Legislative Council

Tuesday, the 15th November, 1966

CONTENTS

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS (3): ON NOTICE

STATE HOUSING COMMISSION

Rentals and Metropolitan Region Improvement Tax: 1965-66

1. The Hon. H. C. STRICKLAND asked the Minister for Mines:

   (1) What was the total income last financial year from rentals received from—

   (a) Wandana Flats;
   (b) Graham Flats; and
   (c) all other rented premises controlled by the State Housing Commission which are situated within the metropolitan region town planning scheme area?

   (2) What were the amounts of metropolitan region improvement tax paid by the commission in respect of the premises mentioned in (a), (b), and (c) above?

   (3) How many unimproved residential lots does the commission now hold within the area of the scheme?

   (4) What metropolitan region improvement tax was paid last financial year in respect of these lots?

The Hon. A. F. GRIFFITH replied:

(1) The total rental income in respect of—
   (a) Wandana Flats was $106,623.
   (b) Graham Flats was $24,320.
   (c) other rental premises within the metropolitan region as defined under the metropolitan town planning scheme was $3,516,295.

(2) Nil. The commission is exempt from paying the metropolitan region improvement tax.

(3) The commission's holdings within the scheme area, are—

Classification	Acres	Residential Sites
Urban	1,704	5,964*
Urban Deferred	3,264	11,424*
Rural	1,865	Not estimated

* After provision of public open space, and for sites for schools, etc., and assuming subdivision for erection of single residences.

(4) Nil.

WOOL

Sales and Production

2. The Hon. E. C. HOUSE asked the Minister for Mines:

Would the Minister advise the House—

(1) Why no wool sales have been listed for Albany during December, 1966, and January, February, and March, 1967?

(2) What was the estimated number of bales of wool shorn in the lower great southern regional council zone for December, 1965, and January, February, and March, 1966?

(3) How many bales of wool were produced in—

(a) the Ravensthorpe Shire; and
(b) the Esperance Shire;

for December, 1965, and January, February, and March, 1966?

(4) How many bales of wool were produced in the areas mentioned in (2) and (3) from the 1st July, 1965, to the 30th June, 1966?

(5) How many bales of wool are required for a sale to be listed?

(6) How many bales of wool were transported by—

(a) road; and
(b) rail;

to Fremantle from—

(i) shires in lower great southern regional council zone for the year 1965-66;
(ii) the Esperance and Ravensthorpe shires for the year 1965-66.
(iii) the Ravensthorpe Shire for December, 1965, and January, February, and March, 1966;
(iv) the Esperance Shire for December, 1965, and January, February, and March, 1966?

(7) How many bales of wool were shipped ex Albany port for sales in London from the 1st July, 1965, to the 30th June, 1966?

(8) How many bales of wool were consigned to Albany, and rerailed to Fremantle through cancellation of sales at the Albany centre?

(9) Was a concession made by the Railways Department for the railage of wool from Albany to Fremantle, and if so, who paid the freight?

The Hon. A. F. GRIFFITH replied:

(1) (a) The sale in November, 1966, is less than a week earlier than the usual December sale.
(b) There is insufficient wool shorn during this period for January and February sales.
(c) The sale listed for April is a week later than the usual March sales because of the early Easter.

The wool-selling programme is arranged so that wool buyers in Western Australia, who also attend the Adelaide sales, can be available for both Albany and Fremantle. The bigger offerings of wool are more attractive to both buyers and shipping agents as larger consignments are assured.

(2)

December, 1965, and January and February, 1966	17,000	bales
March, 1966	10,000	,,
Total	27,000	,,

(3) (a) and (b) Estimated production from both Ravensthorpe and Esperance shires was 10,000 bales. Separate totals for each shire are not available.

(4)

Lower great southern council zone	141,948	bales
Esperance Shire	21,281	,,
Ravensthorpe Shire	1,371	,,
Total	164,600	bales at 316 lb. per bale

(5) The original agreement between buyers and brokers for the number of bales of wool required for a sale to be listed was—

	Bales
1st year	10,000
2nd year	15,000
3rd year	20,000

Sales of 12,000 bales were held in December, 1964, and September, 1965.

(6)

	(a) Road	(b) Rail
(i)	5,641 bales (estimated)	136,307 bales
(ii)	2,204 bales (estimated)	20,448 bales
(iii)	Not available	Not available
(iv)	200 bales (estimated)	9,805 bales

(7) 276 bales (information supplied by London Woolbrokers Pty. Ltd.).

(8) and (9) 1,425 bales for 1965-66, and the freight was paid by the brokers.

3. *This question was postponed.*

STATE TRANSPORT CO-ORDINATION BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [4.39 p.m.]: I move—

That the Bill be now read a second time.

In explaining this measure to members, I would recall that the Government seconded Mr. C. G. C. Wayne in May, 1965, from his duties as Commissioner of Railways in order that he might undertake a study of the State's transport resources.

The terms of reference given to Mr. Wayne may be regarded as, briefly, firstly to review the overall transport facilities and organisations in Western Australia; secondly, to report to the Government on the general position in all branches of transport; and thirdly, to recommend such administrative and statutory changes considered desirable, including ways and means of achieving economic and co-ordinated operations consistent with adequate services for the communities and industries to be served.

The Wayne report, submitted last June, indicated that Mr. Wayne had found that the transport industry in this State was in a fairly healthy condition and capable of providing a nucleus upon which a balanced and efficient transport system could be built to meet the requirements of this growing State and, in this connection, I refer to all of the various sectors: namely, road, rail, sea, and air transport.

He drew the attention of the Government, however, to the fact that there is little evidence today of any real co-ordination in the provision of transport or in the decisions made concerning public investment in the various forms of transport. He accordingly recommended that an organisation be created to study transport services in this State in the light of the disposition and future needs of public investment in transport facilities; for advising on all matters relating to transport policy generally; and to be responsible to the Minister for Transport.

This measure, and the associated Bills, seek to establish such an organisation. Its establishment would represent a major step in the Government's endeavours to achieve for this State an economic, well-balanced, and efficient transport system, which is a vital factor to the State's economy. This is a field of activity in which it is said no fewer than one in every six of this country's work force is engaged in one manner or another, and which absorbs directly or indirectly more than one third of the national income.

It will be appreciated, therefore, that because of the size of the transport undertaking in terms of expenditure and manpower employed, and in its importance to both trade and industry, it is essential for the well-being of the State to have an

efficient system capable of providing the services required by the community but with a minimum consumption of capital, labour, and equipment. This, of course, bearing in mind that in a State of such vast distances and uneven distribution of population, the provision of requisite transport facilities is necessarily costly to maintain and complex in administration.

Transport problems are worldwide and the variations in methods adopted to achieve efficiency as between different countries are considerable, depending upon particular circumstances. In the study of these varying approaches, the overriding principle emerges, however, that any system of transport can become efficient only when it is regarded as a single entity and not sector by sector—road, rail, sea, and air—in virtual isolation. Yet, this is the situation in which this State finds itself at the present time; and in this regard, I think we are not unique.

Members may be interested if I were to mention that a national resources planning board in a report it made some years ago to the President of the United States of America, described the transport problem as follows:—

> That of bringing about such an organisation of the transport industries and such a system of public regulation or control as will lead to the attainment of these objectives; namely, an adequate transportation system operating at a high degree of efficiency and at low cost; with each mode of transport operating in its field of greatest economy and usefulness and functioning with a minimum of waste and duplication . . . .

The problem with which we are contending in this State is that of planning and co-ordinating the various transport sectors or forms into a unified and balanced system—one which ensures that needless costs are not incurred.

The Government recognises in this a responsibility for co-ordinating transport so that each sector or form plays its allotted part in a transport system co-ordinated in a general pattern.

This Bill has, accordingly, been produced in order that legislation might be passed in accordance with the report submitted by Mr. Wayne, and objectively to develop and maintain a rational transport policy capable of attaining an efficient transport network required to provide for the expanding population and industries of the State.

The proposals in this measure are for the creation of a new transport organisation which will be superimposed on the governmental agencies currently administering the several Acts relating to transport in this State. In the main, the Statutes which regulate the provision and operation of transport here are the State Transport Co-ordination Act, 1933; the 1963 Taxi Cars (Co-ordination and Control) Act; the Government Railways Act, 1904; the Metropolitan (Perth) Passenger Transport Trust Act, 1957; the Western Australian Coastal Shipping Act, 1965; and the Eastern Goldfields Transport Board Act, 1948, which latter was recently under discussion in this Chamber.

The two first-mentioned Acts are for all practical purposes under the control of the one administration; namely, the Commissioner of Transport. Each of the four remaining Acts has its own controlling body. All of the Acts, excepting the Government Railways Act, which for the time being is administered by the Minister for Railways, are the responsibility of the Minister for Transport.

It is proposed the new transport organisation will comprise a director-general of transport as the permanent head. He will be assisted by a consultative body of transport administrators and a body representing transport users. I shall refer later to the composition, powers, and duties of these bodies, but their overriding function will be that of co-ordination and achievement of efficiency in transport.

The proposals indicated the need for a co-ordinating Act somewhat in the nature of the existing State Transport Co-ordination Act but more widely based and making greater provision for the formulation and administration of overall transport policy.

It would not be practicable to draft the new proposals within the framework of the existing Act, nor entirely satisfactory in view of the modern trend in transport and the equipment now in use. It is proposed, then, to repeal the State Transport Co-ordination Act, 1933, and replace it with two new measures. The first one of these is the Bill now being explained, and the second is the Road and Air Transport Commission Bill for the purpose of re-constituting the Commissioner of Transport and his officers. Consequential and minor amendments of the Metropolitan (Perth) Passenger Transport Trust Act and the Eastern Goldfields Transport Board Act are entailed in this group of Bills, making four in all.

The consultative body of transport administrators is to be called the transport advisory council, and the body representing the users of transport will be known as the transport users' board.

The director-general will be responsible for the administration of the new Act, subject to the general control of the Minister for Transport. The head of the new organisation will be appointed for a term not exceeding seven years and be eligible for reappointment at the expiration of that period. These conditions are consistent with those pertaining to other senior Government appointments, thus ensuring amongst other things the procurement of the right type of person for the position.

The director-general's salary will be fixed by the Governor and he will be subject to removal from office in the usual circumstances. In the case of his illness, absence, or suspension, the Governor may appoint an *ex officio* member of the council to act in lieu and this will cause the least dislocation in the functioning of the organisation in the temporary absence of the director-general.

Clause 21 sets out the duties of the director-general. Briefly, these are: Firstly, to advise the Minister for Transport on matters appertaining to overall transport policy in measures for achieving policy objectives, including the co-ordination of transport in all forms. Secondly, to oversee the implementation of such policies and measures mentioned which have been approved by the Minister; and thirdly, to make provision for and supervise research into transport operation and economics. This will be the most important aspect of the work of the new organisation.

It is considered far too little research has been done up to the present as far as transport in this State is concerned—a matter now to be rectified. Conclusions can be soundly based only where there is factual information to guide those whose function it is to make determinations, and the provisions now being made provide the means of enabling the policy advisory organisation to make its assessments, based on sound research.

Other countries, recognising the economic importance of their transport industries, are undertaking transport research programmes upon an increasing scale. In New Zealand, for instance, the International Research Advisory Council, in view of the urgent need for research of the country's complete transport industry, has recommended to its Government that expenditure in this field should begin at £10,000 per annum, rising to £50,000 per annum in five years' time. This report makes an important point in these words—

> Such a programme cannot be the responsibility of any branch of the industry. Many commodities are handled by all sectors, an even greater number is handled by more than one sector of the industry. Because of the importance of this information, it is desirable that it be obtained by research concerned with all transport methods and the integration of their services.

This is very much along the lines of what we are envisaging for transport in this State—a research establishment attached to a central authority concerned with not one but all sectors of transport, which will undertake, in particular, economic studies on both operational and investment problems in transport, cost analysis, and so on.

The fourth requirement of the director-general will be to collate and co-ordinate capital works' programmes and advise on the application and priorities of loan funds. This, itself, will bring about a measure of co-ordination within the transport industry, thus forming one of the organisation's major functions. Forecasts of future needs will link in with research work, thus ensuring that public moneys available for transport purposes are used to the best advantage in areas which will produce the greatest return on investment.

The fifth duty will be to report on and make recommendations as the Treasurer may require in respect of the appropriation of moneys, the application of loan funds, and public borrowing under and for the purposes of any of the Acts concerned with the provision and operation of transport.

The sixth is to investigate the existing transport services, to determine the adequacy of the service provided the community, or available for any industrial or economic development.

Seventhly, is the requirement to recommend the provision of road transport services or additional services for areas not adequately served by transport, the routes to be followed, the calling of tenders, invitation of premiums, and the provision of subsidies for any such road service established.

Eighth on the list is a requirement to examine and report on any proposal for the construction of a new railway. Finally, the director-general would be competent to recommend the closure or partial suspension of any transport service, including a railway.

These last mentioned duties are currently the responsibility of the Commissioner of Transport under the State Transport Co-Ordination Act, 1933. However, in the proposed new set-up, they are listed among the duties which must logically fall to the director-general of transport because they are so interwoven with transport policy.

It will be appreciated that the Bill gives the director-general very wide powers to enable him properly to carry out his duties. He will be empowered to demand and obtain from any State Government department or Crown agency such information as he may require in respect of the operation and conduct of any transport service, and he will have the same protection as a Royal Commissioner in any investigation or inquiry he may decide to make.

I would emphasise, however, that the director-general will not have executive powers other than through the Minister for Transport. The two main reasons why the Bill is worded in this manner are, firstly, if he had executive powers over the various Crown transport agencies, he would inevitably be burdened with a great many of the day-to-day matters, which rightfully are the responsibility of their own managements, and that development is to be avoided. His concern lies with matters appertaining to top-level policy, and the purpose of the new organisation would be

very largely defeated if it were to become involved in other than this.

The second aspect is that the granting of executive powers to the director-general, other than through the Minister, would result in an overlapping of responsibility level, and this would be most undesirable.

This is, indeed, one of the reasons for re-enacting the existing State Transport Co-ordination Act so that these various levels are clearly defined. The managements of the various transport agencies will continue to manage and control their respective concerns without interference from the new organisation. This point should be clearly understood.

There is provision in the Bill for the Governor to appoint an assistant to the director-general and such other officers as may be necessary for the administration of the Act. It has not been envisaged that the director-general will have a large staff. The contrary thought is entertained, but it is obvious he will require adequate support on the secretarial and particularly on the research side and then, of course, he will, with the consent of the Minister, administering any State Government department, be able to make use of the services of any person employed in that department.

The transport advisory council will consist of eight members including the director-general of transport, who will be its chairman. The other members will be those holding the office of Commissioner of Railways, Commissioner of Main Roads, Commissioner of Transport, Chairman, W.A. Coastal Shipping Commission, and Chairman, Metropolitan (Perth) Passenger Transport Trust; and these, together with two persons appointed by the Governor to hold office during his pleasure—one representing the W.A. Transport Association and the other, the person or persons operating a regular air transport service on scheduled and approved routes—constitute the advisory council. In this latter connection, person or persons means a body corporate.

It will be noticed that amongst the *ex officio* members of the council, an additional officer has been added, namely, the Commissioner of Main Roads. It is felt the inclusion of the Main Roads Department on the consultative body, together with representatives of other departments directly concerned with the activities of transport, will be a distinct advantage. Road building and road construction form an important adjunct for transport, and an indication of its extent can be gauged when I mention that the total outlay on roads in 1965-66 was $42,330,000.

Of the two persons appointed to the council from outside the Government service, one represents the W.A. Road Transport Association, or in other words, the road transport industry. The association has a membership on the freight carrying side of 497 operators, representing 1,668 vehicles, of which 197 are country operators with 387 vehicles.

On the passenger carrying side there will be 362 operators representing 413 vehicles, and in this overall membership, are all of the recognised carriers and the major road transport companies with the exception of two. All types of road transport movement, general cartage, shipping, forwarding agents, heavy haulage etc., are included. On these figures, it will be seen that the road transport industry is well represented on the proposed council by the W.A. Road Transport Association.

It has been assessed that there are between 400 and 500 carriers who are not members of the association but these are mainly sole operator-owner drivers.

One member representing the air transport industry has been included and he will represent the only operative company in Western Australia; namely, the Mac-Robertson Miller Airlines Ltd. The Bill has been framed, however, to cover the situation where more than one operator may be licensed in the future. In this eventuality, the membership of the council will not be increased but the operators will be enabled to nominate amongst themselves who shall represent them. There is provision in the Bill for deputies in the case of both *ex officio* and private members.

The function of this council composed of men knowledgeable in transport will be of a purely advisory and consultative nature. The council will meet as and when the chairman or any two members so require, and it is charged with the duty of formulating proposals in respect of and making recommendations on any matter referred to it by the Minister or by the director-general. The extensive knowledge apparent through this scope of representation will ensure the availability of advice of the highest order and the council will play a key part in the formulation of rational and progressive transport policy.

The transport users' board will replace the existing Transport Advisory Board constituted under the State Transport Co-ordination Act. As its title implies, the new board will have the prime task of representing the users of transport. The board will be of similar strength as the existing one comprising five members, a chairman, and four persons appointed by the Governor on the nomination of the Minister for Transport to hold office for three years. The four persons nominated by the Minister will be persons who, in his opinion, are capable of assessing the financial and economic effect on the transport users of any proposal or existing transport policy.

Whereas the present Transport Advisory Board has, as its chairman, the Commissioner of Transport, the transport users' board will be chaired by the director-general of transport. It will meet on such

occasions as the director-general or any two members may require but, except as required by the chairman, meetings will not be convened more than once in any month.

The members of this body will be charged with the duty of considering and making recommendations on any matter affecting a transport service operating in the State or touching the lack or inadequacy of a transport service. In short, it will be concerned with the "quality" of service given the community by the various transport agencies both Government and privately operated. It will also have an important role to play in the transport pattern and its creation should fill a much needed voice as far as the general public is concerned.

I earlier mentioned the replacement and re-enactment of the State Transport Co-ordination Act provisions and I clarify that by pointing out that the Road and Air Transport Commission Act, 1966, is really the existing State Transport Co-ordination Act, 1933, less certain sections, as already mentioned, which have been transferred to and included in the new State Transport Co-ordination Act, 1966. The Road and Air Transport Commission Act reconstitutes the Commissioner of Transport and his officers.

In the overall, the purpose of this group of Bills is to endeavour to make sure that one form of transport does not operate uneconomically against another form of transport, and this applies particularly to Government transport systems where a high degree of co-operation in operation is desirable.

This Bill, therefore, represents a start in the implementing of Mr. Wayne's report.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

METROPOLITAN (PERTH) PASSENGER TRANSPORT TRUST ACT AMENDMENT BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [5.4 p.m.]: I move—

That the Bill be now read a second time.

This is another of the Bills comprising the legislative group introduced to co-ordinate transport in this State. The Bill has two main purposes; firstly, to give the Minister overriding power in the administration of the trust's activities, so far as the State Transport Co-ordination Act, 1966, is concerned, should this be considered necessary at any time. I mention, therefore, that one of the basic points of the legislation for the creation of the Metropolitan (Perth) Passenger Transport Trust Act in 1957 was that the trust should be as free as possible from political control and this objective has been achieved and the trust, itself, has operated somewhat in the nature of a private enterprise.

The Hon. F. R. H. Lavery: Very successfully, too.

The Hon. A. F. GRIFFITH: It has not borne all its own bills, of course. The situation has been reached, however, where, in order to achieve the overall objective of transport co-ordination, transport in all its forms must be regarded as a single entity rather than a collection of various sections with specific interests.

In order to ensure the smooth functioning of the office of director-general of transport, and to avoid any overlapping of responsibility levels, the executive powers of the director-general specifically are through the office of the Minister of the Crown concerned. For this reason, it is necessary to amend the trust's Act, thus bringing the M.T.T. under ministerial control so far as capital budgeting and co-ordination are concerned. Otherwise, the director-general could not function in the suburban transport area; yet this is one area in which probably the greatest benefits from co-ordination will arise. It is not intended, however, that this will give the right to interfere with the staff arrangements or normal day-to-day operations of the M.T.T., which are being handled extremely well by the present management.

The trust, like other State transport utilities, constitutes a drain on State Treasury resources. In the past financial year, 1965-66, the State Treasury provided $1,325,000 to recoup the losses from the trust's activities. It is estimated that the Treasury will have to find $522,000 in respect of 1966-67. One of the responsibilities of the director will be to endeavour to assure that capital moneys are directed to the source which can be of the greatest overall benefit to the State.

The other main point in the Bill is the rewording of section 79 of the Act to cover the change in title of the State Transport Co-ordination Act to the Road and Air Transport Commission Act, and this amendment is a purely complementary requirement in respect of the principal measures in this group of Bills.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

ROAD AND AIR TRANSPORT COMMISSION BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [5.8 p.m.]: I move—

That the Bill be now read a second time.

This Bill is one of the complementary Bills necessitated through the introduction of the main piece of legislation in the group of Bills constituting the statu-

tory requirements for the introduction of State transport co-ordination under a director-general of transport, as recommended in the Wayne report.

Under that Bill, some of the more general functions previously carried out by the Commissioner of Transport are to be transferred to the director-general. These relate to such things as the investigation and submission of recommendations on proposals to construct new railways or close existing lines, and general investigations and reports on overall transport policy. These matters are more specifically set out in sections 10 and 11 of the existing State Transport Co-ordination Act.

Additionally, the provisions constituting the Transport Advisory Board are to be repealed. It is proposed that a similarly constituted board should be part of the organisation of the proposed new overall authority. By this means, the board will be directly responsible to the director-general and will be given scope to concern itself with all forms of transport instead of being restricted as at present.

The Transport Advisory Board has had restricted powers in relation to day-to-day operations. But under this legislation, and under the control of the director-general, the board will have the opportunity to expand its activities and look more at the overall operations of transport and co-ordination. As a consequence of these provisions being incorporated as part of the responsibility of the overall authority under the main Bill, it becomes necessary to re-enact the remaining functions of the Commissioner of Transport under the new title of the road and air transport commissioner.

While the provisions in this Bill are the same materially as those now in existence, opportunity has been taken to express some of these provisions more clearly with a view to removing some existing obscurity of meaning. Some more simple expressions have been introduced, while on the other hand, one or two sections which had temporary application only and are now obsolete have been omitted.

With these few introductory remarks, I shall now deal briefly with the clauses as they appear in the Bill.

Clauses 1 to 3 are purely formal and need no explanation. Clause 4 contains definitions of terms used in the Bill and the meanings ascribed are the same as those in the present Act, but the definition of "omnibus" excludes vehicles operated by the trust, which are not subject to licensing. The next clause is of a formal nature and maintains the obligations and liabilities to which the Commissioner of Transport has been subject under the existing Act. Clause 6 is just the usual transition clause.

Clause 7 provides for the appointment of a commisioner of transport and defines his general responsibilities and authority. Clause 8 provides for the appointment of a deputy commissioner of transport in the same terms as in section 40 of the existing Act, but omits reference to the appointment of a transport advisory board for the reasons which have already been given. Clause 9, regarding the appointment of a deputy commissioner of transport, is similar to an existing section and provides for the present occupants of the positions of commissioner and deputy commissioner to continue in office until the expiry of their current term. Clause 10 concerns the vacation of either office if the occupant becomes incapable, bankrupt, etc.

The next three clauses are of a formal nature and are the same as existing sections 4F, 4G, and 4H. Clause 14 contains the same provisions as existing in section 5 of the Act as regards the submission of annual reports, excepting that future reports will be presented to Parliament by the 14th November instead of the 31st October. This suggestion emanated from the commission itself because, with the added work connected with the department in trying to keep up with the accounts, difficulty is being experienced in presenting the report by the end of October as at present required.

The remaining parts of section 5 are not included in the Bill as they relate to the Transport Advisory Board which will be replaced by a similar board under separate legislation. For the same reasons, sections 6, 7, and 8, also applying to that board are no longer required. Clause 15 merely retains provisions for the appointment of the commissioner's staff.

Clause 16 deals with the powers and duties of the commissioner concerning the calling of tenders, the payment of subsidies, and conditions of licenses. The commission already has these powers and duties under section 10 of the Act, with the exception that the calling of tenders will be done in future under the direction of the Minister. It is intended that functions dealing with the carrying out of general investigations and the submission of reports, concerning the closure of railways and the construction of new lines, will in future be the responsibility of the overall transport authority and, therefore, these provisions have been omitted from this Bill. Similarly, references to the duties of the Transport Advisory Board are excluded as these will be dealt with elsewhere. Clause 17 re-enacts section 12 of the existing Act dealing with conditions for the calling of tenders for road transport. There is no change here.

Clause 18 deals with a delegation of any of the commissioner's functions to the deputy commissioner as at present provided for. Clause 19, subclause (1) states that the licensing provisions of the Act are to be applicable to vehicles operated by the Crown or an agency of the Crown, with

the exception of the Metropolitan Transport Trust. This will have the same effect as subsection (4) of section 15 of the Act. Subclause (2) provides a general power for the Minister to declare exemptions additional to those expressed in the Bill itself. This power is at present exercised by the Commissioner of Transport with ministerial approval under section 14A.

The provisions in clause 20 are similar in effect to those in section 14 of the existing Act. The clause also provides for continuance in force of any license which is current when the proposed new Act comes into effect.

Clause 21 stipulates the maximum fees which may be payable for licenses and these provisions are precisely the same as those now operating.

Clause 22, dealing with the method of determining the weights of vehicles and loads, follows the present section 19. Clause 23 is the same as section 20. Clause 24 embodies the provisions of existing sections 21 and 22. Clauses 25 and 26 are similar to sections 23 and 24.

In existing legislation, section 25 deals with the fixing of bus stopping places and the erection of signs and shelters, while section 31 refers to the establishment of bus stands. The amendment in clause 27 brings these provisions together. In both existing sections, it is provided that any dispute between the commissioner and the local governing body, relative to signs, shelters, or stands, should be referred to an arbitrator for settlement. In the Bill it is proposed that any such matter in dispute shall be determined by the Minister for Transport and the Minister for Local Government.

Subsection (2) of section 25 was a transition provision when the State Transport Co-ordination Act first took effect in 1934. It related only to those who had been operating commercial goods vehicles and omnibuses for 12 months prior to the 31st December, 1933, and gave them the right of appeal against the refusal of a license. This subsection is now obsolete and has been deleted.

Clauses 28 and 29 deal with the conditions applicable to omnibus licenses and are similar to sections 26 and 27 of the existing Act. Clause 30 limiting the tenure of omnibus licenses to a period of seven years, is the same as section 29.

Clause 31 is similar to section 30 providing authority for the granting of permits for omnibuses to operate temporarily on routes not included in their licenses. Clause 32 is the same as the existing section 32.

The next 10 clauses deal with commercial goods vehicles. Clause 33 replaces sections 34 and 35 of the Act with similar results. Clause 34 is similar to section 35A. Clause 35 prescribes particulars to be included in applications for commercial goods vehicle licenses. Clause 36 sets out the factors which the commissioner must consider before granting or refusing a license.

Clause 37 is of a formal nature and replaces section 38 but omits the portion of the section relating to the right of appeal against refusal of a license based on section 25 in relation to persons who have been operating for 12 months prior to the 31st December, 1933, as this is now obsolete. Powers which the commissioner had hitherto exercised of his own volition, are, in the Bill, subject to the Minister to whom any dissatisfied applicants may appeal.

Clause 38 prescribes the implied conditions of every commercial goods vehicle license and is the same as section 39, with a loading restriction. Clause 39, which empowers the commissioner to attach conditions to licenses, quotes the existing provisions of section 40.

Clause 40 is the same as section 42 of the Act. Clause 41 empowers the commissioner or his delegate to grant permits for a commercial goods vehicle to deviate from its licensed route. Clause 42 is of a formal nature.

Clauses 43 to 47, inclusive, deal with aircraft. All the provisions of the present Act have been included in the Bill and there is no material change from the existing legislation. The provisions are parallel to similar provisions in relation to omnibuses and commercial goods vehicles.

Clause 48 prescribes the same limitation on hours of driving as are contained in section 48 at present. The hours are very similar to those applicable in other States. There has been some discussion in certain States as to alterations but, until some uniform standard is agreed upon, it is proposed that the provisions in the Western Australian Act should not be altered.

Clause 49 gives the necessary authority for members of the Police Force and authorised departmental officers to secure information from vehicle drivers for the enforcement of the Act. The requirement that licenses should be carried on the vehicle has been omitted as this is inconvenient and unnecessary in practice; otherwise, the provisions are the same as those already existing.

Clause 50 places the liability on the driver and owner of a vehicle for an offence against the Act. It quotes the present section 52 with the exception that a penalty of $100 is provided for a first offence instead of $80. This is a maximum penalty only and would be less in value than $80 when the equivalent figure to that in pounds was first prescribed. Clause 51 relates to the submission of evidence in prosecutions and is a duplicate of section 50 of the Act.

Clause 52 is the same as the existing section 16. It places liability on a person

who knowingly sends goods, or causes them to be sent, by an unlicensed vehicle. In many cases of illegal transport, it has been noted that a person who arranges the transport is more culpable than the owner or driver of the vehicle. At times, the party arranging the transport has misled the vehicle owner or driver by falsely informing him that a permit had been granted.

Section 16 does not prescribe any particular penalty in this case. In the Bill, a penalty is provided the same as set out in clause 50. In other words, this provides the same penalty as would apply to a driver of a particular vehicle penalised under this particular provision.

Clause 53 makes it an offence on the part of an owner or driver who fails to comply with the conditions of a license. This corresponds with section 17 which provides for a maximum penalty of $100. Clause 53 does not prescribe a specific penalty, but the general penalty clause, 56, would apply, making the penalty $50 in the first instance with a further penalty of $10 per day in the case of a continuing offence.

Clause 54 is the same as section 18 prohibiting the carriage of paying passengers on a commercial goods vehicle unless authorised by license. Clause 55 relates to evidence concerning the carriage of passengers at separate fares.

Clause 56 is the general penalty clause. It corresponds with section 54, except that the maximum penalty is fixed at $50 instead of $40. Clause 57 empowers the Commissioner of Transport to revoke or suspend a license for breach of conditions under certain circumstances. As in the existing section 55, provision is made for an appeal to a stipendiary magistrate. Subclauses (4) and (5) specify the procedure on appeal.

Clause 58 authorises the Commissioner of Transport to take proceedings for the recovery of penalties. It follows section 56 with the exception that it omits reference to the Transport Advisory Board which would no longer exist as far as the Bill is concerned.

Clause 59 is a saving clause preserving the provisions of the Traffic Act unless specifically stated otherwise. Clause 60 authorises the making of regulations. It embraces in the one clause the provisions now set out in sections 58 and 58A.

Clause 61 absolves the Minister, commissioner, authorised officers, and police officers from personal liability when acting in good faith in the enforcement of the Act.

Clause 62 re-establishes the transport co-ordination fund under a new title, "Transport Commission Fund." It provides for payments into and from the fund and, except for minor changes, re-enacts existing section 60.

Clause 63 is new. The previous clause allows for payment of transport subsidies for the operation of licensed vehicles. In the case of cartage of grain and fertiliser in areas where railways have been promised or existing lines closed, many vehicles are not licensed because they operate under exemptions. These subsidies are paid from moneys appropriated by Parliament and the new clause 63 specifically authorises the Minister to make those payments.

The first schedule derives its force from clause 33 replacing section 34 of the present Act. It lists the purposes for which vehicles may operate under exemption from licensing.

The only departures from existing legislation relate to—

> exemption 9 where the words, "by commercial travellers" have been inserted. This exemption is designed to allow commercial travellers to carry their samples without a license. From time to time, contention has arisen as to whether this authorises firms, such as machinery agents, to carry complete tractors and other machines under the claim that they are samples.

The second schedule sets out the maximum license fees payable for trailers and semi-trailers. This is precisely the same as the existing provisions with the exception that opportunity has been taken to correct an obvious clerical or printing error in the fee shown for a trailer or semi-trailer of a gross weight not exceeding seven tons. According to the progressive scale set out, the fee is given as £75 10s. or $151. Obviously, this was intended to be $85 10s. or $171.

Members will appreciate, therefore, that this Bill is very much the same as the present State Transport Co-ordination Act. The few changes consist of the handing over of some of the powers to the director-general. Apart from that, there has been some clarification of a number of the provisions and officers of the Crown Law Department have endeavoured to clarify these as much as possible to meet the requirements of everyday usage.

Before I conclude, Mr. President, may I apologise for wading through these clauses in the detail that was given. However, I think members will find this to be of assistance to them when comparisons are made when the Bill is being dealt with in Committee. I commend the Bill to the House.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

EASTERN GOLDFIELDS TRANSPORT BOARD ACT AMENDMENT BILL (No. 2)

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [5.28 p.m.]: I move—

> That the Bill be now read a second time.

Mr. President, I am sure you will be pleased to hear that the explanation attached to this measure is not as lengthy as that for two of the three preceding Bills.

This is one of the group of Bills constituting current legislative proposals in respect of transport co-ordination. The purpose of this Bill is merely to ensure that the Eastern Goldfields Transport Board, which administers the parent Act, shall continue to do so but subject to the Minister so far as transport co-ordination is concerned. It is considered very desirable and, indeed, necessary for the successful co-ordination of the scheme to have all associated Acts operating under unified control. In particular, this applies in matters of finance which should be under ministerial control.

There is an agreement between the Eastern Goldfields Transport Board and the State Government, under which the State Government, in conjunction with the local authorities concerned, bears the deficit on the board's operations. The deficit in respect of the financial year ended the 30th June, 1965, was borne as follows:—

State Government	$5,944
Town of Kalgoorlie	$1,982
Town of Boulder	$1,982
Shire of Kalgoorlie	$1,982
Total ...	$11,890

Occasion is taken, with the introduction of this Bill, to remove section 49 from the principal Act. This section makes reference to the Tramways Act, 1895, which is no longer applicable and is to be repealed.

Debate adjourned, on motion by The Hon. E. M. Heenan.

MARKETING OF POTATOES ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. G. C. MacKinnon (Minister for Health), read a first time.

WEST AUSTRALIAN TRUSTEE EXECUTOR AND AGENCY COMPANY LIMITED ACT AMENDMENT BILL (PRIVATE)

Second Reading

Debate resumed from the 10th November.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [5.32 p.m.]: This private Bill was introduced by Mr. Watson, and it seeks to amend the parent Act which has been in existence since 1893. The Bill has been submitted to a Select Committee and, following on its deliberations, it has made recommendations.

Briefly, the measure proposes to convert the uncalled share capital of the West Australian Trustee Executor and Agency Company Limited to a paid-up capital issue in dollars. This is in keeping with modern development among companies whereby investors in share capital do not like to feel they may have to meet an uncalled commitment, and the fact that they could be called upon to pay it at any time. This practice is also frowned upon by the Stock Exchange. Therefore, the proposal in the Bill is following a modern trend in company affairs.

In seeking to write back the amount of uncalled capital which has been a form of reserve for the trustee company over the years, the Bill proposes to substitute its freehold property as security against the claims of its clients. This will increase considerably the basic figure of such security in making a comparison between the uncalled capital and the current value of the freehold property of the company.

The report of the Select Committee on the proposals contained in the Bill is most comprehensive. I see no point in debating the measure at length, because the issue is one of principle, in that greater protection is being afforded to any person who may deal with the trustee company in question. Therefore, members can readily agree with the recommendations that have been put forward by the Select Committee.

I note that considerable expense has been incurred to bring this private Bill before Parliament. If many of these private Bills are to be brought before Parliament in the future, I was wondering if some effort could be made to make a temporary amendment to the Companies Act so that such measures could be introduced over a limited period to make them conform with the provisions of the Companies Act with a minimum of expense rather than with a maximum of expense as has occurred in this instance.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Justice) [5.35 p.m.]: In the interests of the passage of this Bill through the House, I will give some indication of the Government's point of view. The measure was fully explained by Mr. Watson when he introduced it, and I think Mr. Willesee has now covered the main points at issue. I merely reiterate that the proposals, whilst removing the restrictions of uncalled capital, will increase the value of protection afforded to any unpaid beneficiaries, in the event of a dissolution or a winding-up of the trustee company, by approximately $216,000, being the difference between the funds available under the existing provisions and the provisions that will prevail in the future.

As Mr. Willesee has indicated, the proposals contained in the Bill have been examined by a Select Committee, and its recommendations are acceptable to the Government. I support the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by The Hon. H. K. Watson, and passed.

PERPETUAL EXECUTORS TRUSTEES AND AGENCY COMPANY (W.A.) LIMITED ACT AMENDMENT BILL (PRIVATE)

Second Reading

Debate resumed from the 10th November.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [5.39 p.m.]: The principles underlying this Bill are precisely the same as those in the measure we have just passed. The only difference between the two Bills lies in the limitation of the number of shares that can be held by any member. In this Bill the share ratio is one for every 30, but in the previous Bill it is one for every 20. The rest of the clauses are entirely the same in principle as those contained in the previous Bill; the only difference being in the value of the security. There would be no point in debating the matter further, and I support the Bill.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Justice) [5.40 p.m.]: I see no reason why this Bill should not have a speedy passage through the House. As Mr. Willesee has said, its objects are similar to those of the measure that has just been dealt with, and I support the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

THE HON. H. K. WATSON (Metropolitan) [5.42 p.m.]: I move—

> That the Bill be now read a third time.

In moving the third reading of the Bill, I want to thank Mr. Willesee and the Minister for the support they have given to the measure.

Question put and passed.

Bill read a third time and passed.

MARKETING OF POTATOES ACT AMENDMENT BILL

Second Reading

THE HON. G. C. MacKINNON (Lower-West—Minister for Health) [5.43 p.m.]: I move—

> That the Bill be now read a second time.

The main purpose of this Bill is to combat illegal sales of potatoes. More severe penalties are to be introduced and provision is made also to enable evidence in connection with illegal trafficking offences to be more easily procured.

There is a financial provision also to enable the board to maintain, more efficiently, the stability of the potato-growing industry in a manner more equitable to growers.

The minimum penalty for illegal dealing in potatoes is to be raised from $40 to $50 for a first offence, and to $100 for a second offence. When a person is convicted for buying or receiving potatoes illegally from a grower, the offender is to pay, as an additional penalty, an amount equal to the wholesale price obtained by the board for potatoes of a similar quality as at the date the offence was committed.

Illegal potato trading has remained profitable in spite of existing penalties. The amendment in this Bill will render such trading a much less attractive proposition. Parliament agreed last year to a similar provision being inserted into the Marketing of Onions Act.

This measure also provides for sampling, to enable samples to be taken for use as evidence where there are reasonable grounds for suspecting unlawful sales of potatoes. Sampling will be restricted for this purpose to quantities of potatoes in excess of 10 stones in weight, with a limit of 2 lb. in respect of every 10 stones. The Potato Marketing Board considers it necessary to have power to stop vehicles for inspection in the event of reasonable suspicion of illegal trading. Similar powers were given in 1957 when growers were sending large quantities of potatoes out of the State, but there was a two-year limit set.

Another amendment affects the planting of potatoes for sale without the necessary license. It is a breach of the regulations to plant potatoes for sale except in accordance with a license. A maximum penalty of the equivalent of $40 is provided under the Act for a breach of the regulations. To date the penalties imposed by the court have not been an effective deterrent.

A recent tendency on the part of a few growers to plant substantial areas without a license has jeopardised the orderly marketing of potatoes. This Bill raises the maximum penalty for the offence of illegal planting of potatoes to $400, and more appropriate penalties may be expected in the future according to circumstances.

The financial amendment provides for the deduction from the gross proceeds of the sale of potatoes of such amounts not exceeding 1½ per cent. as the Governor from time to time declares. From the moneys so obtained, the board may credit a fund to be maintained to enable it to

make a fair return to growers when markets are deficient, and in emergent situations.

Under the Act, at present, all moneys from the proceeds of sales are distributed, leaving the board without finances, other than borrowing against future operations. No funds exist to meet emergent conditions or the vagaries of the market, and there have been instances where proceeds from sales were insufficient to finance the estimates and first payments. The board is then obliged to seek repayment from the growers or borrow money to meet the emergency, and this is a charge against future sales.

The board, to preserve orderly marketing in this State, counters the importation of cheap potatoes from the Eastern States, by providing a reduction in price on the local product. This cannot be achieved effectively without a fund from which to draw to meet such emergencies. Lately, there have been up to 40 tons per week of cheap Victorian potatoes available on the local market, and this naturally affects the sales of local merchants.

However, as any resultant action would have penalised only a section of the growers, the board, in the interests of growers generally, has resisted pressure from regular merchants for subsidies from moneys intended for distribution as a second and final payment for deliveries to the No. 3 pool.

While the board has authority under the Act to meet such situations, the objective of the amendment is to distribute equally the costs of an emergency or unusual expense over all growers, present and future, without penalising a particular section.

In 1964-65 the gross proceeds for potatoes marketed through the Potato Marketing Board were $5,229,900. It is estimated that, in respect of 1965-66, the gross proceeds will be $4,300,000, which is substantially less.

Orderly maketing in the potato industry has provided a stability necessary to both consumers and growers, and the proposals contained in this Bill are directed towards ensuring continued stability. I commend the Bill to the House.

Debate adjourned, on motion by The Hon. R. Thompson.

AERIAL SPRAYING CONTROL BILL

In Committee

Resumed from the 10th November. The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. G. C. MacKinnon (Minister for Health) in charge of the Bill.

Postponed Clause 14: Inspection of sprayed areas—

The CHAIRMAN: Progress was reported after clause 14 had been partly considered and postponed, and after clauses 15 to 19 had been agreed to.

The Hon. G. C. MacKINNON: I was requested to obtain additional information on clause 14 (4) (b), which states that at least 14 days before the crops are harvested or picked, or before the person concerned destroys or causes to be destroyed the trees, pastures, or other growth or animal life that he alleges has been so affected, he shall notify the director in writing.

Some query was raised as to the possibility of delay, and of animals suffering discomfort through having to remain in a paddock to await official word from the Director of Agriculture. It is pointed out by the department and by the Minister for Agriculture that this is a fairly complex problem, and that some effort is being made to meet the various contingencies as they arise. Obviously a farmer is culpable if he neglects the welfare of the stock under his control, and he has to answer to the R.S.P.C.A. should a complaint be made.

As I said previously, the implementation of all these provisions is tempered with reason, but reason must also be extended to the aerial spraying operators. If a farmer sees fit to destroy stock, to put them out of misery, he still has to explain his actions to the magistrate before whom an action is taken. Wherever possible a farmer should retain the stock affected. Some thought was given to setting out this provision in a more adequate manner, but on examination it was found that a very complex amendment was necessary to make much difference to the clause. It is therefore suggested that this Committee accept the assurance of the department that the implementation of this clause will be tempered with reason, and it is hoped that members will agree to the clause, as amended.

Postponed clause, as previously amended, put and passed.

Title—

The Hon. G. C. MacKINNON: May I have your permission, Mr. Chairman, to give an explanation of clause 6?

The CHAIRMAN: I will give the Minister permission to speak to that clause which deals with the control of aerial spraying.

The Hon. G. C. MacKINNON: A query was raised on the provision in clause 6 (2) which states—

> Where the person charged with an offence against subsection (1) of this section is the owner of the aircraft from which the aerial spraying to which the offence relates was carried out, that person may be convicted of that offence notwithstanding that the aerial spraying was carried out without his knowledge or consent.

It has been explained that the offence mentioned is a criminal offence and has nothing to do with aerial spraying. The owner of an aircraft must ensure that the person to whom he charters the aircraft

is the holder of a certificate. Before an aircraft can be used for aerial spraying it must be equipped especially for that purpose, and the owner of such an aircraft is bound to ascertain that the person to whom he charters the aircraft is the holder of a current certificate.

If a person, unknown to the owner, uses the aircraft for crop dusting, and that person is not the holder of a current certificate, then the owner is responsible.

The Hon. J. DOLAN: Where a person leases an aircraft from the owner, and presents the requisite certificate for the purpose of carrying out certain aerial spraying work on a property, but then proceeds to an entirely different property to carry out other work, what would be the position of the owner? Would the owner be held responsible, or would action be taken against the charterer of the aircraft?

The Hon. G. C. MacKINNON: Action does not necessarily have to be taken. This is really a matter of whether the pilot has a certificate. If the owner has ensured that the pilot has a certificate, then he would be in the clear. I would point out that it is not obligatory under clause 6 for a charge to be laid. Where the owner of an aircraft leases it to a person to undertake spraying work on a particular property, but that person goes on to spray the crop on another property, then a difficulty would arise.

Title put and passed.

Bill reported with amendments.

INDUSTRIAL ARBITRATION ACT AMENDMENT BILL

Second Reading

Debate resumed from the 10th November.

THE HON. H. C. STRICKLAND (North) [6 p.m.]: The Government's intention to abolish the quarterly adjustments of the basic wage and, in reality, to abolish the State basic wage, is something which the working people of Western Australia—not only the manual workers, but also all those whose wages and salaries are governed by the basic wage—cannot understand. They cannot understand why the Government should go to such extremes to upset a system of wage and salary fixation which has proved to be satisfactory—despite what the Minister told us—in this State for the past 40 years. No-one can dispute the fact that there have been variations between the Federal basic wage and the basic wages as they apply in the various States from time to time.

If the wages are computed on the prices of commodities, such as clothing, rent, goods, and other items, then the wages must vary from one State to another. The Minister told us that because of the many variations to the basic wage, this State finds itself in a difficult financial position. If one can interpret the mass of words and figures the Minister gave us, it means he is trying to tell us this State is not as prosperous as we know it is. No-one can deny that Western Australia is enjoying the greatest prosperity it has ever enjoyed.

The Hon. J. Heitman: Things have never been better.

The Hon. H. C. STRICKLAND: That is an absolute fact. Therefore, what financial crisis has mysteriously arisen somewhere in the Treasury, or with the Government, to bring about this extreme proposal to upset the basis of fixing the basic wage in Western Australia? One cannot find a genuine reason, no matter where one looks. In fact, one of the greatest complaints of employers, not only in this State but also throughout the rest of Australia, is that some of the new companies which have arrived in Australia to develop the country and, in particular, Western Australia, are paying over-award wages which are far too high. Some of the old-established firms say that the newcomers are upsetting the *status quo* by paying those over-award wages.

Well, of course, I suppose that over-award wages and high prices are the basis of free enterprise. No-one worries—the Government does not, anyway—if the price of shoes and clothing has doubled in the last few years, or if taxes have increased by 100 or 200 per cent. That does not worry the Government at all. What appears to be worrying the Government, according to the Minister's speech, is the fact that the Government will—in the Minister's words—have to raise taxes to pay various Government employees such as bus drivers, nurses, and school teachers.

The Hon. J. Heitman: They are not on the basic wage, anyhow.

The Hon. H. C. STRICKLAND: Mr. Heitman says that they are not on the basic wage.

The Hon. J. Dolan: They are governed by it.

The Hon. H. C. STRICKLAND: They may not be on it, but the basic wage is the basis for fixing wages and salaries throughout the State, and it has proved to be absolutely successful for the past 40 years. In 1926 the first basic wage came into effect and there has not been any financial crisis brought about by the basic wage and the manner in which it is computed, except in a man-made depression for several years from 1929 onwards.

Of course we all know that was the result of the visit of an economist, Otto Niemeyer, on behalf of the Bank of England. He recommended a 22½ per cent. reduction in all wages throughout the Commonwealth—not just the Commonwealth of Australia, but throughout the British Empire, as it was known in those days. He said that such a reduction would solve the Empire's financial problems.

The economist, of course, was proved to be well and truly out of step, because, as

everyone knows, once the money is taken out of the wages and salary-earners' pockets, there is no-one to buy bread or anything else required to keep the home going. The result is that prices fall; and on that occasion catastrophe followed for everyone.

Sitting suspended from 6.8 to 7.30 p.m.

The Hon. H. C. STRICKLAND: At the tea suspension I was referring to the reasons submitted by the Minister, when introducing this measure, to abolish the State basic wage. The first reason, of course, was, as I have already said, that the Government must raise taxes and charges in order to be able to pay bus drivers, school teachers, and such people. Of course, there were also several other reasons submitted by the Minister. The Minister said that there was no justification for two systems of wage adjustment. By that he meant the Commonwealth Arbitration Court and the Western Australian Industrial Commission. The Minister said that there should be one single wage factor.

I think we can agree with that, and Mr. Watson also agreed with it. However, the Government has chosen the authority which gives the lowest wage to the wage earner. Mr. Watson, in his remarks on the Bill, was in sympathy with the State basic wage and I must say it is the first time I have ever heard him surrender to a Commonwealth authority when he said he had decided to support this measure because of its fundamental principle of one wage. That was notwithstanding the fact that, as I have already said, the Commonwealth basic wage is always behind the State basic wage; and to accept the Commonwealth basic wage is detrimental to the wage earner.

Another reason submitted by the Minister was that if we were to achieve our aim to create additional jobs, both by expansion of existing activities and by the encouragement of new enterprises, we must seriously ask ourselves whether it is feasible under the system of a basic wage which is periodically higher than elsewhere. Of course, our experience—particularly over the last 10 or 12 years—shows conclusively that the variations in the basic wage have nothing whatever to do with any handicapping of the expansion of this State—absolutely nothing. The State has never been more prosperous and there has never been more activity in any other State, for that matter, than there has been in Western Australia.

So I suggest that reason submitted by the Minister is not substantial at all, and is absolutely without foundation. Let us look at the inference that the State basic wage is periodically higher than elsewhere. It might have been after some quarterly adjustments, but as the Minister told us, the Commonwealth wage catches up and passes the State basic wage. It passed the State basic wage in July this year. The Minister quoted the figure and he told us that the $2 rise in July this year, which was made by the Commonwealth Arbitration Court, increased the Commonwealth basic wage to $32.80.

The last September quarterly adjustment in this State increased the State basic wage, and again took it past the Commonwealth basic wage. The difference at the moment is 46c. The Minister also said that the Commonwealth would make more frequent variations. That was indicated in the July judgment of the Commonwealth court, or it was included in the remarks of one of the commissioners; but whether it will be instituted or not, is another matter.

It is rather interesting to go through the figures to see how frequently these variations have taken place since 1955, during the period of prosperity—previously unknown in Western Australia. In the 11 years from 1955 to 1966, the Federal basic wage has been increased seven times. Seven declaration have been made during the past 11 years.

There have been 16 declarations of the State basic wage during that same period. Fourteen of them have meant increases, and two have meant decreases. So we see that there are times when the State Industrial Commission reduces the wage. In fact, the amendment to the Industrial Arbitration Act in 1930 was made deliberately to reduce the basic wage in keeping with the cost of living. In 1930, when the Act was amended so that quarterly adjustments could be introduced, we find there was an interesting position.

On the 1st July, 1929, the basic wage in the metropolitan area was £4 7s. However, on the 1st July, 1930, there was a reduction of 1s., making the basic wage £4 6s. The quarterly adjustments took effect after that period and we find that by the 1st July, 1931, the wage had been reduced to £3 18s. On the 1st July, 1932, the basic wage was $3 12s.; on the 1st July, 1933, it was £3 8s.; and on the 1st July, 1934, it was $3 9s. It had begun to creep up again, but the quarterly adjustments were instituted to keep the wage in step with the cost of living.

That is precisely what happened. The court reduced the basic wage. It is interesting also to note that it took 10 years for the basic wage, with quarterly adjustments, to get back to the 1929 figure of £4 7s. It was not until 1941—that is, 12 years later—that the wage again reached £4 6s. 11d., being 1d. short of the 1929 figure.

There has been substantial control over the basic wage since its inception. It was generally thought—or denied—that an increase in the basic wage automatically increased prices. Of course, that is not so. Employers, and those opposed to the working class, have persistently argued that the dog was chasing its tail; that immediately wages were increased, prices were increased also. However, that does

not bear very close examination. I have here the report of the State Industrial Commission judgment given on the 16th November, 1965. Chief Conciliation Commissioner Schnaars had the following to say about the matter, which can be found on page 10 of the judgment:—

> If quarterly adjustments are a greater contributing factor to price increases than the less frequent movements resulting from the Commonwealth determinations, then one might expect that price movements in Western Australia over this period would be greater than other States. However, such is not the case as the following figures indicate—

He then gives a large number of price index figures, and the increased prices. I will read from the report some of the increased prices, as follows:—

	Increase Per cent.
Perth	86.5
Six Capitals	92.1
Sydney	90.5
Melbourne	94.8
Brisbane	96.4
Adelaide	87.2
Hobart	99.7

So we find that Commissioner Schnaars found, in his judgment, that Western Australia had the lowest cost index despite the much argued question of rising wages and rising prices. He goes on to say—

> Prices have increased less in Western Australia, where quarterly adjustments have been fairly consistent, than they have in other States where, in line with Federal determinations, quarterly adjustments have been abolished, and have been less than in South Australia, where a form of price control has continuously applied.

On page 13 of the judgment, when summing up, he had more to say as follows:—

> Consideration of the foregoing tables, within the limitations associated with index numbers and expression of them in money terms, indicates that over the period reviewed—
>
> (a) prices have increased less in Western Australia than in all other States, and
>
> (b) average award rates have increased in terms of "real wages" more than the Australian average.

So we see that prices here have been lower that in the other States. When Mr. Schnaars refers to the real wages, he means that the wage and salary earners are getting value for money, or better value than is the case in other States.

Mr. Kelly, one of the commissioners on the commission, also had something to say about prices. On page 33 of the judgment he states as follows:—

> It is nevertheless clear that this Commission, in the interests of the persons with whom it is directly concerned, should refrain from action which it can be said with reasonable confidence will accelerate an inflationary trend. In this regard it is useful to keep in mind the fact that a quarterly adjustment to the basic wage is not made until after a price increase has occurred.

That is fair and reasonable. The commissioner explains that if it were thought quarterly adjustments would start an inflationary trend then, of course, that matter would be taken into consideration. However, the judgment to which I have referred was a unanimous one; Commissioners Schnaars, Kelly, and Cort were unanimous in their opinions regarding quarterly adjustments, so that we find those adjustments to the basic wage have certainly not been any handicap to the development of Western Australia. The only thing that seems to be worrying the Government, or the Treasury, is that it will have to pay the bus drivers, the nurses, and other Government employees higher wages as a result of higher costs of living. But that has always been the basis.

In my opinion it is a terrible thing to abolish the basis of the wage system. This basis is similar in its application to the formula which relates to the cost of production for wheat. The basis which is used to provide a basic wage is made up of prices for a group of commodities which includes food, such as meat and potatoes, clothing and drapery, housing, household supplies and equipment, and miscellaneous items.

In the judgment to which I have referred increases applied in regard to food —meat, potatoes, and other foods. However, as regards clothing and drapery there was no alteration in the prices, and with housing, household supplies and equipment, and miscellaneous items—I do not know what they are—there were no increases in prices. One would have expected, particularly with clothing and drapery, for instance, in view of the large number of employees in stores which sell clothing and drapery, that an increase in the basic wage would have increased the cost of the goods sold.

However, the increased wage did not have any effect in that regard and the cost of wages has nothing to do with the price of meat. The high price of meat is brought about by supply and demand—overseas demand—and not wages. If one were to argue that the cost of wages has an effect on the price of meat the same argument could be applied to the price of crayfish and prawns. But the reason these commodities have disappeared from our tables is simply be-

cause of the demand from overseas markets. When meat reaches the same prices as crayfish and prawns then, of course, people will change over to eating poultry, and so these commodities find their own level. It is all dictated by the demand from overseas and the supply which is available.

We all know what happened here when we had galloping inflation following the high price of wool in the 1950-51 period. There was a terrific scramble throughout Australia. Everybody wanted to buy wool; they tried to pick up wool from dead sheep, and they tried to get it from old clothes or mattresses because the price went as high as £1 per pound. I heard members in this House expressing their regrets that the price of wool was so high. I heard pastoralists, such as Mr. Craig and Mr. Forrest who were members of this Chamber, saying that the result of the high price of wool would bring inflation and higher costs all round. They were perfectly right, of course.

The Hon. E. M. Heenan: One member showed me a cheque for £80,000.

The Hon. H. C. STRICKLAND: Had that same member shown Mr. Heenan his taxation return Mr. Heenan would have found that the Taxation Department had taken a big slice of that cheque. In cases like that, and particularly during inflationary periods, the Taxation Department takes a terrific part of the returns.

The Minister also cited the Grants Commission, and it is rather interesting to note, in regard to this judgment of November last year, what the Premier had to say regarding the Grants Commission when he introduced his Estimates in 1965-66. The Premier said—

> The Grants Commission's attitude to the State's wage policy can be summed up in this way.
>
> It does not penalise the State for paying a basic wage higher than the Federal wage, nor does it reduce the special grant because of the higher wages. The Commission simply refuses to increase the special grant in order to finance the cost to the Government of this higher wage.

As I said, that statement by the Premier was rather interesting; because we find the Minister says he is worried about the effect of the basic wage in view of the Grants Commission's attitude. But the Premier, in his submissions, indicates he is not at all worried about it. Also, in the Thirty-third Report of the Grants Commission, 1966, at page 118, item 236, the commission had this to say—

> For the differences in the levels of basic wage, service or industry grants and the Victorian State Incremental Payments Scheme the Commission has adopted a favourable adjustment for Western Australia of $462,000 for 1964-56, as compared with an unfavourable adjustment of $600,000 for 1963-64.

So members can see that the effects of the basic wage on the arrangements between the Grants Commission and the State vary also. In the year before last the State received $450,000-odd in extra payments; whereas in the previous year the State was penalised. This was probably because some other items came into the calculations, but the bulk of the items refer to other States. The effect of the basic wage on State finances, so far as the Grants Commission is concerned, is certainly not very great.

When we look at the history of the basic wage it is interesting to see that during the 40 years it has been in operation, and with all the various adjustments that have taken place, today there is a difference between the State basic wage and the Federal basic wage of only 46c. However, the terrible part about this is that if the State basic wage is tied to the Commonwealth basic wage, wage earners who are now receiving the State basic wage will wait for anything up to a couple of years for any variation in their present rate. The Federal wage is so far behind and, unlike the public servants, who were reclassified and whose extra pay was dated back to the 7th January this year, any increase in the basic wage will not be retrospective. In fact, the reverse could happen.

In this regard I should like to quote from a publication of the Institute of Public Affairs regarding the seven adjustments to the basic wage made over the last 11 years. There is a marginal reference to these on page 83 of the *I.P.A. Review* which is produced by the Institute of Public Affairs, and I shall quote from the July-September volume, 1966. The institute refers to the variations made by the Commonwealth court in 1956, 1957, 1958, 1959, and 1960. In some of those years no variations were made. For instance, in 1960 there was no variation and in 1959 it was a matter of an increase of margins only.

The main principles involved over the years 1956 to 1960 were that the annual review of the basic wage was based on the capacity to pay adopted in 1956. The established principle of separate hearings for marginal increases was continued. Then in the three years from 1961 to 1963 there was only one alteration. There was a 12s. increase in the basic wage in July, 1961, but in 1962 and 1963 there was no variation. The reference in the review to those three years is as follows:—

> Annual review based on "capacity to pay" rejected in 1961 and superseded by 3-4 yearly "capacity" reviews, with annual inquiries into effects of price changes on real wage.

So instead of having more frequent reviews of the basic wage the Commonwealth

court decided to supersede the 3-4 yearly "capacity" reviews with annual inquiries into effects of price changes on the real wage.

In 1964 there was a £1 increase in the Commonwealth basic wage and the main principle followed, according to the review, was a preference for annual reviews based on capacity to pay. In June 1965 there was no increase in the basic wage as such, but there was an increase in margins based on 1½ per cent. of the total award wage. The comments read as follows:—

> Principle of annual reviews based on real capacity to pay adopted. Notion that Commission should guarantee purchasing power of the wage (i.e. by adjustments for prices) rejected. Basic wage and margins hearings to be simultaneous.

In my opinion the Government has a sinister objective in the introduction of this Bill which is to abolish quarterly adjustments to the basic wage, and I am reading from this publication so that members might understand the situation a little better.

In July 1966, which is only a few months ago, there was a $2 increase and the comments read—

> Principle of annual wage reviews reaffirmed and total wage concept tentatively accepted. Also indicated that Commission should have regard to the purchasing power of wages as affected by price changes.

One of the most sinister proposals behind the introduction of this Bill is, I think, the total wage prospect. When the State Government abolishes quarterly adjustment to the State basic wage, and ties it to the Federal basic wage—it will be virtually abolishing the State basic wage—there will be no Federal basic wage if the latest judgment is proceeded with; there will be a total wage. But so far nobody has explained to us what the total wage means.

We do not know what it will mean, or how it will be computed. Since 1963 employers throughout Australia have been urging the Commonwealth Arbitration Court to abolish marginal adjustments, and to introduce and prescribe a total wage. The Commonwealth Government supported this in 1965. It is rather unusual for a Government to appear and make a submission to a wages tribunal, but in 1965 the Commonwealth Government made a submission to the Federal Arbitration Court along the lines I have just indicated.

This review of the Institute of Public Affairs cannot be termed a wage-earner's champion, and it, too, has always been a great advocate for one single wage. It suggests that we should do away with marginal hearings and with basic wage hearings. Although it has been a champion of that principle, however, it winds up the article without giving us any idea at all as to what a total wage means. I have not been able to find out what it means. On page 88 of this review it states—

> The 1966 Judgment suggests that the total wage concept, after being rejected in the 1964 Judgments, is now in sight of being accepted by the Commission. When the Commission last year decided that reviews of the basic wage and margins should in future take place simultaneously, we were led to comment that events were moving in the direction of the adoption of the total wage. (The concept of the total wage was first advanced by the Institute in 1960.)
>
> There still lingers, however, some confusion about the precise meaning of the concept of the total wage. It simply means, in our view, that in future wage cases the trade unions will be expected to apply for a single increase in wages and not for separate adjustments to the basic wage and margins (on grounds of capacity to pay) and that the Commission will give its determination in terms of an addition to the total wage.
>
> What seems to be puzzling many people is whether the adoption of the total wage implies the abolition of the basic wage. Clearly, the original concept of the basic wage as a minimum needs wage has long since vanished. It is applied to the lowest-paid adult male worker, but it is a theoretical rather than an actual sum because all unskilled workers now get something in addition by way of loadings. The basic wage is still, however, the standard by which margins for skill are assessed on the whole range of skilled workers.

What, therefore, is the position? As I said at the beginning of my speech, the basic wage is the basis upon which all awards coming from arbitration courts are based; and that is how it should be. The depression years—which were man-made anyway, and which caused a financial emergency—were the only time we have had a recession. Its effect was, unfortunately, worldwide. Ever since then, however, we have gone along very well. As I have said the review, on page 88, said that clearly the original concept of the basic wage as a minimum needs wage has long since vanished, and it advocates the abolition of the basic wage. In *The Australian Financial Review*, right across the front page, we find an article attacking the total wage.

Mr. Justice Taylor, who has been president of the New South Wales Arbitration Court for 24 years—and who is about to retire—took the unprecedented step of calling a Press conference in his chambers to give his views on the total wage as submitted by the employers throughout Australia; as supported by the Commonwealth and, I would say, by this Govern-

ment as a result of the measure before us. At the Press conference which he called on the 25th August, Mr. Justice Taylor said—

> The implications of this issue are tremendously serious, and the general public and the unions seem to be insufficiently aware of it.
>
> The basic wage has traditionally been the guarantee for the wage-earner that he will receive a wage to maintain himself and his family at a real standard.
>
> It is a protection for the worker who is not so strong or able to fend for himself or stand up for his rights.
>
> If the concept of determining the basic wage on the needs of a wage-earner to live decently is departed from, it will have an extremely serious effect industrially, there is no doubt about that.
>
> Mr. Justice Taylor's attack followed within hours of an address given by the Under-Secretary of the N.S.W. Department of Labour and Industry, Mr. T. J. Kearney, warning of the serious implications of the Commission's basic-wage decisions on July 8.
>
> Mr. Kearney was speaking at a dinner of the N.S.W. Industrial Relations Society, on Wednesday night.
>
> He said there was a prospect that the basic-wage concept, as a traditional cornerstone of the Australian wage system, was threatened with extinction.
>
> Mr. Kearney said the concept of a basic wage related to the needs of a wage-earner was a direct result of the application of principles of Christian philosophy to wage determinations.
>
> Its abolition would constitute a revolutionary change in wage determination in Australia, he said.

When responsible and eminent men of that standing warn the public, and the wage earner generally of the implications of the abolition of the basic wage, we should sit up and take notice. It is possible that our local Press might have had something to say about this, but I have been away at various times, and I have missed any articles that might have appeared.

In his submissions the Minister gives his reasons for submitting this Bill to abolish the basic wage, and do away with this approved system—and it has been absolutely proved over 40 years in this State to be a very satisfactory system. The reasons submitted by the Minister are very lukewarm indeed; there is no substance in them at all. It is no good the Minister saying, "We must stop this because we have to pay bus drivers, nurses, school teachers, and so on." It is of no use his saying the Grants Commission penalises this State, because the Premier has said it does not. It is of no use the Minister saying that quarterly adjustments increase costs, because our own Industrial Commission in its judgment states that wages do not increase costs.

The only reason for this, of course, is that there is an organised Australia-wide drive to place all wage earners under the control of the Commonwealth Arbitration Court insofar as the fixing of wages is concerned. When the present Commonwealth Government supports this action, and when the employers throughout Australia advocate it and press for it, one can only come to the conclusion that it is no good for the wage earner.

There are other people who must be considered, apart from the wage earner. We must consider commerce generally; particularly the small businesses in the towns. If the wage earner does not have the spending power in his pocket money certainly will not be able to circulate among the small business people. We all know that the person who pays the top price for everything is the wage earner; the fellow on the lowest wage. He pays enormous prices.

The Hon. F. R. H. Lavery: He does not get any discounts.

The Hon. H. C. STRICKLAND: Let us compare him with other people—let us even compare him with ourselves. Very often most of us know where to go in order to get a discount of 20 or 30 per cent.; or others might know where to go to get things at cost. The abolition of the basic wage will have a more far-reaching effect than immediately taking money away from the wage earner. In any case why should he be singled out. Public relations, and industrial relations, generally, in Western Australia have been excellent; there has been no cause for alarm. The economy of the State, like that of other States, has advanced to what has come to be accepted as worth while and controllable.

Our dollar is generally accepted amongst financial organisations and institutions as losing a small percentage of its purchasing capacity per annum. As long as this is up to five per cent. per annum it is regarded as satisfactory. That applies not only to Australia, but to what we know as the western world; the free world. This has not been upset in any way at all. The prices of rural products are stable and quite good. All-in-all it is difficult to agree with the Minister's arguments. We all know he is not the Minister controlling the department, and that the notes are submitted for him to read by the Department of Labour; but I must say that his remarks in support of the Bill were not at all convincing.

The statements are very weak indeed. In fact, they are astoundingly weak—too weak to warrant the extreme step of abolishing altogether a very satisfactory system of wage fixation which has applied generally

throughout this State for 40 years without any serious industrial upheavals or interruptions.

I would point out again that in our industrial court the Chief Industrial Commissioner and the other commissioners are unanimous that quarterly adjustments do not increase prices. They are in favour of the quarterly adjustments and point out in their judgment that the small businessman, who would be the most directly affected, would prefer a quarterly adjustment to one every 18 months or two years which would involve a large adjustment, which could be $2, $3, or $4, and which would have to be absorbed in one hit. This does not work out satisfactorily even from a taxation point of view.

It is most unfair, indeed, for the Government to attack the workers of Western Australia in this fashion. There is not the slightest doubt that this is a direct attack upon the workers. As a member of the Labor Party, representing the workers, I must seriously protest against this measure. I can tell farmers here that this measure will have the same effect as would the abolition of the cost-of-production formula enjoyed by farmers for the growing of wheat. What a scream there would be if that were suggested.

The Hon. J. Heitman: It is annually, though.

The Hon. H. C. STRICKLAND: The honourable member grows wheat annually, and harvests it. It is rather interesting to look through the regimen to see how the cost of production is fixed for the growing of wheat. There is a string of items listed, such as labour, petroleum products, fertiliser, seed, repairs, cornsacks, cartage, rates and taxes, insurance, rent, contract work, chemicals, motor registration, miscellaneous, depreciation, interest on farm capital and working capital, and owner-operator's allowance, even if that person is in Parliament.

When we look at those items and compare the wheatgrower with the wage earner, I would say that if one item were to be taken out, Parliament would not operate in Australia—under the present Governments, anyway. I am not saying that a Labor Government would take any of the items out, either. I must qualify my thoughts there. But it is a fact; here we are tinkering with the basic wage, saying it has to be abolished for the three reasons submitted by the Minister but which, during my speech, I think I have proved hold no water whatever. I oppose the Bill.

THE HON. F. D. WILLMOTT (South-West) [8.19 p.m.]: I rise to support this Bill. Like many other members who support the measure, I do not do so because I particularly like the provisions contained therein, but after mature consideration of all the implications, I believe the introduction of the Bill to be the sound thing to do. Mr Lavery, when he spoke, said he was sure pressure had been put on the Government by big business to fix the basic wage. I do not, for a moment, think that pressure has been put on the Government by big business. Furthermore there is no intention under this Bill to place the basic wage on a set figure. All that is intended is to tie it to the Federal basic wage.

Mr. Dolan said this move is to lower the wage of the lower income groups. Again, this Bill does not do that. It certainly does not lower the wage.

The Hon. F. R. H. Lavery: It certainly does not increase it, either.

The Hon. F. D. WILLMOTT: It could have lowered the basic wage had the Government decided to tie it to the Federal wage, at this time, because we all know the State wage now is some 46c in advance of the Federal wage. It is intended that the Sate basic wage shall remain as it is until such time as the Federal wage exceeds it, and from then on the two wages, State and Federal, will be tied together. That is clearly all the Bill intends to do.

The Hon. A. F. Griffith: As it is in the majority of the other States.

The Hon. F. D. WILLMOTT: Yes, as it is in the majority of other States, as just stated by the Minister. Mr. Dolan said the average weekly earnings in Western Australia are lower than they are in some of the States. That is understandable because of the fact that many of the top executives of the big firms are in the Eastern States, and they are the highly paid men. Furthermore, it is reasonable to assume that in the highly industrialised States there will be a bigger proportion of skilled labour and therefore more highly paid technologists. These things must have their bearing when making a comparison between the States.

The figures of the average weekly earnings for Australia as quoted by Mr. Dolan, are interesting. The figures were: New South Wales, $56.60; Victoria, $56.30; Queensland, $54.40; South Australia, $51.70; and Western Australia, $49.30. To me, the South Australian position is of interest because I think everyone will agree that South Australia is a State with very few natural advantages. The reason for that State achieving its high industrial standard is, I believe, as a result of the premiership of Sir Thomas Playford. He did a tremendous job for South Australia in the industrial field and this is reflected in the figure just quoted.

Let us have a further look at the various wage positions in each of the States. I will quote the award for fitters: Western Australia, $49; New South Wales, $44.70; Victoria, $43.90; Queensland, $43.90; and South Australia, $43.50. There we have Western Australia on top; New South

Wales running second; and Victoria and Queensland on the same level, but a little lower.

I can give some figures that interest me because there are plenty of timber workers within my province. The figures in relation to a No. 1 benchman are: Western Australia, $44.70; New South Wales, $44.70; Victoria, $43.90; Queensland, $46; and South Australia, $43.50. So in this case we have Queensland on top, with New South Wales and Western Australia equal seconds.

The Hon. R. Thompson: How do the minimum wages in the States compare?

The Hon. F. D. WILMOTT: In regard to a builder's labourer, the figures are: Western Australia, $33.80; New South Wales, $37.20; Victoria, $38.70; Queensland, $41.53; and South Australia, $39.30. So, we have Queensland on top, South Australia, second, and the others are varied.

Members will ask what I am trying to prove by quoting these figures. The answer is this: I am not trying to prove anything, but simply to illustrate the absurdity of comparing figures in this way because they certainly cannot lead one to a reasonable considered conclusion, so far as I am able to see. That is why I do not think a comparison of wages between the States leads to any conclusion. I do not think these sorts of comparison lead anywhere. I quoted these figures to demonstrate the variations there are between the States. If one wanted to do so, one could use any one of these figures to one's own advantage.

The Hon. R. F. Hutchison: That is what you are doing now.

The Hon. F. D. WILLMOTT: That is what I refrain from doing.

The Hon. A. F. Griffith: The honourable member deals in camouflage!

The Hon. F. D. WILLMOTT: Because of the variation in these figures, I used them to show that making these comparisons would lead us nowhere; and plenty of them have been made in this Chamber during this debate. With figures such as these, one can do anything or prove anything. However, to my way of thinking they really do not prove anything at all. When the Minister introduced this Bill he had this to say—

> The quarterly adjustments to the State basic wage since September, 1964, have imposed a burden on the State's Budget for 1965-66 amounting to $2,000,000, which will not be recovered in the special grant and which will have to be funded by diversion of a corresponding amount of next year's loan funds from the capital works programme.

Mr. Strickland and others have said that the State is more prosperous than ever before. That is quite true, but in a State like this that is forging ahead we cannot afford to pay moneys for wages out of loan funds at the expense of hospitals, schools, and water supplies for which there seems to be an ever increasing demand. That is a commonsense statement, but probably nothing I say will make sense to Mrs. Hutchison.

The Hon. R. F. Hutchison: That is a very true statement.

The Hon. F. R. H. Lavery: You have a very weak case.

The Hon. F. D. WILLMOTT: If we do not use loan funds for this purpose, what is the alternative? It is to increase hospital fees, increase fares, and increase other charges—

The Hon. F. R. H. Lavery: You are doing that without the alternative.

The Hon. F. D. WILLMOTT: —because the money has to be found from somewhere. We have not done it yet, but that is the alternative.

The Hon. F. R. H. Lavery: That is the weakest case I have ever heard.

The Hon. F. D. WILLMOTT: I feel that tying the basic wage in this State to the Federal basic wage will not have the dire effect predicted by members in this Chamber. The basic wage in this State, at the present time, is slightly in advance of the Federal basic wage.

The Hon. R. Thompson: Why are we in advance?

The Hon. F. D. WILLMOTT: Because of quarterly adjustments.

The Hon. R. Thompson: Because the cost of living is higher.

The Hon. F. D. WILLMOTT: At the moment the basic wage in this State is 46c higher than the Federal basic wage; but people receiving this 46c will not benefit in the long term, because they will be out of pocket as a result of other charges. Also, it is all very well for the man on the State award, but what about the 40,000 workers—or whatever the number is—on the Federal wage? They also have to pay these increased charges but they do not have the benefit of this extra 46c.

The Hon. A. F. Griffith: Isn't it a strange thing that nobody in opposition to this Bill has mentioned that fact?

The Hon. F. D. WILLMOTT: I think we all need to remember it.

The Hon. R. F. Hutchison: Will the Minister let Mr. Willmott make his own speech?

The Hon. F. D. WILLMOTT: Coming from Mrs. Hutchison, I think that remark absolutely takes the cake. If there is one member in this Chamber who does not like me and other members like me to make our own speeches, it is Mrs. Hutchison. She just loves to get in by way of interjection, and because the Minister is trying to be a little helpful, instead of the other way about, Mrs. Hutchison takes exception to his remark.

The Hon. A. F. Griffith: It is just a little more camouflage—do not worry.

The Hon. F. D. WILLMOTT: I believe that if we look at the effect of quarterly adjustments on pricing generally, such as tendering and that sort of thing, it is only commonsense that anyone pricing over a long period must anticipate a rise through quarterly adjustments. Therefore, that kind of person will price above what he normally would charge, because he fully anticipates the current price will rise through the quarterly adjustments. Therefore, in submitting tenders or other forms of pricing, he feels he must make allowance for this increase.

In my humble opinion, adjustments over a lengthier period are beneficial and, through them, we are likely to attain some degree of stability over a greater period. I think this result can only be of benefit to all concerned, including the man on wages, of whom we have heard such a lot. In my own mind, I do not believe that the differential wage in this State is really a benefit to him.

The Hon. R. F. Hutchison: That is only your opinion!

The Hon. F. D. WILLMOTT: I agree with Mr. Watson when he said he believed one wage is preferable. I agree with him in the instance he quoted that it is absurd that in one institution there could be two sets of people who are doing the same work but who are receiving two different wages. That can occur and does occur! It occurs because one set of workers is on the State basic wage and the other is on the Federal basic wage. To my mind, that is clearly an absurdity. I might also agree with Mr. Watson that it would be preferable to have our own State basic wage, with the result that we would not have to worry about the Federal basic wage. However, that is just not possible any more; it is not practicable. I think we handed away any rights that we might have had and abandoned any chances we might have had to make such a system work when we agreed to hand our major taxing rights to the Commonwealth. Last week, we heard quite long speeches from Mr. Watson and Mr. Wise on this theme. I am not going to talk on that aspect now, because I know, Mr. President, you would pull me back into gear.

The Hon. A. F. Griffith: What gear!

The Hon. F. D. WILLMOTT: However, I must say that I think the position of two wages is an absurdity and the only alternative is to do what this Bill seeks to do; that is, to tie the State basic wage to the Federal basic wage.

The Hon. R. F. Hutchison: That is only camouflage!

The Hon. F. D. WILLMOTT: I cannot see any other solution. If Mrs. Hutchison can suggest a solution, I am willing to listen to her and, I would add, I would be prepared to listen a little more quietly than she is prepared to listen to me.

The Hon. F. R. H. Lavery: Control of prices, of course!

The Hon. F. D. WILLMOTT: I have stated my views on this matter and I will leave it at this point. With those few words, I support the Bill.

THE HON. J. J. GARRIGAN (South-East) [8.34 p.m.]: It is with regret that I rise on this occasion to speak in opposition to the Industrial Arbitration Act Amendment Bill. My regret is that this Bill was ever introduced in this House. In my 12 years of service to this House, I would say that it is one of the most vicious pieces of legislation introduced into this Parliament, or, for that matter, into any other Parliament; it is an affront to the English-speaking Commonwealth of Nations.

The other evening I heard Mr. Willesee make an excellent speech in which he deplored the action of the Government in introducing such legislation; Mr. Willesee spoke on behalf of the working class people of Western Australia. Immediately following, one of the Ministers introduced a Bill to increase third party insurance by 50 per cent.

The Hon. L. A. Logan: I did nothing of the kind.

The Hon. J. J. GARRIGAN: To my mind, this is only one-way traffic.

The Hon. A. F. Griffith: Of course he didn't introduce the measure, as you have suggested.

The Hon. J. J. GARRIGAN: I suggest the Minister will have his say at a later date. If the Government is going to peg the basic wage, why does it not peg rents? Why should it not peg everything else which goes to make up the basic wage?

The Hon. A. F. Griffith: Why not get your facts right?

The Hon. J. J. GARRIGAN: Why should the Government make this imposition on the working people of Western Australia, who are the very salt of the earth, and who are the people who are producing something for the benefit of Western Australia? The working class people are the people who are responsible for the economy of Western Australia.

Every time a Minister of this Government rises to his feet he states most emphatically—and these comments are repeated in the Press—that Western Australia is bursting at the seams; that Western Australia's economy is bursting; and that Western Australia is bursting with prosperity! But where has the prosperity gone? Evidently the burden of prosperity is being imposed once again on the working class people of this State.

The Government's endeavours to meet the Budget—or whatever it may be—are, I would say, the reason for the pegging

of the basic wage by not allowing any increase through quarterly adjustments. Quarterly adjustments are to be denied, yet rail freights have gone up, bus fares have gone up, hospitalisation has gone up by something like 50 per cent., third party insurance has gone up, and there are many other items which could be enumerated. In fact, every Bill which is brought before this House is either a taxing or a restrictive measure.

The Hon. A. F. Griffith: That is not right and you know it.

The Hon. J. J. GARRIGAN: Under the arbitration system, the working class people of this State received some quarterly wage adjustments. For the past few years, the arbitration system has consisted of a three-man commission, and this commission was instituted by this Government, and the commissioners were selected by it. To my mind, this was a very good set-up. When I say this, I am speaking on behalf of the industrialists and other people in Kalgoorlie and on the goldfields. They were quite happy with this system, but evidently something went wrong somewhere along the line; somewhere, there were people who were opposed to the Industrial Commission.

The freezing of the basic wage is not British justice. Such a measure is something we would expect from far beyond our shores. This piece of legislation takes my mind back to the history of the old days—long before arbitration was introduced—that is, back to the shearers' strike of 1890. The only justice those people could hope for was that which was achieved by direct action. We do not want that to happen again. My mind goes back to the "John Browns" of the coalmines. They received justice only by direct action. Many people in industry, and everyone in this House recognises the fact that we do not want to lower the standard of our living.

Mr. Ron Thompson will support me in what I say when I refer to the wharf strike in 1917 when a man lost his life fighting for wage adjustments in Western Australia. Those are the things which will happen again if this legislation is passed. Mr. Strickland is not in this House at the present moment but he was a shearer at the time of the shearers' strike of 1921, when there was no legal arbitration. Arbitration, such as it was, took place between the pastoralists and the shearers. That was a disgraceful set-up! I would refer to a later situation—and the Minister for Mines will recall this—and, that is, the six weeks' strike on the goldfields in 1934, whereby these people obtained justice and the wage adjustments pertaining only by direct action.

With your permission, Mr. President, and with the tolerance of this House, I would like to read one or two very small articles. The book I am referring to is called, *Modern Economic History*, with special reference to Australia. The section I would like to quote is headed, "Extent of Wages Control" and it reads as follows:—

> From 1900 onwards the machinery for wages regulation was rapidly built up throughout the Commonwealth, and the awards of boards and courts were applied to over half the wage and salary earners of the continent. In 1919 there were about 1,260,000 employees in Australia, of whom over 600,000 were working under State awards, determinations and industrial agreements. If to these we add workers affected by Commonwealth awards, then we may assume nearly three-quarters of the employed population came under the wing of wages regulation.
>
> This regulation was in the hands of five industrial courts and over 500 boards. The number of boards in existence grew from 484 in 1913 to 518 in June 1920; the number of awards and determinations in force grew during the same period from 575 to 970, whilst the number of industrial agreements arrived at between employers and employees and then given legal force rose from 401 to 1,011.
>
> Regulation spread over an even wider field of employment. At first only sweated workers were to be dealt with, but as the trade unions decided to fight their battles by peaceful means, the big manufacturing, mining, rural and transport occupations were included. For a long time, however, salary earners were generally untouched by any award, but recently this distinction has begun to melt away, and the tendency today is for all employees, whatever their occupation and status, to be regarded as fit subjects for regulation. Musicians and journalists have secured awards; in 1917 the Queensland court gave an award for miscellaneous workers, which included vergers. The salaries of employees in the professions have generally been regarded as being beyond the scope of State regulation, and some years ago the New South Wales court refused to deal with any amount over £225 per annum. This idea has been abandoned; the New South Wales Arbitration Act of 1918 provides for the regulation of salaries of civil servants up to £525 a year; in April, 1918, the Federal Arbitration Court made an award for professional officers in the Federal Public Service by which minimum rates, ranging from £98 to £1,000 per annum were fixed. In 1920 an agreement between the banks and the Bank Officials Association was filed by the Federal Court, and the New South Wales Parliament asked a judge to make

representations relating to the salaries of its members and Ministers.

Now we come to the most important part, which I think will be of interest.

The Hon. H. R. Robinson: What are you quoting from?

The Hon. J. J. GARRIGAN: I will quote it again.

The Hon. H. R. Robinson: I do not want you to quote it again; I just wondered where you were quoting from.

The Hon. J. J. GARRIGAN: I was quoting from *Modern Economic History*, with special reference to Australia, written by H. Heaton, M.A., M.Com., D.Litt. I will not read much more from this publication, but I think it would have great application to the Government's proposed action to destroy quarterly adjustments to the basic wage.

The PRESIDENT: I would suggest that the honourable member connect his speech to the Bill before the Chamber.

The Hon. J. J. GARRIGAN: Mr. President, I am endeavouring to do that. I am merely outlining a little history to indicate how the basic wage started and how workers obtained justice by the application of quarterly adjustments to the basic wage throughout Australia. With your permission, Sir, I will read a few more lines from this book which I think are very pertinent to the argument for the retention of quarterly adjustments to the basic wage in Western Australia. The following is taken from page 184 of this book:—

> Principles of Wages Regulation.—The Living Wage.

In considering the case for quarterly adjustments to the basic wage, what I am about to quote is very important, and I endorse everything this author states. Continuing the quotation—

> In the search for some guiding principle which would help in assessing the minimum rates of pay, wages laws gradually passed from the "reputable employers" clause to the living wage. In Tasmania the reputable employers clause, embodied in the 1910 Act, was repealed in 1911, and boards were left free to fix whatever rate they thought "fair and reasonable."

I think the fixing of quarterly adjustments should be at least fair and reasonable. Continuing—

> Two years later, however, the industrial court was established and was forbidden under any circumstances to fix less than a living wage—i.e., a wage sufficient to meet "the normal and reasonable needs" of the average citizen in a particular locality. This principle, which has been adopted in Queensland, New South Wales, Western Australia, and the Federal Court, was probably first defined by Sir Samuel Griffith before the N.S.W. Strike Commission in 1891, when he declared that the "natural and proper measure of wages" could "never be taken at a less sum than such as is sufficient to maintain the labourer and his family in a fair state of health and reasonable comfort."

If this Bill is agreed to, I fail to see how any member of the labour force of Western Australia will enjoy a reasonable and fair standard of living, because everywhere we look we find that there have been increases in rentals, taxes, and the cost of living generally.

The Hon. A. F. Griffith: What about those people on the Federal basic wage?

The Hon. J. J. GARRIGAN: They will eventually be affected in the same way. Would the Minister, as a member of Parliament, upgrade them in any way? Of course he would not! Would the Minister agree that we, as representatives of the working class of Western Australia—who, as has been said already, are the salt of the earth—would deny them their just rights? The Government will decide what the basic wage in Western Australia will be. The Government, of course, has every opportunity to do so. We had an Arbitration Court in this State which did not suit the Government so it did away with that court and established a three-man Industrial Commission. However, apparently the decisions made by that commission do not suit the Government either, and in future the Government will be the adjudicator on what the basic wage in Western Australia will be.

A further quotation from this book reads as follows:—

> This "natural minimum wage" would have to be determined by the law of averages, and since the average family consisted of man, wife, and three children, the minimum must be sufficient to keep these five people. The first official enunciation came from Judge Heydon in the Sydney Court in 1901. His standard was "that every worker, however humble, shall receive enough to enable him to lead a human life, to marry and bring up a family, and maintain them and himself with at any rate some small degree of comfort." Six years later Mr. Justice Higgins gave as his standard "the normal needs of the average employee, regarded as a human being living in a civilized community."
>
> The acceptance of the living wage principle implies a careful estimate of what are normal and reasonable needs, and the contemporary cost of meeting those needs; in other words, the fixing of a line below which any existence could be regarded as permanently impossible. At the very least, the estimate should make allowance—maybe frugal—for rent, clothing, food, light, and fuel. In addition, it should provide for a news-

paper, payments for friendly society, insurance and union, travelling expenses, and some amusements. To what extent these latter items, and such others as savings, furniture, holiday expenses, etc., should be considered is a matter for some dispute in fixing a bed-rock living wage, but they cannot be excluded from any assessment of the "normal and reasonable" requirements of a family in these days. Finally, the calculation should assume that at least two children, as well as a wife, have to be maintained from the male adult's earnings.

Having fixed this absolute minimum for the unskilled worker, two questions have then to be considered. Firstly, what additions are to be made to allow for different degrees of skill, the need for special training, the amount of responsibility resting on the worker's shoulders, the disagreeable, unhealthy, dangerous or casual character of the work, and the value of overtime or night work? To some extent all these aspects have been dealt with in different awards, though whether each has been given its proper importance is a matter to be discussed later. Secondly, if a basic wage is carefully calculated on the evidence of existing prices, is any increase in the cost of living, as recorded by the Commonwealth Statistician, to be followed by a proportionate increase in the basic wage? This idea has been accepted by the courts, and since prices have been increasing ever since the courts came into existence the basic wage has been raised on several occasions. In South Australia the rate was fixed in 1908 at 7s. a day; it was raised in 1913 to 8s., but in view of the war and drought all attempts to secure any further increase were unavailing until 1916, when 9s. was fixed. Further increases in 1918 and 1920 brought the rate up to 12s. 6d. In the Federal Court a living wage of 7s., fixed in 1907, was raised to 8s. in 1913, and to 13s. 8d. (for Melbourne) in 1920. Judge Heydon (N.S.W.), who was the first to formulate from the bench the living-wage principle, made an exhaustive investigation in 1913, as a result of which he decided that 48s. a week was essential for a man, his wife, and two children. Times were prosperous, and the judge regarded it as right that the living wage "should go up and down with the Commonwealth Statistician's tables of changes in the purchasing power of the sovereign." By 1915 this formula entailed a basic wage of £3 3s., but the judge deserted his own principle, fixed £2 12s. 6d. as the most he dare assess, and referred the whole matter to the government. In his opinion there was a limit to the correlation of the living wage and the cost of living; under such an arrangement higher wages caused higher prices, which in turn made still higher wages necessary, and so prices and wages danced round after each other in a merry but vicious circle. The 1918 Act adopted the principle of periodical adjustment by establishing the Board of Trade to make annual assessments; hence by 1920 the basic wage for New South Wales had been raised to £4 5s.

Those extracts are taken from a book which has been very well written, and the subject dealt with has been given a lot of thought. Without reading any further quotations, my final comment on the Bill is that by pegging the State basic wage and abolishing quarterly adjustments Government departments will suffer mostly. Employees in these departments do not have a tendency to work very hard, because no incentive payments and no overtime rates are paid. There are many other jobs in life, such as on a farm, and it is common knowledge that a labourer will do his best work if he is given additional incentive. Therefore, I can see that, in the future, in those positions controlled by the Government, it will be found that those occupying them will not be doing their best because of a lack of incentive.

In summing up my remarks on this Bill, I maintain that the people I represent—that is, the wage earners who, as has already been stated, are the producers of the wealth of Western Australia and the very salt of the earth—deserve at least British justice. However in this legislation they will get no justice whatsoever and for that reason I strongly oppose the Bill.

THE HON. R. THOMPSON (South Metropolitan) [8.59 p.m.]: The last time I spoke at length on a measure similar to this was, if my memory serves me correctly, at 3.52 a.m. on Wednesday, the 27th November, 1963. On that occasion I expressed my doubts on the wisdom of amending the Industrial Arbitration Act as we knew it to bring about the new conditions that we now have.

In some respects I admit that time has proven that I was wrong, and some of the things I had forecast have not come to pass in the way I thought they would; but on this aspect the pegging of the basic wage of Western Australia to the Commonwealth basic wage is in line with the thoughts I expressed on that morning in 1963. At that time I claimed it was the intention of the Government to bring down the wages mainly to attract industry to Western Australia, and to make it a low-wage State. In some respects that has turned out to be correct, as I shall prove by some figures.

The Hon. F. R. H. Lavery: Mr. Willmott said figures did not count.

The Hon. R. THOMPSON: When Mr. Willmott spoke I thought he was referring to figures as figures, but as he proceeded he tried to make out that figures were lies; further on, that those lies turned into damn lies; and that they then turned into statistics. That is a fair summing up of the figures we have heard and the excuses which have been given from time to time, as to why taxation measures had to be introduced. All statistics can be twisted to the advantage of the Government as a reason why some tax should be imposed.

On the 21st November, 1963, the Minister for Mines had this to say when he introduced the Bill to amend the Industrial Arbitration Act:—

> The provisions relating to the fixation and quarterly adjustments of the basic wage remain unchanged, except for the substitution of the commission in court session for the Court of Arbitration as the tribunal to exercise this power.

This was said only a week short of three years ago. The Minister said the only alteration that would be made to the fixation of wages in Western Australia was that the Industrial Commission would take over from Mr. Justice Nevile, the President of the Arbitration Court.

In introducing the Bill before us the Minister had this to say—

> I think there would be no doubt in members' minds as to the reasons for the introduction of this measure. Nevertheless, I should emphasise that this Bill does not seek to fix the basic wage and deny increases in that wage to workers in this State.

The fears which I expressed in 1963 are coming to pass. This is the first time since 1931 that there has been political interference with, and control of the basic wage for a period of time. No-one can dispute that. The increases which followed Commonwealth determinations were few and far between, and I think there were seven adjustments in 11 years. Western Australia is at present 46c ahead of the Commonwealth figure. Under this Bill applications will have to be made to the Federal court for adjustments, and much research, time, and money will be involved in taking cases before the Federal court. From time to time determinations were made, and the last increase was $2 a week.

I have listened to the speeches of the various members who have taken part in the debate on this Bill, with the exception of the contribution of Mr. Watson when I was unavoidably absent from the Chamber. The Government members claim they do not like the contents of the Bill, but they are prepared to accept them because there is no other way out. I could not make any sense out of the contribution of Mr. Willmott.

The Hon. A. F. Griffith: That does not mean the contribution was not sensible.

The Hon. R. THOMPSON: That might be true. Mr. Willmott said that the State basic wage should be tied to the Federal basic wage, so that estimates of expenditure for the forthcoming 12 months can be budgeted for and kept within the estimated figures. That was what he intended to say, but it is an utterly ridiculous statement because we know that the Treasurer in bringing down the Estimates for any year can presume to know to some degree the probable increases in the basic wage, by taking into account the increases in or the stability of that wage over the past 13 years; and he can see the trends in production. Further, he has the advice of trade missions, and his departmental officers can give an estimate of what increases might be granted during the period. The Treasurer could introduce the Estimates for the forthcoming 12 months, and the Federal basic wage could in that period be increased by $2 or $3 a week; so that blows the argument of Mr. Willmott to pieces. When the last increase of $2 a week was granted, the court said it hoped that reviews would be made more frequently in future.

The Hon. A. F. Griffith: If that is the case then you concede the wage in this State would be nearer the average than in most other States?

The Hon. R. THOMPSON: I will deal with that in my own time.

The Hon. A. F. Griffith: Why not now?

The Hon. R. THOMPSON: I will in my own time. I have never failed to deal with anything which I undertook to explain. Much has been said about what the Grants Commission does, can do, and will do. I refer to what the Treasurer had to say in 1965, and this is recorded on page 1156 of the 1965 *Hansard*—

> It does not penalise the State for paying a basic wage higher than the Federal wage, nor does it reduce the special grant because of the higher wage. The Commission simply refuses to increase the special grant in order to finance the cost to the Government of this higher wage.

By using the excuse that a balance can be maintained with teachers and other employees who impose a burden on the economy of the State through the fluctuation in the basic wage the Minister said—

> As a consequence of the substantial differentials which have arisen from time to time, the Government has had to increase taxes and charges in order to meet the cost of quarterly adjustments to the State basic wage received by such employees as bus drivers, nurses, and school teachers. The Government has had no alternative but to do this as its main sources of income arise from taxes and charges. Indeed, the private employer is in no different a position. He can absorb to some

extent these regular increases through higher productivity, but in the end, must increase his prices or go out of business.

The Government is a business, and can budget for a deficit or a surplus in any year. This Government is not so inept that it cannot budget for a surplus, so that increases in the wages of Government employees can be taken care of.

The Hon. A. F. Griffith: Do you know what happens when a Government budgets for a decifit?

The Hon. R. THOMPSON: I have read about this, but I have not had personal experience of it.

The Hon. A. F. Griffith: You made a bald statement.

The Hon. R. THOMPSON: A deficit has to be met from the loan funds of the following year.

The Hon. A. F. Griffith: It is sensible to say that the money has to come from somewhere.

The Hon. F. R. H. Lavery: But not from the basic wage earner.

The Hon. R. THOMPSON: At least one section of Government workers has written in strong terms to the Minister for Labour who was in charge of this legislation in another place. On the 3rd November, 1966, the State School Teachers' Union wrote to the Minister in the following terms: —

> On behalf of the six thousand members of this Union I wish to express, in the strongest terms, their disquiet at the action of the Government in legislating to abolish the principle of quarterly adjustments to the State basic wage. It has long been a principle of wage fixation in Australia that there should be no political interference with the arbitration system. There have, it is true, been serious departures from this principle in recent years both at the Commonwealth and State levels. It is distressing to find that the Government of Western Australia has thought it expedient to follow the unfortunate example of other Governments and abandon a principle fundamental to the whole concept of arbitration.
>
> It appears that the Government can find a solution to its economic and financial difficulties only at the expense of the wage and salary earners. This is the first occasion since the depression days of the early "thirties", the war years excepted, that a Western Australian Government has interfered in such a way with the jurisdiction of the arbitration authority. You will recall that the yearly adjustments to the State basic wage then operative were changed to quarterly adjustments because prices were falling. It was unpalatable to the then Government that wage and salary earners be allowed the benefit of the fall in prices for annual periods. Now when there is no depression and prices are rising this Government seeks to prevent wages from catching up with prices at quarterly intervals. The Government's often reiterated claim that it is opposed to any form of price control becomes meaningless when it legislates for this sort of wage and salary fixation.
>
> Before the legislation is passed by the Legislative Council this Union urgently requests the Government to reconsider the whole matter.

A reference was made in that letter to the political interference in 1931. That was by the Mitchell Government. During the depression which hit not only Western Australia, but also the rest of the world, prices fell. Some of us remember those days, although probably the younger members do not. The Government of the day saw fit to interfere at that stage, and after a period of eight years during which no major adjustment had been made to the basic wage, the Government instigated quarterly adjustments.

That is when it started, and it was started because prices were falling. The Government found it necessary to protect the employer interests. It did not submit the argument the Minister has submitted now—that the Government could not budget because of the fall in prices. The Government adjusted the wages quarterly to follow the prices down. That situation continued for a number of years, as has been demonstrated by various speakers already. I do not want to weary the House by repeating figures which have already been quoted.

That situation obtained for a number of years following the depression period, and in the early 1940s, wages started to increase. Since that time the increases in the wage have followed the increases in the prices. The wage earner has been three months behind the prices all the time. At the present time the State basic wage is 46c above the Commonwealth basic wage, but possibly—and this is conjecture —it is 30c or 40c below the true cost-of-living figure in Western Australia at present.

If we study the adjustments made over the years, we will find that the major increases have taken place in the last quarter of every financial year, and it is therefore reasonable to assume that in three months' time, following the recent 25c increase, if the commissioners still had power to set a basic wage, a further increase would be made.

But no! This wage is to be tied to the Commonwealth basic wage. We will have to wait for the Commonwealth basic wage to be increased beyond our basic wage, before the workers here will receive an increase, despite the fact that prices here will undoubtedly increase in the meantime.

When introducing the second reading of this Bill, the Minister stated that there were some 40,000 workers in Western Australia under Federal awards. I have obtained some figures in regard to this matter, and subsequently I ascertained that a Liberal member in another place also obtained figures, and, by a strange coincidence, his figures agree with the ones I obtained. The figure in both cases was 6,000 fewer than the figure the Minister quoted. Mr. Elliott, in another place, said that 34,000 workers in Western Australia were under Federal awards, and that was the information I obtained.

Therefore, out of the total work force of 248,000 in Western Australia, 214,000 will be directly affected by this vicious legislation. I use the word "vicious" because the Minister used it when he was introducing the Bill, but he used it in a different context. He said that it was a vicious circle which had to be remedied so that the State could budget. I say, in the true sense of the word, that the situation is vicious because every worker, irrespective of whether he is a minimum wage earner, whether he receives some type of award allowance, whether he be a tradesman, or whether he be a school teacher or in some other professional class, will be affected.

My sympathy, in the main, is for those people in the lower wage bracket. It is no good anyone saying that there are not many people in the lower wage bracket in Western Australia, because we have the lowest average minimum wage. I hope that is correct. I had better check it, but I think we have the lowest average minimum in Australia. If we do not have the lowest, we are not too far from it. When I asked Mr. Willmott about the lowest average wages, he did not know.

I have here an official document. It was in the matter of the Industrial Arbitration Act, 1963, and concerned the basic wage quarterly review. It was brought down on the 16th November, 1965, which is just one day short of a year ago. Mr. Schnaars, who compiled this table, gave the weighted average minimum weekly award rates for adult males, and he compared the groups from 1963 to June, 1965. Excluding overtime, all figures combine both State and Federal determinations.

According to this document, the following were the average minimum weekly weighted wages:—

	£	s.	d.
Western Australia	19	12	10
Australia	20	0	0
New South Wales	20	4	0
Victoria	19	16	2
Queensland	20	8	6
South Australia	19	7	11
Tasmania	19	17	9

I was wrong. South Australia was the lowest by 50c. Members can see, if we are to rely on figures—and I take these figures as being authoritatively compiled—that the difference in earnings increase over the increase in award rates was—

	Per Cent.
Western Australia	8.2
Australia	5.0
New South Wales	6.2
Victoria	3.2
Queensland	5.0
South Australia	6.4
Tasmania	0.8

In whichever way we like to attack this question of minimum wages, we find that Western Australia is the second lowest wage State in Australia, and this proves my point that not all people enjoy this success and leap forward which is claimed for Western Australia. I could produce many newspaper cuttings and advertisements which refer to this leap forward. If this be correct, why is it necessary to peg the basic wage in Western Australia to that of the Commonwealth? If these royalties which are published from time to time will be received from iron ore export, and land development, production, and everything is on the up and up, why should the person who can least afford to pay, have the increased charges levied on him?

A recent increase has been made in connection with hospital charges. A person with three, four, or five children—and there are many families in that category—first of all has to take out hospital benefits or, through a lodge or friendly society, some form of insurance for his family. I recently increased mine, and I am not in the top bracket by any means. However, my increase was exactly 100 per cent. and even that does not give me the complete coverage that is possible. To protect his family against sickness, a man must pay at least one dollar a week. On top of that we know that payments are not made forever by these various organisations. If a person suffers a long illness, he has to meet extra charges.

Many taxing measures will be before us shortly, and these will reflect on the cost of living, even in connection with a drink of beer, which is a pleasure. If a person owns a motorcar in order to give some enjoyment to his family, he will be taxed further through his license and insurance. Over a period of years, the driver's license fee has been increased 500 per cent., and I am not saying that it will stop there. It will possibly be dearer in future if this Government stays in office. No matter what angle of family life we consider, and this includes the necessities for every-day living, we find that a tax or burden is being placed on all sections of the community.

This is unfair and unreal. The wages should not be pegged, especially when the Government is maliciously introducing taxing measures before the wage earner has had an opportunity to adjust and before the Government has made a review

to see whether the wage earner can live and maintain a family decently on a pegged wage.

Mr. Willmott praised Sir Thomas Playford in South Australia. At least Sir Thomas Playford does deserve a little praise because at all times he had the courage to do what this Government has not had the courage to do; that is, to exercise some form of price control.

Much has been said during the course of the debate, about the average weekly earnings. The following are the figures I have obtained in this connection, from Mr. Schnaar's document:—

	$
Western Australia	25.76
Australia	27.91
New South Wales	28.92
Victoria	28.69
Queensland	26.07
South Australia	26.08
Tasmania	26.21

There again, the average weekly earnings for the males throughout Western Australia were still the lowest in the Commonwealth. It might be good to refresh members' minds on the section which is being amended. It is subsection (3) of section 123 of the Industrial Arbitration Act which reads as follows:—

> (3) In determining the basic wage, the Commission shall take into consideration—
>
> (a) the amount which the Commission deems sufficient to enable such average worker to live in reasonable comfort, having regard to any domestic obligation to which such average worker would be ordinarily subject; and
>
> (b) the economic capacity of industry and any other matters which the Commission deems relevant and advisable but so as not to reduce the basic wage below an amount deemed necessary by the Commission to meet the requirements of paragraph (a) of this subsection and determined without regard being had to the matters mentioned in this paragraph.

So the commission had the unfettered rights and powers to declare a wage, not necessarily based on whether industry can pay this wage—but to take that into consideration—so that a man and his wife and family could live decently or reasonably on the wage paid to him. That section was put in the Act just three years ago and now, through some change of circumstance, possibly through some extravagance by this Government, the basic wage is to be pegged. Have the big business people, who have been the benefactors, been prevailing on the Government and saying that they will establish works at this cost to the State? Has the cost been to Western Australia greater than we, even as members of Parliament, realise?

It seems to me to be unrealistic because when the Minister introduced this measure he claimed that it was because of a perilous situation in the other States; and that was the reason the wage had to be fixed in this State. The Minister said we had to fall into line with the Commonwealth.

The Hon. A. F. Griffith: I think it will be agreed that is the context of what was said. I did not say "perilous," but you are making the speech.

The Hon. R. THOMPSON: I think it is pretty right to say that is what the Minister's statement conveyed. From time to time I have listened to many economists, and no doubt when Mr. Watson and Mr. Willmott said they did not like some of the provisions in the Bill, they said that for very good reasons.

As I have already pointed out, anyone can plan a budget for a year, but if the Commonwealth Government decides to increase the basic wage by $2, then the Government, businesses, and everybody else, has to increase charges straightaway. I have spoken to some employers who are not in favour of this legislation.

The Hon. A. F. Griffith: They would be the ones who did not put pressure on the Government!

The Hon. R. THOMPSON: I did not say that.

The Hon. A. F. Griffith: No, but it has been said.

The Hon. F. R. H. Lavery: I said it.

The Hon. R. THOMPSON: Some businessmen—mainly importers—said that they are in favour of it, but the local manufacturer is not in favour of this type of legislation. The economists throughout the world—certainly we do not know about socialist economy and it would possibly be better if we did—consider it an ideal social climate where there are either increases or decreases of 2 per cent. to 3 per cent. over a period of years.

This act can only inject inflation when large basic wage adjustments are made. Even under the provisions of this Bill, we will find there are variations when adjustments are made, whether they be annually or biennially. Those adjustments will have an inflationary effect. I will quote from the judgment as follows:—

> Quarterly Adjustments and Price Movements
>
> The question whether frequent adjustments by means of quarterly movements of relatively small amounts contribute to price increases to a greater extent than adjustments of larger amounts at annual or less frequent intervals is one on which no definite conclusion appears possible.

However, it is of interest to compare price movements in W.A., where quarterly adjustments have been fairly consistent, with those of other States coming under Federal jurisdiction, where less frequent and larger wage movements have occurred.

Taking the 1950 basic wage as the starting point, that being a time when all basic wages throughout the Commonwealth were increased by approximately the same amount, and could be related to the September Quarter index figures, the situation is as follows. In W.A. the basic wage was then £8 6s. 6d. and since that date there were ten variations of a quarterly basis up to and including August, 1953, and, including the present adjustment, 32 movements on a quarterly basis since 1953, making a total of 42 variations. These adjustments, including a very slight addition to real wages following the General Inquiry of last year, have increased the basic wage to £15 19s. 7d., an increase of £7 13s. 1d.

The judgment then gives the percentage increase in prices as indicated by the consumer price index. The increases for the capitals were as follows:—

	Increase Per cent.
Perth	86.5
Six Capitals	92.1
Sydney	90.5
Melbourne	94.8
Brisbane	96.4
Adelaide	87.2
Hobart	99.7

So it can be seen therefore that even with 42 adjustments to the basic wage, we still have the lowest percentage increase of the six States. The judgment goes on to say—

> Prices have increased less in Western Australia, where quarterly adjustments have been fairly consistent, than they have in other States where, in line with Federal determinations, quarterly adjustments have been abolished, and have been less than in South Australia, where a form of price control has continuously applied.

The judgment goes on and on for many pages, and I will not weary the House by reading them. A short while ago I said that the Minister made certain statements when introducing this measure, and those statements have now been found for me. The Minister stated as follows:—

> In June, 1966, the Federal basic wage was increased by $2 and the States of New South Wales and Victoria are experiencing great difficulty in finding the money to pay for this rise.

This bears out my argument because it is sudden jumps which the economy cannot afford.

The Hon. H. K. Watson: It is like coming from the ground floor to the first floor by either the steps or the lift.

The Hon. R. THOMPSON: That is right. The Minister continued—

> Because our cost levels had increased by $1.85 before June, 1966, our situation at that time was comparable with that in the States mentioned. However, a further increase in the State basic wage of 61c as from the 2nd August, 1966, has meant a total increase since September, 1964, of $2.46.
>
> It should therefore be readily appreciated by members that we are now in a position much worse than that existing in New South Wales and Victoria where the situation has been described as critical.

I do not know what difficulties there are in those States, but I do know that quarterly adjustments in Western Australia will be discontinued. So people are to be disadvantaged for 12 months without some form of price control, or without the pegging of rents—which is possibly the most serious aspect of price increases in Western Australia. I am not referring specifically to increases that have been made by the State Housing Commission, because there is provision with State houses whereby some relief can be obtained by people in the lower wage bracket if they have a large family to support. Even though I do not agree with the increases which have been levied by the State Housing Commission, the formula is available.

But let us look at the position as regards the letting of houses by private people. Last Saturday I had a classic example of what happens. I had a case where a man, his wife, and two children were cast onto the street. They had nowhere to live and the wife and the two children eventually stayed at a motel for two nights. They then had to go to the Little Sisters of the Poor while the husband slept in a park somewhere. I endeavoured to get them accommodation. I rang several phone numbers and it was incredible to see the sort of accommodation for which people were asking £8 and £10 a week.

The Hon. F. R. H. Lavery: To see what they are offering for it is worse.

The Hon. R. THOMPSON: To see what is being offered for that rental would make one's hair stand on end.

The Hon. A. F. Griffith: Did you say these people were cast out of a State Housing Commission home?

The Hon. R. THOMPSON: No.

The Hon. J. Dolan: He said they were cast out of a house.

The Hon. R. THOMPSON: I said they were cast out of the place in which they had been living.

The Hon. A. F. Griffith: Do you know why they were cast out?

The Hon. R. THOMPSON: They were living with relatives and there was some family disagreement. I took this up with the commission but because they are migrants, and have had their application for a house in for only six months they are way behind. That is still the situation as far as I know.

The Hon. A. F. Griffith: That seems reasonable to me—that they should await their turn.

The Hon. R. THOMPSON: It seems reasonable to the Minister?

The Hon. A. F. Griffith: Yes.

The Hon. R. THOMPSON: It would not seem reasonable to him if he were the father of two children and had nowhere to live and was forced to sleep in a park somewhere.

The Hon. A. F. Griffith: Would it seem reasonable to you that they should get a house ahead of people who had been waiting for some considerable time—a lot longer time than they had been waiting?

The. Hon. R. THOMPSON: If the Minister wants to sidetrack me into an argument on this question, I am prepared to be sidetracked because I feel very strongly about this case—so strongly that I was prepared, because they have no money, to go and rent a house for them myself.

The Hon. R. F. Hutchison: But we ought to have houses for people like that.

The Hon. R. THOMPSON: I inspected several of the houses which were advertised for rental but not one of them would come up to the worst State Housing Commission home in Western Australia. State Housing Commission homes would be mansions by comparison with what is being offered for £7 or £8 a week by private people. I saw accommodation behind a disused shop —probably the premises should have been condemned—and the rental was £3 10s. a week for two rooms which were in a filthy condition. It is the people who are on low incomes who have to wait their turn, as the Minister says. This man is on £18 a week. He is a refrigerator mechanic and he has a wife and two children. How can that man afford to pay £7 a week for rent, in addition to all the extra charges that are involved because of our way of life? It is impossible; and there are many people in Western Australia who are in a similar position. Do not let us think that all the people are getting the salary of a member of Parliament. They are not. Mr. Willmott quoted figures for what he said were some of those in the lower wage bracket.

The Hon. R. F. Hutchison: That is what I told him.

The Hon. R. THOMPSON: He was quoting figures for a No. 1 benchman; but some of the lowest paid workers in Western Australia are the millhands. What about our friends from Collie? At election time they will be going to the workers at Collie soliciting votes to get themselves re-elected. But Collie is one of the hardest hit towns in Australia—not in Western Australia but in Australia. There are many people at Collie who are on low wages. Some of them are out of work; and others will be out of work very shortly.

I have not heard of any of the members to whom I have just referred getting up in this Chamber and saying that they support this measure. I wish they would because it would show that at least they had the courage of their convictions, instead of hiding behind the party-political machine, counting numbers, and then possibly voting with us if there are enough members on the other side to ensure that the Bill will get through. We have seen that sort of thing happen in this House repeatedly.

The Hon. A. F. Griffith: That is rather typical of your approach to some things. It is like the extravagant remarks you made two years ago, some of which you had the decency to withdraw a little earlier.

The Hon. R. THOMPSON: I was brought up to be decent.

The Hon. A. F. Griffith: That's good.

The Hon. R. THOMPSON: When I am wrong I am wrong; but at least—

The Hon. A. F. Griffith: And sometimes you are very wrong.

The Hon. R. THOMPSON: —I have proved in black and white tonight that what I am saying now is true. When the Minister stood up in this House three years ago he was completely wrong in his approach to the amendments to the Industrial Arbitration Act. Let us see if he will get up and say he was wrong.

The Hon. A. F. Griffith: You were the chief antagonist in the party at that time. I well remember it.

The Hon. R. THOMPSON: For several years now—

The Hon. F. R. H. Lavery: What an insult that is. You don't have to take that sort of insult.

The PRESIDENT: Order!

The Hon. R. THOMPSON: I did not hear what he said.

The PRESIDENT: Order!

The Hon. F. R. H. Lavery: It is just as well.

The Hon. A. F. Griffith: I will repeat it. I said you were the chief antagonist to the legislation three years ago; but Mr. Lavery doesn't like that. He wants to be the chief antagonist.

The Hon. F. R. H. Lavery: You know what you are, don't you?

The PRESIDENT: Order!

The Hon. R. THOMPSON: I was very proud to be thought the chief antagonist and I would like to be the chief antagonist to this legislation the Government has brought down. Let us see if there is any justice in the Government's attitude. Two years ago legislation was introduced to amend the Workers' Compensation Act and I moved amendments to bring the payments up to the Australian standard

I advocated at that stage, as I have done previously, that workers' compensation payments should be based on an Australia-wide concept. If a worker suffers an injury in Western Australia or Queensland, or loses his life, exactly the same set of circumstances prevail. But no, the Government would not agree to that. Legislation was introduced actually to reduce the payments.

The PRESIDENT: Order! I would direct the honourable member's attention to the fact that we are not dealing with workers' compensation legislation.

The Hon. R. THOMPSON: I know we are not, Sir.

The Hon. F. R. H. Lavery: There are only five members on the Government side.

The Hon. R. THOMPSON: I can link my remarks up with the Bill. By this measure we are tying wages in Western Australia to the Commonwealth level—to a Commonwealth Act.

The Hon. F. R. H. Lavery: And it will affect workers' compensation.

The Hon. R. THOMPSON: But the Government, with the best intention in the world of making some increases in the near future in regard to workers' compensation payments, will oppose any move I make to bring payments into line with those awarded under the Commonwealth legislation.

The Minister has quoted the cost structure and the wages paid in other States, and has compared them with ours as a reason for introducing this legislation; but when we come to workers' compensation we find the Government is not prepared to do the same thing. In New South Wales there is no limit to workers' compensation payments, but in Western Australia the limit is $7,484. Under the Commonwealth system there is no limit.

The PRESIDENT: I suggest the honourable members holds that part of his speech over until the debate on the next Bill.

The Hon. R. THOMPSON: I respect your comments, Mr. President, but if it is good enough to apply one section of a Commonwealth Act to one section of the workers of Western Australia then surely it is good enough to apply a section of another Commonwealth Act which affects them also! In the main there are two matters which affect workers; they are, the wage he receives to enable him to live, and the compensation he receives if he has an accident at work. But do we find the Government coming forward with legislation to adopt the Commonwealth standard in regard to workers' compensation? Of course not. Possibly later this evening we will be able to debate that aspect further when we get to the Bill dealing with compensation.

The cost of living is real only to those who have to pay the bills, and an increase in the cost of living has a much greater effect on those in the lower income bracket. I deal with working people not weekly but daily, and I know of circumstances where good wives, who have good husbands, are forced, because of economic circumstances, to go out to work to help provide for their families. Because of this, in many instances the children are left unattended. Possibly if the Minister for Child Welfare cared to stand up he could, through reports from his officers, tell of numerous complaints that have been made to his department because of children being left unattended when the mothers have been forced to go out to work.

In the main, cleaning seems to be the occupation followed by these mothers. In many cases the husbands do not get home until five o'clock and the women have to start work with these cleaning contractors by 4.30. As a result they leave their children unattended, and good wives certainly do not do that unless they are forced into the position through economic circumstances and a necessity to maintain their families. In the main, husbands do not like their wives going out to work; but I think it would be fair to say that in Western Australia at present we would have the highest number of married women in employment, *per capita*, of any State in Australia. This is not good from a family point of view, and it should be our duty, as members of Parliament, and responsible people, to ensure that the family wage and living standards are maintained. This is not being done at present.

It is impossible for a man on the basic wage, or even on a rate above the basic wage—on $36 a week—to send even one child through high school. I have had numerous instances of where families are unable to send their children to a high school because of the costs involved. When a child goes to a high school the first bill that has to be met is that for school books, and it is something like £5 for a first-year student, I understand. Would that be correct?

The Hon. J. Dolan: It could be.

The Hon. R. THOMPSON: Then there are fees for sporting activities throughout the course of the year. Even school children's insurance has increased steeply and parents believe they have a standard to maintain. Travelling expenses have to be met, and with a girl I understand the cost is 2s. a week extra for the foodstuffs used in domestic science lessons. So members can see that even with one child attending high school the burden would be too great for a man on $40 a week to bear; and the man on the basic wage has no chance of giving his children the education he would like them to have.

The Minister for Education could tell us of the numerous requests that prompted him to introduce legislation to give him

discretionary powers regarding the age at which a child can leave school; and in many cases it is not dull children who are involved. Quite often children who want to learn have to be taken away from school because of economic circumstances.

The Hon. F. R. H. Lavery: He introduced that Bill against his own feelings in the matter.

The Hon. R. THOMPSON: He had to do it because of the circumstances which prevailed in certain instances. The Minister said something about my not answering his questions. He said something about wage levels in the different States. Is that when the Minister said I would not answer him?

The Hon. A. F. Griffith: Had you dealt with it at the time I would have been more clear regarding the question I asked you, but an hour has gone by since then.

The Hon. R. THOMPSON: If the figures produced by Mr. Schnaars were of any use to the Minister to support his argument he would have used them, because they are authoritative figures. But when we compare the margins of the Commonwealth and the States we find that in the main the Commonwealth margin is in excess.

But that is not the real argument, because a person who is on a very high margin—possibly a margin of $14 a week—under some Commonwealth award, would not feel the effects of this legislation as much as the person on a wage of $40 a week. Members in another place, and members here tonight, tried to pick out other sections of margins and say that Western Australia is higher than any other State. This is nonsensical. If we examine all the margins applicable—remembering that there are some 30 Commonwealth awards—and go through these one by one, we will find that the average is in favour of the Commonwealth. The margin there is much higher than that in Western Australia.

I would now like to get back to this question of mandate. From time to time the Government has said that it had a mandate to introduce certain legislation. But I do not think that the Ministers, the Government, or the Cabinet which made this decision, felt at any time that the Government had a mandate to increase the burden on the working people of Western Australia, because this was not mentioned on the hustings. Not one member of this Chamber who went around knocking on doors and asking people to vote for him ever mentioned that a part of the Premier's policy was to peg the basic wage to the Commonwealth level. I do not blame the Minister in any way, because he has merely read the notes which were supplied to him; it is Government policy, but we were told that there would be no interference with the fixation of wages in Western Australia in 1963.

Now, however, we find that the people of Western Australia have been misled once more. The legislation is nothing but an assault on the living conditions and the wages of people who can ill-afford to be treated in this manner.

We all know that there has been argument from time to time concerning equal pay for equal work for the sexes; but by taking away the necessary powers—as will be the case when section 13 is amended—it will mean that we will not be able to put into practice something which the Government said was its policy at the last election. We will not be able to do this until a Labor Government is in office, because the power of the commission will be taken away for all time. The Government said that it did not disagree about equal pay for equal work; that was said on the hustings, possibly quite sincerely at the time.

In the case of the dairying industry award, which was before the conciliation commissioners, we find one conciliation commissioner saying that as it stood the Act did not give him power to determine the case; on the other hand we find the Minister saying that the Act does give the commissioner the power to do so. Deputations have waited on the Minister, and promises have been made to the effect that this matter will be looked into before this session of Parliament; but we find that there is no amending clause in this Bill which allows the commissioners to recommend equal pay for equal work.

I hope I may be proved wrong, but I feel that by amending section 13 we will make the Industrial Commission nothing but a glorified board of reference, with its members receiving high salaries, because it will not be able to determine very many matters in the interests of 214,000 workers in Western Australia. Its powers are limited to the extent where it will be contained in the main by the penal provisions of the Industrial Arbitration Act, and there are too many such provisions in that Act for the good of any society.

It is wrong to promise people something and then to dishonour that promise, particularly when there is an opportunity to keep that promise by providing, in the Bill, for equal pay for equal work.

There are many more features of this Bill which I do not like. I intend to oppose it and vote against the measure. There are many more workers, who are electors, than anybody else in Australia, and it is our duty to see that their interests are looked after. They form the country; the Government is only their administrator. There should be a time of reckoning and of realisation. The Government should bring down some legislation for the benefit of the people rather than introduce legislation which is so stringent and repulsive, and which seeks to lower the living standards of the people. I do not support one clause of the Bill.

THE HON. J. G. HISLOP (Metropolitan) [10.8 p.m.]: I will not be long in discussing this measure because I intend to stick to the Bill itself rather than to discuss the whole of the Industrial Arbitration Act, because that would take me far too long.

I want to talk about one or two things which might alter the picture a little. I do not think the amendments contained in the Bill will mean very much at all; yet its provisions have been exploded out of all recognition by those who have spoken to the measure. It has been described as something dire and dreadful which is likely to affect the worker. I cannot imagine that at all. I have a suspicion that small amounts added to the basic wage every quarter will probably mean nothing whatever to the housewife; but if the housewife receives something tangible in the way of an increase at the end of the year, she is likely to get more use out of it than the small quarterly amounts which are usually frittered away.

I do not think there will be very great difficulty as a result of the Bill, because there must be thousands upon thousands of people who live for the end of the year when their salaries and wages are increased. There are many individuals on salaries who wait until the end of the year to get any rise at all. This is common practice throughout Australia. All that I have heard, has been condemnation of the basic wage. If it were possible for us to have a basic wage of £50 per week, I would be quite willing to vote for it, but there must be some stability in the economy in which we live.

There is no real difficulty at all today in an individual finding work. The position in the last three years has been most extraordinary, because the whole question of rehabilitation under the Commonwealth has lessened considerably as a result of business houses, warehouses, and factories looking for men so earnestly, that they are prepared to take even those who are not 100 per cent fit. The number of people seeking rehabilitation these days is very small, and quite frankly it is amazing to realise that when a man shows any signs of rehabilitation there is no difficulty at all in finding him work. Things are most prosperous at the moment.

I do not believe therefore that the mere fact of not allowing small additions every three months, but instead transplanting them into one, shall I say, appreciable increase, will make any real change in the situation as we know it. When we are told about the bad things Parliament has done I wonder whether it is generally known that in 1931, when the world was stricken, and there was a scarcity of money, that it was not only one section of the community that took part in a reduction of salaries. There was a reduction all round.

It might interest members to have a look at the schedule of rates of reduction, part 1. It refers to an annual salary not exceeding £250 per annum which was reduced by £18 per cent.; an annual salary exceeding £250, but not exceeding £1,000 per annum was reduced by £20 per cent.; and an annual salary exceeding £1,000 per annum had a reduction rate of £22 10s. per cent. At that time members of Parliament had their salaries reduced in accordance with those figures.

The Hon. R. F. Hutchison: Do not forget the workers were starving.

The Hon. J. G. HISLOP: I am pointing out that not only one section was suffering. Money was not available, payments were small, and they were reduced in keeping with the position. It was only the fact that the position was handled so wonderfully that we got through as we did. I can remember it well, because in those days the salaries were so small that the amounts charged by my own profession had to be cut down tremendously, and in many cases people were not charged at all. We all went through this period between 1931 and 1934.

So it is of no use making a long speech and blaming the Government for doing certain things; or saying how wicked it is, while knowing that what is suggested is impossible. That does not help us to form legislation in this State. I am of the opinion that when a year has passed there will be no great discussions about the fact that we have altered the system of payment of small sums each quarter to a reasonable addition at the end of each year. I cannot see anything that calls for great criticism of the Government, because we have to realise we are a community that has not been as wealthy as we are going to be, and even are; and until such time as we are more financially secure we will more or less have to look to the Grants Commission for guidance.

I admit it is difficult for a Government to organise its Budget and estimate what the State Shipping Service would lose in certain circumstances, or to forecast that under certain conditions, something may occur which would call for a large sum of money to be spent.

The Hon. R. F. Hutchison: Would you say the low paid worker should come first in all these considerations?

The Hon. J. G. HISLOP: If the honourable member will explain I might be able to answer.

The PRESIDENT: Order!

The Hon. J. G. HISLOP: That was no question to ask, because it was loaded before it was asked. The honourable member can carry on after me if she has not already spoken. I can see nothing dangerous in this measure and will certainly give it my vote.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [10.17 p.m.]: Although I have not been in this

House as long as some members, I have been here a considerable number of years. I have the advantage, or disadvantage, whichever way one looks at it, of having been on both the Opposition side and on the Government side. I can remember being a great critic of the legislation of the previous Government in respect of increases in taxes. I have been in the position of asking questions of the Minister in charge of the House as to what tax increases took place during the period ending the 30th June, such-and-such, and so on. I have also been in the position of having the identical questions asked of me. Mr. Lavery will understand what I mean by this.

The Government of the day has the responsibility of running the country and budgeting and doing all the things necessary in this connection. I thought when I introduced this Bill I gave a fair explanation of what the measure contained. I thought I said two important things; and the two important things were followed by a general statement of what the position here was in relation to the basic wage of the five other States of the Commonwealth. Having done that, I then went on to say—

> It is important, when considering this matter, not to overlook the fact that all workers in this State are not under State awards and receiving quarterly adjustments. There are more than 40,000 workers in Western Australia under Federal awards or under award conditions which are such that they receive basic wage increases only when the Federal basic wage increases.

This statement about 40,000 workers came under challenge in the light of its possible incorrectness. If the figure is not correct then I am sorry. It was the figure given to me. Mr. Ron Thompson said it was of the order of 36,000 and not 40,000. Even so, this does not alter the fact that a considerable number of people in this State work under Federal awards and not under State awards.

The Hon. J. Dolan: They represent only between 16 and 20 per cent. of the workers. That is the point you do not explain.

The Hon. A. F. GRIFFITH: I have been on my feet for about two minutes and the honourable member has not given me an opportunity to explain. I had to read the speech the honourable member made, because fortunately I was not here that night.

The Hon. J. Dolan: You were unlucky.

The Hon. A. F. GRIFFITH: I was not unlucky. I will say a little about this in a minute. I was fortunate as I was in the north-west on that day witnessing the opening ceremony of an iron ore port.

The Hon. J. Dolan: We appreciate that.

The Hon. A. F. GRIFFITH: If the honourable member thought I was saying I was lucky to be away for any other reason he was quite wrong. I really would have liked to be here to hear the honourable member speak.

The Hon. J. Dolan: I said you were unlucky because you missed my speech.

The Hon. A. F. GRIFFITH: I read it.

The Hon. J. Dolan: It is better in the making than in the reading.

The Hon. A. F. GRIFFITH: I am glad to hear that, because it did not read too well to me. The honourable member asked for that. You really put your neck out, did you not?

The Hon. J. Dolan: Not necessarily.

The Hon. A. F. GRIFFITH: One of the comments I would like to make in respect of the honourable member's speech is that he did not seem to have the right impression in regard to my absence on Thursday, or in regard to the attendance of the people who were at Dampier and who flew over the top of Mt. Tom Price.

The Hon. J. Dolan: You did not read my speech or you would know.

The Hon. A. F. GRIFFITH: I read it, but did not understand it.

The Hon. J. Dolan: That is bad; perhaps you have a limited intelligence.

The Hon. A. F. GRIFFITH: I do not get nasty. The honourable member has an inclination to do that at times.

The Hon. F. R. H. Lavery: Do not point a finger at me.

The Hon. A. F. GRIFFITH: I was not pointing a finger at the honourable member. I want to tell Mr. Dolan I did not get the present he thought I might get, disappointed as I am sure he will be.

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: The purpose of this trip on Thursday by those people who were invited by the company—as Mr. Willesee and Mr. Strickland know, because they were there, as well as other Labor members from both Houses—was to be present at the opening of an iron ore port. Also present was a collection of world-renowned industrialists.

The Hon. R. F. Hutchison: They do not have to worry about living on the basic wage.

The Hon. A. F. GRIFFITH: The honourable member has already made one and a half speeches; one standing up, and half a one sitting down. These industrialists were from many parts of the world, as were a number of Pressmen. The object of this particular ceremony, to my mind, was not only to open this great venture, but also to give an opportunity to the industrialists from many countries of the world to come here, and the journalists to write a story of Western Australia.

I do not think it should be taken in a light vein. It would have been easy to have a simple opening ceremony with not so many people present. It could even have been held in Perth, but I think it stands to the credit of the company that it was organised in the way it was because we saw a great industry that had gathered momentum in a very short space of time to the point where it is mining, crushing, and exporting iron ore to various parts of the world. In inviting these people, the company did a good job because, I repeat, they will be able to tell the story of Western Australia wherever they go.

This is terribly important, because in the scheme of things the advertisement that Western Australia gets in respect of its industries and the progress it is making is important to us. Therefore, I have described all of this for the benefit of Mr. Dolan.

The Hon. J. Dolan: I know all that.

The Hon. A. F. GRIFFITH: But I think the honourable member was inclined to treat the matter jocularly rather than seriously. The other night when introducing this Bill, I said—

> There is no justification for two systems of wage adjustment, one which favours one section of the community at the expense of the other.

The Hon. J. Dolan: It is favouring the minimum number. That is the point I want you to answer.

The Hon. A. F. GRIFFITH: I was not commenting on the honourable member's speech. This is a statement I made. In the books I have in front of me there is a *Hansard* report from South Australia and another from New South Wales. The same sort of debate that has gone on in this Chamber went on there in connection with similar legislation to that which is before us.

When similar legislation was introduced in South Australia, it was done by a Liberal Government headed by Sir Thomas Playford.

The Hon. R. F. Hutchison: Too right it was!

The Hon. A. F. GRIFFITH: The support given to this Bill by Mr. Fred Walsh, the member for Thebarton, was as follows:—

> From time to time there has been considerable discontent amongst workers doing identical work under Federal and State awards because of a disparity between the Federal basic wage and the State living wage. It has been difficult for the workers to see any justifiable reason why those doing identical work should receive different wages. During the operation of the Economic Stability Act this discontent disappeared, because the object of the Act was to obtain uniformity between the Federal and State wages.

The Hon. F. R. H. Lavery: What date?

The Hon. A. F. GRIFFITH: This action took place in 1949. Continuing—

> When the Act expired there resulted periods when the State basic wage exceeded the Federal consequently upon a declaration by the Board of Industry following a review of the living wage, and then in between the next inquiries the Federal would exceed the State. This recurring disparity has been the subject of much unfavourable comment by the workpeople of this State. At the moment the Federal basic wage exceeds the State by 1s. per week—£6 6s. 0d. as against £6 5s. 0d.

His concluding words were, "I have pleasure in supporting the Bill." I will not bore the House by quoting from the New South Wales *Hansard*. We know that in New South Wales the legislation was implemented by a Labor Government for the same reasons as we have put forward at this particular point of time. The Labor Government said the measure was in the best interests of New South Wales; and the same position applies to Western Australia.

I related the history of all the States, one after the other, and I gave a resume of the situation as it prevailed and the changes which had been made. I well remember the debate which took place in 1963, and I think it is true to say that it became quite heated on occasions. I mistakenly thought it was Mr. Ron Thompson who was the chief antagonist to the Bill, but I was wrong and I apologise to him. I remember some of the remarks which were made that particular night.

The Hon. R. Thompson: Every one was true, too.

The Hon. A. F. GRIFFITH: No they were not. I know I must not wag my finger at Mr. Ron Thompson, but he knows the statements were not true. He said in this House tonight that he admitted some of the problems he feared did not come about.

The Hon. R. Thompson: I said that some of my thoughts did not come to pass.

The Hon. A. F. GRIFFITH: Apparently there is a difference between your thoughts and words.

The Hon. R. F. Hutchison: That has occurred plenty of times.

The Hon. A. F. GRIFFITH: It has happened to me, thank goodness. It is always good to think of what one is about to say, and having thought of it, not to say it at all. That is the best and soundest advice I can offer to the honourable member.

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: Nothing would be gained by my going over the debates which occurred in 1963. Let that be as it was.

The Hon. R. Thompson: It was a wonderful speech.

The Hon. A. F. GRIFFITH: Thank you. Did you mean your speech? Just for one mistaken moment I thought the honourable member was paying me a compliment. If I were to stand up here for any great length of time endeavouring to go through the points raised during the course of this debate, it would not get me anywhere at all.

The Hon. R. F. Hutchison: You are doing a mean thing, and let it go at that.

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: It is quite obvious that the point of view submitted by the Government, in this Bill, is not agreed to by the Opposition, to say the least. I agree with Dr. Hislop, however: Let us say that it remains to be seen whether all these dreadful things which are likely to arise according to some speakers, will in fact happen.

The angle put forward in this debate by the Opposition is that the Government is deliberately cutting off the supply of money from one section of the public to the advantage of another section.

The Hon. R. Thompson: I think our main claim is the political unfairness.

The Hon. A. F. GRIFFITH: Is it political unfairness in New South Wales under a Labor Government; or in South Australia? Of course not; yet in Western Australia the same thing is political unfairness.

The Hon. R. Thompson: I did not make any reference to the case in New South Wales.

The Hon. A. F. GRIFFITH: I know; the honourable member decided to keep away from that because he would probably be embarrassed.

The Hon. R. Thompson: No, I would not be embarrassed.

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: The honourable member would probably be embarrassed that a Government of his own political colour and interest was doing the same thing as we are doing here. Obviously, he would not make his speech on that experience.

If the Federal basic wage rises to a considerable extent in excess of the differentiation—which I think is 70c at the moment—

The Hon. R. Thompson: The difference is 46c.

The Hon. G. C. MacKinnon: The difference was 46c, but there has been an additional rise of 24c since. It is now 70c.

The Hon. A. F. GRIFFITH: The State differential was 46c, but the latest rise has brought it up to 70c.

The Hon. J. Dolan: That is right.

The Hon. A. F. GRIFFITH: Thank goodness it is agreed that I am right. If the next rise in the Commonwealth basic wage exceeds this figure—and the last rise was $2—then the distribution of the increase on the basic wage in Western Australia will be on an even basis to Federal award earners and State award earners. Of course, the argument is that this will not happen, and the workers of this State will do without as a result of this Bill. Whether that is the intentional attitude which has been applied to the arguments raised against this Bill, I do not know. It is the interpretation in my mind from listening to the speeches.

In conclusion I would say I do not think any good purpose would come from my standing here and arguing the toss over this question. There is no justification for two awards. The other States had to change, and we are experiencing exactly the same difficulties and we feel we should fall into line.

The Hon. J. Dolan: In all fairness, when South Australia changed the basic wage it was lower than the Commonwealth basic wage.

The Hon. A. F. GRIFFITH: By how much?

The Hon. J. Dolan: I can quote the figures, which I have here with me.

The Hon. A. F. GRIFFITH: The President will not permit us to have a conversation.

The PRESIDENT: Order!

The Hon. J. Dolan: It was $11.90 against $12.20 average for the six capitals; and $12.10 in May—

The PRESIDENT: Order! Order! I cannot allow this to take place.

The Hon. J. Dolan: My apologies, Mr. President.

The Hon. A. F. GRIFFITH: I am sure that information was useful. Mr. Walsh said, at the time, that the difference was 1s. Be that as it may, it does not alter the principle in any shape or form that this Bill is in line with the legislation which exists in four of the other States. We will be the fifth State to adopt it.

The Hon. R. F. Hutchison: They have better conditions in those States.

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: Whatever I might say will not alter the position; it will only bring forward another fire of interjections. I satisfy myself by simply saying I feel experience will show that the dire consequences—despite the interruptions I have been putting up with all night—will not result as predicted.

The Hon. F. R. H. Lavery: With 20 votes to 10, how can you miss?

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

Ayes—15

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. N. E. Baxter	Hon. T. O. Perry
Hon. V. J. Ferry	Hon. S. T. J. Thompson
Hon. A. F. Griffith	Hon. J. M. Thomson
Hon. C. E. Griffiths	Hon. H. K. Watson
Hon. J. Heitman	Hon. F. D. Willmott
Hon. J. G. Hislop	Hon. H. R. Robinson
Hon. L. A. Logan	*(Teller.)*

Noes—7

Hon. J. Dolan	Hon. R. Thompson
Hon. J. J. Garrigan	Hon. W. F. Willesee
Hon. R. F. Hutchison	Hon. H. C. Strickland
Hon. F. R. H. Lavery	*(Teller.)*

Pairs

Ayes	Noes
Hon. N. McNeill	Hon. R. H. C. Stubbs
Hon. A. R. Jones	Hon. F. J. S. Wise
Hon. G. E. D. Brand	Hon. E. M. Heenan

Question thus passed.

Bill read a second time.

STAMP ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. A. F. Griffith (Minister for Mines), read a first time.

WORKERS' COMPENSATION ACT AMENDMENT BILL

Second Reading

Debate resumed from the 8th November.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [10.43 p.m.]: This Bill proposes to make some improvements to the Workers' Compensation Act, and it will bring some provisions into line with those existing in other States.

The most important feature of this legislation is that the maximum total payment for injury is increased to the sum of $10,000. This is a rise from the existing maximum of $7,482, and is a substantial amount. There is always need for constant attention to be given to this particular Act so that it is kept abreast of modern trends, and in line with the financial accounting of the times. The value of the dollar always makes this difficult, because that value fluctuates from year to year.

I read in *The West Australian* of the 4th October, where a foreman baker had his hand crushed while working on the job, and he was awarded payment by the court of $14,618. Even under this amending Bill, the total payment, on the death of a worker, will not be more than $10,000, and possibly an assessment made under the provisions contained in the Bill would have made the payment in that case in the vicinity of $6,500 to $7,000. So there is the ever-present danger that we may lag behind with our workers' compensation legislation if we do not keep our ear close to the ground and carefully watch all developments that are reflected in the legislation which relates to workers' compensation in other States.

An important feature of the Bill is the provision which increases compensation payment for partial incapacity to the maximum amount payable. Under this provision weekly payments will flow to an injured worker until the limit of $10,000 is reached. This is a definite improvement on the existing provision in the Act and will make this particular section superior to any relevant section in legislation operating in most of the other States of Australia.

I hope that in the future the definition of "injury" in the Victorian Act will be incorporated in the Western Australian Workers' Compensation Act, because that State defines injury on a much wider basis than we do in our legislation. The definition of "injury" in the Victorian Act is as follows:—

> "Injury" means any physical injury and without limiting the generality of the foregoing includes:
>
> (a) a disease contracted by the worker in the course of his employment whether at or away from his place of employment and to which the employment was a contributing factor; and
>
> (b) the recurrence, aggravation or acceleration of any pre-existing injury or disease where the employment was a contributing factor to such recurrence, aggravation or acceleration.

That is a much broader concept of injury than we have in our Act, and I hope on some future occasion when it is proposed to amend this legislation again, consideration will be given to incorporating that definition in the Workers' Compensation Act.

I also noticed that payment for funeral expenses has been increased to $150. I accept this as an improvement on the existing figure, but my experience of current funeral expenses is that this figure could probably be in the vicinity of $200 or $250. The increase proposed in the current legislation is most acceptable.

The principle of combining medical expenses and hospital expenses, and lifting the combined figure to $1,500 should afford some relief to many injured workers, because it will be possible to use payments made under one heading to meet heavy commitments under the other. For example, if the amount allowed for hospital expenses has been exceeded, the payments available under the heading of medical expenses could be used to offset the hospital charges; provided, of course, the amount allowed for medical expenses has not been exhausted.

The Hon. G. C. MacKinnon: The board has been granted some discretion in regard to that.

The Hon. W. F. WILLESEE: Possibly, but I am not aware of the circumstances. I have had experience of some cases where the hospital expenses were exceptionally heavy, and the total amount allowed under the Act was rapidly exhausted. The financial position of the various companies to which workers' compensation insurance premiums are paid should permit this Bill to be passed without any increase in premiums, and enable the increase in payments to injured workers to be absorbed by the companies concerned.

It is interesting to note that there are 100-odd companies operating in the workers' compensation insurance field in Western Australia. This prompts one to think that in legislation of this kind such companies should operate on the principle of breaking even instead of working on a profit basis. Therefore in the future I would like to see the State Government Insurance Office handling workers' compensation insurance exclusively, because I think the premium rates could be lowered if workers' compensation were handled by one insurance company only.

For the information of members I would like to quote the figures set out in this table I have before me. They are as follows:—

	Premiums Levied	Cost of Claims	Gross Profit
	$'000	$'000	$'000
1962	6,199	4,044	2,155
1963	6,425	4,067	2,358
1964	6,440	4,137	2,303
1965	6,716	4,315	2,401
	$25,780	$16,563	$9,217

That table was taken from the annual report of the Workers' Compensation Board. From those figures it would appear that there is a high margin of profit being made in this field of insurance. I hold the view that economies could be effected if one company were given the opportunity to operate in this insurance field on a lower margin of profit. However, that is a subject for consideration in the future. Unfortunately serious consideration cannot be given to it on this occasion.

There is an undoubted need to modernise our approach to workers' compensation legislation and the Government should be kept fully alerted in regard to all developments in this particular field of legislation in the other States, and also in similar legislation overseas. I look forward to further amendments to the principal Act being made in the future on lines similar to the provisions contained in this Bill, thus effecting further improvement so that in the shortest possible time workers' compensation payments will be brought into line with those payments awarded by the courts to victims of motorcar accidents. This is a trend which is fast developing and, in the course of time, we should get some equality between the payments made under the Motor Vehicle (Third Party Insurance) Act and the payments made under workers' compensation legislation. For the moment, the Bill before us is certainly an improvement on existing provisions, and I support it.

THE HON. R. THOMPSON (South Metropolitan) [10.56 p.m.]: This Bill in some respects does endeavour to effect some form of justice in regard to workers' compensation payments. When speaking to the Bill previously before the House, I drew a comparison between the Workers' Compensation Act in Western Australia and similar Commonwealth legislation. In the Bill before us the maximum payment for total or partial incapacity does not line up with the payment made for such incapacity in the legislation enacted by the Commonwealth. Also, in workers' compensation legislation in some other States the amount payable for hospital and medical expenses has no limit. Such a provision has worked admirably in New South Wales, in Victoria, and in the Commonwealth sphere.

Several years ago an attempt was made to bring the first and second schedules to the Act into line with legislation operating in other States. The maximum payment to the relatives of a deceased worker under the provisions of the Bill does not compare with the maximum payment payable under the legislation in other States. In the second schedule a very small increase has been made in the weekly payments paid to an injured worker. However, there has been an amalgamation of the payments for hospital expenses and medical expenses and the maximum figure under the Bill is $1,500. Under the existing Act, if the payments for hospital and medical expenses were combined, the total would be $1,442, so the increase in the total amount for hospital and medical expenses is only $58.

The Hon G. C. MacKinnon: Discretion will be given to the board in respect of those payments.

The Hon. R. THOMPSON: I was coming to that aspect. I understand that there is a provision in the Bill which gives discretion to the board in regard to certain cases. It has always been the policy of the Labor Party that there shall be no limit in the payment made for medical and hospital expenses, and I intend to cite a couple of cases to back up my argument.

In referring to these cases I will not quote any names, but any member is quite at liberty to peruse this photostat document I have before me. The first case I wish to mention deals with a claim in which the charge of the first doctor consulted was $56.40. Then followed a specialist's charge of $237.50; a charge by another doctor of $12.60; chemist's charges, $13.40; charge of first metropolitan hospital, $5; country hospital charges, $884.40; charges

by Royal Perth Hospital, $656.60; charges by another prominent metropolitan hospital, $259.85; further charges by another hospital in Perth, $22.60. If one totals up those charges, the medical expenses of this worker are found to be $324.90, and the hospital expenses amount to $1,823.45.

In effect that made a total of $2,148.35. At the time of this accident the limit on general medical charges was $412.85 and hospital charges $670.84, making a total of $1,083.69. In rough figures this person was out by $1,100.

The Hon. G. C. MacKinnon: How much was written off?

The Hon. R. THOMPSON: Nothing has been written off. The case has not been finalised. For the period during which he has been off work and suffering, he will receive a lump sum payment of $1,107. According to what I have been told this man is permanently injured. By the time he pays the medical and hospital charges, over and above what he has been allowed, he will finish up with $50 to $60 as compensation for his injuries.

The next case concerned a Mr. Hoffman whose case was taken before the Workers' Compensation Board on Tuesday last. Dr. Hislop might know this case, because Hoffman is attending the Melville Rehabilitation Centre. The total amount he received for hospital expenses was $840, and doctors' fees $500; but to date his hospital expenses have amounted to $3,000 and doctors' fees to $600.

Unfortunately this person is on workers' compensation, although he was injured in an accident with a car. Evidently there was something wrong with the third party insurance claim. Had he been dealt with by the third party insurance trust he would have received far greater compensation. Even if he were to receive the maximum amount of workers' compensation he will have very little left after paying the expenses incurred to date.

The Hon. G. C. MacKinnon: Why did he not take out third party insurance?

The Hon. R. THOMPSON: Something prevented him from getting third party insurance. I put the question to the secretary of the union concerned but was told that this worker elected to come under workers' compensation. I cannot give any other explanation. At the time of the accident this person was entitled to receive $1,350, but the expenses he has incurred totalled $3,600. I can go on for a long time giving details of cases, but it is evident the Government wants to put its Bill through without amendment. On the last occasion when a similar measure was before the House I moved 16 or 17 amendments, but realised afterwards that it was a waste of time.

I hope that justice will prevail. The Government has seen fit to bring forward amendments to the Act, and I hope sincerely that the benefits will be brought up to the Commonwealth level in the near future so that the workers of Western Australia will receive much the same benefits as apply in the majority of the States. I support the Bill.

THE HON. J. G. HISLOP (Metropolitan) [11.06 p.m.]: We should welcome this measure, because it seeks to extend the benefits to a considerable degree. I refer to a provision on page 5 of the Bill which states—

> . . . the cost of any surgical appliance or of an artificial limb that complies with the standards laid down by the Commonwealth Repatriation Artificial Limb and Appliance Centre, if such an appliance or artificial limb is capable of relieving any disablement incurred by the worker by reason of an accident arising out of or in the course of his employment . . .

This indicates there is an association between the Workers' Compensation Act and the Commonwealth Repatriation Artificial Limb and Appliance Centre.

I wonder whether the payment could be increased. This evening we heard the case of a Mr. Hoffman mentioned. This person has been treated at the Melville Rehabilitation Centre for a considerable time. A provision on page 6 of the Bill states—

> Where a worker who has so far recovered from his injury as to be fit for employment of a certain kind satisfies the Board that he has taken all reasonable steps to obtain, and has failed to obtain, that employment and that the failure is a consequence, wholly or mainly, of the injury, the Board may, without limiting its powers of review, order that the worker's incapacity be treated, or continue to be treated, as total incapacity, for such period, and subject to such conditions, as the order may provide . . .

This brings up the problem of rehabilitation. An injured worker under this provision would be treated by the rehabilitation section of the Royal Perth Hospital, or sent by the insurance company to the Melville Rehabilitation Centre which is an institution run by a team of experts. If a person is in receipt of unemployment benefits or sickness benefits he can be cared for at that centre; whereas a person on worker's compensation must be sent there by the insurance company at the request of the injured worker's doctor. Consideration should be given to bringing about a closer liaison between the injured worker and the rehabilitation centre.

The Hon. A. F. Griffith: Such a suggestion would not need to be put into effect by legislation; it could be implemented administratively.

The Hon. J. G. HISLOP: It could be implemented administratively

The Hon. A. F. Griffith: I do not think I can do better than to mention the matter to the Minister in charge of this Act.

The Hon. J. G. HISLOP: At times there was hesitancy to send injured workers to the Melville Rehabilitation Centre. On a previous occasion in this House we had a discussion on deafness acquired at work.

On page 7 of the Bill three items appear in relation to deafness. They are—

15 Total loss of hearing—$6,000.
16 Partial deafness of both ears—Such percentage of $6,000 as is equal to the percentage of diminution of hearing.
17 Complete deafness of one ear—$2,000.

I have discussed this matter with a number of ear, nose, and throat specialists; and they consider it could get out of hand unless some measure of control was adopted. They estimate that 50 per cent. of all those engaged in factories and warehouses where metal and timber construction takes place, can develop deafness. Unless a specific type of deafness is laid down, this aspect of workers' compensation could be ruined.

The Hon. A. F. Griffith: I do not think this is intended to cover progressive deafness. It is intended to cover accidental deafness.

The Hon. J. G. HISLOP: It should be made clearer in the Bill. The specialists, with whom I have discussed this question contended that unless the deafness was specified, this part of the Workers' Compensation Act could be adversely affected. One specialist was of the opinion that the only way to do justice to a worker is to have an audiogram taken when he starts work at a factory, and another when he claims compensation, but it would be difficult to bring about such a method.

Until we know what form of deafness is intended to be covered, particularly if it is to cover accidental deafness, there will be difficulty in administering this part of the Act. The provision simply refers to partial deafness.

The Hon. J. Dolan: The column in the Bill is headed, "Nature of Injury." It implies there is an injury.

The Hon. J. G. HISLOP: In working in a factory a worker can claim that deafness is an injury which has progressed over the years. This part of the Bill should be cleared up. I support the measure.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [11.14 p.m.]: I do not think there is any necessity for me to say very much in reply to the debate on this Bill. It has received the unqualified support of the Leader of the Opposition, Mr. Ron Thomson, and Dr. Hislop, save and except for the question he has raised.

This question of partial deafness of both ears and complete deafness of one ear is as the result of accident, I think. Section 7 of the Act reads—

> (1) If in any employment personal injury by accident arising out of or in the course of the employment, or whilst the worker is acting under the employer's instructions, is caused to a worker, his employer shall, subject as hereinafter mentioned, be liable to pay compensation in accordance with the First Schedule:

The Bill relates to the schedule; and the second schedule is deleted and another is substituted, so it becomes part of the schedule refered to in the Act itself.

I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 to 6 put and passed.

Title—

The Hon. A. F. GRIFFITH: In reference to the question raised by Dr. Hislop, the second schedule is substituted, and the section I should have read from the Act is section 7 (3) and not the subsection (1), which refers to the first schedule.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and passed.

ADMINISTRATION ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. A. F. Griffith (Minister for Mines), read a first time.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [11.20 p.m.]: I move:

> That the House at its rising adjourn until 2.30 p.m. tomorrow (Wednesday).

Question put and passed.

House adjourned at 11.21 p.m.