Hon. H. S. W. Parker: Or been fined.

The CHIEF SECRETARY: It would be possible for an application to be made for a common rule to cover certain employees, but in the cases I have in mind, more often than not the employers would strongly object to the application of an agreement as a common rule and employees not members of an organisation would not be considered. They would have no say in the matter; they would not be members of an organisation and there would be no one to appear on their behalf to apply for a common rule. Unless employees are members of an organisation, they have no standing in the Arbitration Court. Mr. Holmes had the one-big-union idea in mind, because he went on to say that the fact really was that all assistants now outside the fold could be brought in at any time.

Hon. J. J. Holmes: So they could.

The CHIEF SECRETARY: By whom?

Hon. J. J. Holmes: If they were willing to go, but they are fed up with you.

The CHIEF SECRETARY: The hon. member can hold that opinion if he wishes.

It is typical of his opinion on matters affecting industrial legislation. I have shown conclusively that the arguments used in the Bill are not sufficiently valid to justify the rejection of the measure. Firstly, I have dealt conclusively with the arbitration aspect, and, secondly, I have shown that there is a necessity for regulations to govern certain phases of industry. But the Bill contains many other clauses upon which members did not touch. Before referring to them, however, I had better deal with the question of motor service stations. We are providing that they shall close at certain times and operate only during certain hours. Hon. members are greatly concerned as to how motorists in the country will be affected by the clause. First of all, I have to point out that it affects only the metropolitan area. Secondly, I have to repeat, and repeat very definitely, that at the present time, if the Factories and Shops Act were to be administered as it should be administered, motor service stations could not be open during the hours they remain open. Legally they are not entitled to be open during all those hours.

Hon. C. F. Baxter: Under what section of the Act is that so? I thought they could remain open all night.

The CHIEF SECRETARY: No. If the Act were administered strictly, service stations would have to close at 6 in the evening and remain closed until 7 in the morning. The present practice has been winked at. Those people are open contrary to the provisions of the existing Act. The Bill provides that the hours during which service stations can legitimately remain open shall be extended. That, in my opinion, is a rebuttal of the argument that has been used by some hon. members.

Hon. H. S. W. Parker: If this becomes law, you will be able to get drink on the goldfields on Sundays, but not petrol.

The CHIEF SECRETARY: Before I pass on to certain clauses—

Hon. J. J. Holmes: Would you mind telling us where you get authority to close petrol depots at any time?

The CHIEF SECRETARY: Yes. They are shops within the meaning of the Act. I have not the number of the section at hand. I hope the hon. member will accept my assurance.

Hon. J. J. Holmes: But you will not accept anything I say.

The CHIEF SECRETARY: The hon. member can look at the Act. I have not the

number of the section available at the moment.

Hon. J. J. Holmes: We will find it.

The CHIEF SECRETARY: Various hon. members said that some of the provisions of the Bill were matters which should be dealt with by the Health Department. I have been asked how it is that that department does not deal with them. Mr. Parker was particularly anxious that we should give the Health Department that responsibility rather than make it one of the responsibilities of the Chief Inspector of Factories. The hon. member knows full well that the Health Department deals more particularly with questions of public health. I admit that, in addition, it has certain powers which it can exercise regarding factories. I submit, however, that health inspectors' duties to-day compel them to be more fully qualified as to questions of public health than as to questions affecting processes in operation in factories. What is more, I suggest that it is necessary for an inspector under the Factories and Shops Act to have a more detailed and more intimate knowledge of the various processes which are detrimental to persons employed in industry, than the ordinary inspector under the Health Act has, more particularly in small towns and in country districts. Undoubtedly, to-day many things take place which an inspector under the Health Act could condemn and perhaps even take proceedings in respect of; but it is left to the inspector under the Factories and Shops Act to deal with them. Inspectors under the Factories and Shops Act to-day are required to have a far better knowledge than formerly, and certainly a much higher degree of technical knowledge than the average health inspector can be expected to possess.

Hon. H. S. W. Parker: Do they pass examinations?

The CHIEF SECRETARY: Yes. That is my reply to that contention. To those members who have said that because the Bill interferes with the Arbitration Act and also with the prerogatives of the Commissioner of Public Health, my reply is that that contention of theirs should be sufficient to lead them to conclude that there must be something in the Bill, and thus cause them to change their minds regarding rejection of the measure.

Hon. C. F. Baxter: As regards sale of petrol, benzine, and oil, do you mean Section 102a? That shows those commodities can be sold at any time.

The CHIEF SECRETARY: I will read the section—

Notwithstanding any of the provisions of this Act it shall be lawful for a shopkeeper or his assistant or representative at any time to sell petrol, benzine, or other motor spirit, or any part or accessory of a mechanically propelled vehicle—

It sounds all right. The section proceeds—  
—to travellers for the purpose of enabling them to continue any journey which they could not otherwise continue.

Hon. C. F. Baxter: Like everyone.

The CHIEF SECRETARY: No. "Which they could not otherwise continue."

Hon. C. F. Baxter: They would not buy the stuff unless they needed it to continue their journey.

The CHIEF SECRETARY: I submit that that qualification of that section shows conclusively that unless the person is unable to continue his journey without further supplies of petrol—incidentally, I do not know what would be called his journey—he shall not be supplied with petrol. The hon. member contends that one cannot continue one's journey without one's motor car; but there are plenty of other means of transit. I am giving the hon. member the legal interpretation of the section.

Hon. J. J. Holmes: You were wrong for once. We will forgive you.

The CHIEF SECRETARY: I was not wrong.

The PRESIDENT: Order! I must ask hon. members to allow the Chief Secretary to continue his speech. We are not in the Committee stage now.

The CHIEF SECRETARY: Before leaving that point I will endeavour to make it a little clearer, as there appears to be some doubt whether my statement is correct or not. I submit this further explanation—

Section 102a also requires shops, including service stations, to close at 6 p.m. and remain closed until 8 a.m. on the following day.

The station must be closed and locked at the prescribed hour, but may be opened to sell as I have already described. The station may deliberately open for the traveller to allow him to continue his journey, but then the station must be locked again. Even though I may not have had

the exact interpretation of the section, I think I gave hon. members the effect of it. The Bill provides that certain stations shall be allowed to remain open for a longer period than that during which they are allowed by law to remain open at the present time. I think I have said almost enough on the measure in reply to hon. members. Although some of them profess they cannot see any virtue in any proposal of the Bill, I would like to refer to two or three clauses which are highly important, and for which I would greatly esteem the support of hon. members, especially as viewed from an administrative angle. For instance, there is Clause 3, which will empower the Governor to appoint an assistant chief inspector to exercise the authority of the chief inspector in his absence. The fact that that has not been practicable has been a source of embarrassment to the department and especially to the chief inspector, and is something that should be rectified. Then Clause 4 provides that an inspector of factories shall be technically qualified in industrial hygiene. In view of the many processes that come into operation from time to time—and of course hon. members are aware that many industries have changed materially during the last few years—it is necessary that we should have that power. Next, with regard to registration of factories there is a definite need for alteration. The Bill does provide certain things that will remove the source of complaints which have been received on many occasions by the department. Again, the Bill will enable the promulgation of special regulations for the protection of health and life in dangerous trades. That is one of the most important clauses in the Bill, and I do not recollect hearing even one hon. member mention it. All the Government have done in the Bill is to take as their guide the English legislation on the subject, though we go perhaps a little beyond that legislation in providing that the regulations shall be subject to the approval of Parliament. Many trades are really dangerous to the health of those engaged in them. I may refer to one in particular, oxy-arc welding, which has been proved to be extremely dangerous not only to those employed in the industry—many of whom wear protection over their eyes—but also injurious to any person who may have a vision of the process while accidentally passing by—merely seeing a flash of the light. It seems not

very much; nevertheless it has been proved to be extremely detrimental to eyesight. That is only one point I mention in passing, showing the necessity for some legislative provisions authorising the department to make regulations that will protect not only those employed in the actual process, but also those engaged in the industry, and, further, people not engaged in it at all. Another important matter is that which will enable the promulgation of special regulations for the protection of health and life in dangerous trades. The chief inspector will have power to require owners of certain factory buildings to provide suitable fire escapes. That may seem a small matter, but nevertheless we have a large number of establishments, particularly in the metropolitan area, where something of this kind is absolutely necessary, and we have no power under the Act to insist on protection being afforded. The question of registration on a change of occupancy, I think I have dealt with. If there is a change the registration automatically ceases, and before it can be granted to a successor another inspection must be made and so delay is caused. There is the question of payment of premiums for employment, and this too, with all the other provisions, is essential for the proper conduct of industry. Many of these items are also necessary from the employer's point of view. Although it has been stressed by one or two members that the Bill would be detrimental to employers, I firmly believe that the great majority of employers who are reasonable men do agree that the provisions in the Bill are essential.

Hon. T. Moore: We have not had a letter from one employer against any of the provisions in the Bill.

The CHIEF SECRETARY: I have not had one, and I can assure members that many of the amendments which have been submitted by the Chief Inspector of Factories who has had considerable experience of the Administration of the Act, are the result of his experience since 1920, and that they will do no more than bring our legislation up to the standard of the legislation in other parts of the Commonwealth. We are not asking too much when we ask for that Mr. Nicholson contended that as our industries are so small we should allow any small employer, no matter what the industry might be, to work under almost any conditions—

Hon. J. Nicholson: I did not say that at all.

The CHIEF SECRETARY: —unless there was an Arbitration Court award operating. That was the strength of his statement.

Hon. J. Nicholson: I did not say that.

The CHIEF SECRETARY: I ask the hon. member to read what he did say. He said that many of the employers of labour should not be restricted in this way, and that if they were they would not be able to carry on.

Hon. J. Nicholson: You have misconceived what I said.

The CHIEF SECRETARY: I have not misconceived his remarks. I have read the hon. member's statement half a dozen times, and now I am taking the opportunity of pointing out to him just what it was he was advocating. Not he alone, but other members, those members who said, "You must not do this or that, or you will put those people out of business." There is nothing in the Bill which can be construed as sufficiently drastic to put anyone out of business. The Bill contains provisions which will enable everything to be attended to in a proper manner. Nothing will interfere with the working or wages conditions of employees where those employees are covered by Arbitration Court awards. There is nothing in a clause dealing with the wages paid to juniors who are employed in places where no Arbitration Court award covers them. The present Act also deals with that. All that the Bill does is to provide an amending schedule for those boys and girls and adult women not covered by an award, and it sets out that the wages of the females shall at least be equal to the male basic wage, and if the Bill goes into Committee, I will submit an amendment dealing with it. In view of what I have stated and in view of the fact that the Bill has been brought forward, not only in the interests of the workers, but in the interests of the employers, as well as in the interests of the administration by the Chief Inspector who has brought before the present Government and other Governments the necessity for amending the Act, I urge members not to reject it. There is nothing in the Bill to warrant that course being taken. There is room for difference of opinion such as on questions like the half holiday, or on some of the clauses, but there is absolutely nothing to warrant any hon. member saying that the Bill should be rejected on the second reading. If it goes

into Committee and there is an opportunity to so frame the amendments that they will meet with the desire of hon. members, that opportunity will be taken. Members must not forget that whether the Bill goes any further or not there are at the present time provisions in the Act which deal with these particular points to which most hon. members who have opposed the Bill have directed their attention. So I say that whilst I recognise right from the first that we have failed on three or four previous occasions to secure an amendment of the existing Act, I consider the time has arrived for this House to at least agree to bring the existing Act up-to-date. And if there is a division of opinion regarding the several points I have mentioned, then let the House deal with them in Committee. I appeal to members not to reject the Bill, but let it go into Committee and amend it as they desire so that we might have a more up-to-date Act for the Chief Inspector and his staff to administer.

Question put and a division taken with the following results:—

Ayes .. .. .	8
Noes .. .. .	18
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Majority against .. ..	10
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## AYES.

Hon. L. B. Bolton	Hon. E. M. Heenan
Hon. J. M. Drew	Hon. W. H. Kiltson
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	Hon. A. M. Clydesdale (Teller.)

## NOES.

Hon. E. H. Angelo	Hon. J. Nicholson
Hon. C. F. Baxter	Hon. E. S. W. Parker
Hon. L. Oralg	Hon. H. V. Priesse
Hon. C. G. Elliott	Hon. H. Seddon
Hon. J. T. Franklin	Hon. A. Thomson
Hon. V. Hamersley	Hon. H. Tuckey
Hon. J. J. Holmes	Hon. C. H. Wittenoom
Hon. W. J. Mann	Hon. G. B. Wood
Hon. G. W. Miles	Hon. E. H. H. Hall (Teller.)

Question thus negatived; Bill defeated.

*House adjourned at 10.12 p.m.*

## Legislative Assembly,

*Tuesday, 1st December, 1936.*

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Loan Estimates, 1936-37, Committee of Supply .. ..	2235

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

### ANNUAL ESTIMATES, 1936-37.

Report of Committee of Ways and Means adopted.

### STATE TRADING CONCERNS ESTIMATES, 1936-37.

Report of Committee adopted.

### BILL—MINES REGULATION ACT AMENDMENT.

*Third Reading.*

Read a third time and transmitted to the Council.

### BILL—GERALDTON HEALTH AUTHORITY LOAN.

*Second Reading.*

Debate resumed from the 26th November.

**MR. THORN** (Toodyay) [4.33]: This amendment is quite a reasonable one. It makes provision for the health authority of Geraldton to transfer this amount to the municipal council which, after all, is the same body. Looking into this matter, one would ask why was not the full amount of the loan raised spent on sewerage work in the Geraldton district. However, I believe there is a reason for that; I understand it has to do with the shortage of water.

The Minister for Health: Not altogether that. The full amount was not required for the work.