

ADJOURNMENT—SPECIAL.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [9.17] I move—

That the House at its rising adjourn until Tuesday, the 28th July.

Question put and passed.

House adjourned at 9.17 p.m.

Legislative Assembly,

Wednesday, 22nd July, 1931.

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

QUESTION—APPRENTICES, EXAMINATION.

Mr. **PANTON** (for Mr. Raphael) asked the Premier: 1, Is it the intention of the Government to continue the examination of apprentices, as laid down in the various awards? 2, Are the Government aware that no apprentices have been examined in the order tailoring since July, 1930, excepting apprentices finishing their time? 3, Are the Government aware that a three years' apprenticeship is provided for in this trade, and that if no examination is held this month many of the apprentices will be half way through their apprenticeship before being examined at all?

The **PREMIER** replied: 1, Yes, either at the Technical School or by examiners appointed. 2, No, all apprentices entitled to their final certificates have been examined,

and there was a complete examination of all apprentices in the order tailoring trade in 1930, and an examination of apprentices entitled to their final certificates in January, 1931. 3 (a), No, the apprenticeship is as follows:—coat making, 5 years; vest, trousers and skirt making, 3 years; pressing, fitting and trimming, 4 years. (b) All apprentices will be examined this year.

QUESTION—GROUP SETTLEMENT.

Mr. **WITHERS** asked the Premier: Has his attention been drawn to the leading article in the "West Australian" of 21st July concerning questions on group settlement as follows:—(a) How much is due from group settlers, and how much has been paid? (b) How many settlers have paid in full, and how many are not paying at all? (c) How many settlers possess 12 cows or fewer; what amount of interest is due from this section; how much of it has been collected, and how many of these settlers have paid in full?

The **PREMIER** replied: Yes.

BILL—FEDERAL AID ROADS AGREEMENT.

Introduced by the Minister for Works and read a first time.

BILL—DEBT CONVERSION AGREEMENT.

Council's Amendments.

Bill returned from the Council with a schedule of five amendments, which were now considered.

Standing Orders Suspension.

On motion by the Premier resolved: That so much of the Standing Orders be suspended as is necessary to allow the message to be taken into consideration forthwith.

In Committee.

Mr. Richardson in the Chair; the Premier in charge of the Bill.

The **PREMIER**: These amendments have been made at the request of the Prime Minister. They involve not the slightest variation of the Agreement, but are merely in-

tended to satisfy the requirements of the legal authorities.

No. 1. Delete all words after "above" in line 4 of paragraph 16 of the Schedule, down to and inclusive of the word "modifications" in line 5.

The PREMIER: I move—

That the amendment be agreed to.

Question put and passed: the Council's amendment agreed to.

No. 2. Insert a third Recital as follows:—"And whereas the said conditions, with certain modifications, have been embodied in a Bill for an Act to be known as the Commonwealth Debt Conversion Act, 1931, which has been passed by both Houses of the Federal Parliament and is ready for presentation to the Governor General for the Royal assent and is hereinafter referred to as the said Act: And whereas there have been incorporated in the said Act additional provisions deemed to be convenient for carrying out the said conditions as so modified as aforesaid:"

The PREMIER: These words have been embodied in the Commonwealth Bill which has now been passed by both Houses of the Federal Parliament and is ready for presentation to the Governor General for the Royal assent. I move—

That the amendment be agreed to.

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

No. 3. Delete all words after "interest" in the second line of subparagraph (2) down to and inclusive of the figures "1931" in line 5 and insert the words "in accordance with the terms and conditions of sections three, eight, and ten to twenty-two inclusive of the said Act."

The PREMIER: I move—

That the amendment be agreed to.

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

No. 4. Insert after the word "Commonwealth" in line 8 the words "(including borrowings by the Commonwealth for or on behalf of a State under the said financial Agreement)."

The PREMIER: I move—

That the amendment be agreed to.

Hon. W. D. Johnson: That is unification, all right.

The PREMIER: This is what was agreed to between the several Governments.

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

No. 5. Insert after the word "Australia" at the end of the subparagraph the words "the said sections of the said Act shall be binding upon the parties hereto as part of this agreement."

The PREMIER: I move—

That the amendment be agreed to.

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

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

BILL—FINANCIAL EMERGENCY.

In Committee.

Resumed from the previous day. Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

Clause 5—Interpretation:

The CHAIRMAN: The question is, that the clause as amended be agreed to.

Hon. A. McCALLUM: In the definition of salaries, the clause states that the term does not include district allowances or any allowance which the Government may in that behalf determine. I do not know why district allowances have been specially singled out. Many different kinds of allowances are made by the Arbitration Court. There is the away-from-home allowance, which operates chiefly in the railways, and which is given to officers who are temporarily transferred from one district to another or are sent off somewhere to relieve another officer. When a married man is transferred temporarily for the convenience of the Railway Department, he, too, receives a special allowance. If a man is called away from home at short notice to join a train crew, he is given an allowance for his food supply. Men who are engaged in the back country receive a camping allowance, and so on. The court sets out the value of these allowances. The proposition now is that they shall be cut by 20 per cent., although many of them have been fixed since June, 1930. This amounts to an interfer-

ence by Parliament with the decisions of the court, and overriding them. Without any inquiry or any evidence members are asked to usurp the authority of that tribunal. The allowances to railway officers were adjudicated upon only a few weeks ago, and were not challenged by the Commissioner of Railways. Cuts in the travelling allowances from 16 to 20 per cent. have already been made. Why are district allowances referred to, but no mention made of travelling allowances? Since March last the Arbitration Court has put several new items into agreements. The A.W.U., for instance, now have a tent allowance of 5s. 3d. a week, and this has never previously been provided. The Bill is supposed to deal with conditions existing in June of last year. At that time there was no such provision as this in any award. But under this clause the 5s. 3d. per week will be reduced by 20 per cent. Parliament is set up as a tribunal to review the decisions of the Arbitration Court. I want the Government and members opposite to understand where this kind of legislation is leading us. It will mean that all rates will have to be fixed by Parliament. We shall be asked on the hustings to pledge ourselves as to what should be, for instance, the allowance to be made to a man living in a tent, as to whether the rate fixed by the Arbitration Court should be reduced by 20 per cent., or 10 per cent., or not at all. We shall have to bid for votes. We shall have to put ourselves up to auction. What will be the industrial position in Western Australia then? What will be the burden on industry here if rates are to be fixed at election time? If the Attorney General has decided to supersede the Arbitration Court, let him clearly understand what will be the result. What argument can be advanced for reducing new items granted only during the last week or two, granted after full investigation? The proposal is inadvisable and unjust from every aspect. Its adoption can only lead to industrial turmoil and industrial insecurity, and to a most undesirable condition of affairs in our political life. The Labour Party have never stood for the principle that Parliament shall fix the money value of any given service. It cannot be argued that the Bill proposes merely a temporary expedient, as the measure fixes no limitation.

The Attorney General: There will have to be a limitation in order to accord with the Standing Orders of another place.

Hon. A. McCALLUM: This side has suggested a limitation, to the end of December next year.

The Attorney General: I shall probably accept that.

Hon. A. McCALLUM: Under the Bill as it stands, there is no limitation. However, even a limitation does not dispose of my contention as to the rottenness and unfairness of the principle involved. The Arbitration Court has reviewed the district allowances, abolishing them in some districts, reducing them in others. Parliament, it is now suggested, shall fix these allowances without any evidence or information. How can we place ourselves on a level with the Arbitration Court, which has oral and documentary evidence? When it was suggested by a section of the Labour movement that Parliament should fix a minimum rate of wages, I opposed it as altogether wrong and utterly unsound. If the principle is to be adopted now, let us adopt it with our eyes open. I move an amendment—

That after the words "district allowance or," in line 80, the following be inserted:—
 "any allowance provided for in any industrial award or agreement or under any contract of service or."

The ATTORNEY GENERAL: I gather that the most important objection of the member for South Fremantle is to the application of this part of the Bill to allowances, salaries, and rates of wages. He contends that we shall be establishing, by overriding the Arbitration Court, a dangerous precedent, one which we may possibly regret. If I read the signs of the times aright, Australian Governments and Parliaments have to live dangerously in order to live at all. In normal times no sensible person would have dreamt of bringing down legislation of this nature. I thought it was accepted by all parties in Australian politics, except perhaps Mr. Lang's party, that whatever else we do, Government expenditure, and the salaries and wages paid by Governments, must be reduced in spite of any existing law. If the member for South Fremantle can demonstrate to me a method whereby we can carry out the promises made by the Premiers of Australia at the Conference without in-

terfering with the decisions of the Arbitration Court, I shall listen to him with the greatest attention and shall be prepared to ascertain whether his suggestions can be given effect. Surely everyone knows that we have agreed to bring down the scale of remuneration of our civil servants, whether wages or salaried men, irrespective of whether their pay is determined by a classification board, the Arbitration Court or by any other means. If we admit that principle, then the main argument advanced by the hon. member must fall to the ground. If his broad argument be correct, then we might just as well abandon the Bill altogether.

Hon. A. McCallum: I wish you would; but that is not the position at all.

The ATTORNEY GENERAL: I have no doubt that the hon. member is indeed glad to find that it is we who have to bring down this measure because, if it were not that we happen to be in office at the moment, he would be supporting, or himself placing before Parliament, legislation sufficiently similar to evoke the same criticism as that launched against the Bill.

Hon. A. McCallum: I would sooner go out of public life altogether than do that, and quite willingly, too.

The ATTORNEY GENERAL: May be.

Hon. A. McCallum: I would sooner sweep the gutters in the city of Perth.

The ATTORNEY GENERAL: A pertinent comment on that attitude is that members of Parliament and of Governments who are just as stalwart Labourites as the hon. member, who have been just as long in the movement as he has, and are held in equally high regard by the rank and file of the Labour movement, have brought down measures in other Parliaments of Australia that will equally break existing conditions as will this Bill.

Mr. Marshall: Those men are not as highly regarded by the Labour movement as is the member for South Fremantle.

Hon. S. W. Munsie: And they have not brought down the same type of measure, either.

Mr. Marshall: The rank and file will deal with them in no uncertain fashion.

The ATTORNEY GENERAL: Hon. members must know that there may be a difference in the details of the application of the Plan adopted by the different Governments, but every single measure brought down,

apart from any such measure in New South Wales, must necessarily involve interferences with the tribunals appointed to decide the matter of wages and salaries.

Hon. A. McCallum: I shall prove to you in a minute that that is not so.

The ATTORNEY GENERAL: I say it is so. Leaving aside the hon. member's main objection to Clause 5, and dealing with the question of allowances only, I am of the opinion that a number of the allowances are exempt already without the necessity for any such amendment. For instance, the transfer allowance is a payment made to an officer to recoup him for out of pocket expenses at a fixed rate, because he has had to shift his goods and chattels from one centre to another.

Mr. Kenneally: But it is called an allowance.

The ATTORNEY GENERAL: That is so.

Mr. Corboy: Is not a district allowance merely a payment for out of pocket expenses incurred through living in certain districts?

The ATTORNEY GENERAL: No.

Mr. Marshall: What is it for?

The ATTORNEY GENERAL: Partly on account of isolation.

Mr. Corboy: Not at all.

The ATTORNEY GENERAL: That is the excuse, at any rate. However, district allowances have been specifically excluded because but recently they suffered a considerable decrease. If it can be shown that other allowances fall into the same category, they will be exempted, too. There is a great variety of allowances, some of which cannot be considered as a remuneration on account of the cost of living. They form no part of a man's salary or wages. On the other hand, there are certain allowances that are really part of the pay received by an employee. For instance, there is the payment made to railway men who are engaged upon a certain class of work, not because it is more expensive but because it is more unpleasant. The extra remuneration in that instance becomes part of the man's pay. We should be in a position to exempt allowances that should be exempted, and that is what is proposed.

Mr. Corboy: But dirt money is not an allowance.

The ATTORNEY GENERAL: It is called an allowance. I would not regard a travelling allowance as part of a man's remunera-

tion at all, but merely the payment of out of pocket expenses incurred by an officer when travelling on the business of the State.

Mr. Kenneally: Unless some provision such as that suggested is included, the allowances that you say should be exempt will be subject to the reduction.

The ATTORNEY GENERAL: You will see that the definition of salaries refers to payments for "personal service rendered." We should be in a position to exempt allowances that do not truly form part of an officer's pay.

Hon. A. McCallum: What about the men who are living in tents?

The ATTORNEY GENERAL: I understand that those men receive 5s. 3d. a week extra because the work they are engaged on involves more discomfort than is experienced elsewhere.

Mr. Kenneally: It is a misnomer to call it a "tent allowance." It is paid because of the extra cost involved in working so far away from civilisation.

The ATTORNEY GENERAL: Such matters would be dealt with on their merits. I agree that this body is not suitable for dealing with such matters and that the best way would be for the tribunal that already exists to handle them. Unfortunately we have had to cut right through that.

Hon. A. McCallum: Other Governments are not doing so.

The ATTORNEY GENERAL: Pardon me, but how can other Governments help doing it too? If there is to be a certain reduction achieved, so far as wages and salaries are fixed by tribunals in the Eastern States, the same position cannot be avoided. If the hon. member can show me how we can secure the same results without interfering with Arbitration Court decisions, I shall listen to him with interest, but in the meantime I cannot accept the amendment.

Hon. A. McCALLUM: When the Attorney General introduced the Bill, he singled out Mr. Hill, the Premier of South Australia, for the part he played in bringing about the Premiers' Conference in Melbourne.

Mr. Marshall: He will be singled out before long.

Hon. A. McCALLUM: The Attorney General gave Mr. Hill credit for being the father of the Plan to straighten out the finances in the way decided upon by the

Premiers. Mr. Hill happens to be a very old pal of mine. We were kids together; we played marbles, football and other sports, and I have been in touch with him ever since.

Mr. Marshall: It is a pity he did not continue playing football instead of entering Parliament.

Hon. A. McCALLUM: Mr. Hill is tackling the matter in an entirely different way, and is not interfering with the Arbitration Court at all. If the Attorney General were dealing with the position in this State in the same way, this point would not be made against him. I communicated with Mr. Hill and he promised to let me know details when the South Australian Bill was ready. The Bill was introduced and immediately afterwards I received the following telegram from Mr. Hill:—

Financial Emergency Bill has now been introduced. It provides for reduction Ministers' salaries 20 per cent., members' salaries 10 per cent., reduction salaries certain public officers fixed by statute, reduction superannuation and police pensions by approximately 16 per cent. Judges and Governor voluntarily offered accept reductions. Government employees generally not dealt with in Bill. In my speech I said the policy of Government is arbitration, and we do not propose interference with tribunals who are charged with duty fixing wages and salaries Government employees. Posting copy Bill, and will forward copy my speech as soon as available. Hill, Premier.

The Attorney General: If the Arbitration Court in that State declines to carry out what the Government require, the Premier will not give effect to the Plan.

Hon. A. McCALLUM: The telegram indicates that the Government in South Australia have applied the Plan in a way that differs from that adopted by the Government of this State. They interpret their obligations differently, leaving it to the Arbitration Court to fix the rates of pay.

Hon. W. D. Johnson: Surely it is a reflection on the court for the Government to say the court will not take into consideration various matters.

Hon. A. McCALLUM: Our Arbitration Court is not to be trusted, or else the Government have no confidence in their case and are satisfied they cannot produce the necessary evidence to support their proposal.

The Attorney General: Our Arbitration Court has declared very definitely that it cannot make any further reductions.

Hon. P. Collier: Is that any justification for the Government asking Parliament to override the Arbitration Court?

The Attorney General: It is, decidedly, if we must make reductions.

Hon. A. McCALLUM: If that is the position, everything is to be swept aside! The Government have included in their Bill what no other Government throughout Australia have included in theirs, and yet the Attorney General claims that the Bill represents part and parcel of the Plan. To interfere with the Arbitration Court is no part of the scheme. No other Government is interfering with private employees. The Attorney General has taken it upon himself to make a general attack upon the standard of employees. The Attorney General said that if I could show him another way in which the situation could be met, he would consider it. I have shown what the South Australian Government are doing. What does he propose to do? Even at this stage I hope he will re-cast his ideas.

Hon. J. C. Willcock: South Australia is in a worse position than any of the other States.

Hon. A. McCALLUM: Yes, so much so that the Commonwealth Government have had to give it assistance to the extent of £1,000,000 this year. All sorts of difficulties will arise if Parliament overrides the Arbitration Court in this way. At the Melbourne conference the Attorney General stated that he would have no chance of getting this Parliament to interfere with the wages of outside employees unless he had the backing of conference, and conference turned him down. This is the Government's own idea. The industrial tribunal should be left untrammelled. The Attorney General told us that each item would have to be considered by the Government, who would decide the exemptions. The exemptions, I suppose, will depend upon the state of the Treasury. We are asked to substitute Cabinet for the Arbitration Court. Whichever way we view it, the Attorney General is undermining the authority of the Arbitration Court and stripping it of its power. If he persists, all sorts of clamours will be made by those affected, and the Government's position will be rendered impossible. The figures fixed by the court should stand until the court alters them.

Hon. W. D. JOHNSON: I cannot follow the Attorney General when he states that provision is made for the protection of

those employees who receive allowances. The definition of "salary" appears to include allowances, save that district allowances are exempted, but many allowances are subject to review by tribunals and they will be taxed. The railway away-from-home allowance is a reimbursement for expenses incurred, and is not salary. The expense of a man's home continues practically on the same scale while he is away. The court has fixed the allowance and a drastic cut has recently been made by the court. A cut of about 20 per cent. has been made in the allowance to railway officers, but under the Bill the allowance will be added to an officer's salary and a further reduction will be made. Travelling allowance was introduced to recoup officers for expenses incurred, but it is not income. The Government really propose to tax something that does not exist. A provision of this kind would inflict greater injustice in a large State like Western Australia than in a compact State like Victoria. An officer suffers the inconvenience and disability of being absent from home and, because of that, he is to be taxed 18 or 20 per cent. on the allowance. With regard to travelling allowances, some 16 per cent. reduction has been made, so that already a great penalty has been imposed on those in receipt of the allowances. There have been grave complaints that the classification board has been unduly harsh, that the board have not allowed a fair margin for extra expenses associated with travelling and "away-from-home." Now it is proposed to add another 18 or 20 per cent. penalty. To ask Parliament to superimpose a tax of this kind is distinctly unfair; it is one of the worst features of the Bill.

The Attorney General: I think I can meet you to a certain extent.

Hon. W. D. JOHNSON: All that I ask is that the Attorney General should be consistent. Legislation of this kind irritates and causes dissatisfaction, but when we add to it disagreeable proposals of this kind, together with inconsistency, then we may expect not only discontent but revolt. Why exempt district allowances that have been reviewed lately—

The Attorney General: That was the mistake we made—exempting district allowances.

Hon. W. D. JOHNSON: The position wants to be reviewed, and I should like the Attorney General to appreciate the position

regarding district allowances and compromise on something else. We must be consistent.

The ATTORNEY GENERAL: I still cannot accept the amendment moved by the member for South Fremantle, but I want it clearly to be understood that we do not wish to treat as part of a man's salary for the purposes of this Bill, district allowances which are recouped him for expenses incurred.

Hon. W. D. Johnson: You will have to put that in the Bill.

The ATTORNEY GENERAL: Travelling allowances and transfer expenses seem to me to be recoups for a particular act, and are not part of a person's remuneration. I do not want to treat those sums as part of a person's salary; it is not intended that it should be so.

Hon. W. D. Johnson: It is in the Bill.

The ATTORNEY GENERAL: I do not think it is, but if it is we shall not allow it to be done. I am prepared to insert two exemptions, travelling allowances and transfer expenses—I do not know whether this is the proper expression. For the moment I do not propose to go further because each case will have to be regarded on its merits. I am credibly informed that there are some things called allowances which are not allowances, but are extra payments.

Hon. W. D. Johnson: Where the Arbitration Court fixes these allowances, why not exempt them?

The ATTORNEY GENERAL: The Arbitration Court may choose to call a particular thing an allowance. The custom has probably grown up.

Hon. W. D. Johnson: They are definitely set out.

Hon. A. McCallum: What if the allowance is for extra work?

The ATTORNEY GENERAL: You cannot logically suggest that where a man is getting bigger remuneration because he is doing more work he shall be exempt. How can we be asked to agree that when a man earns more he should be exempt any more than when a man earns a bigger income by doing more work he should be exempt from income taxation. I am agreeable to inserting the words "travelling allowance and transfer expenses," and I will promise that the Government will consider each case on its merits. Where a man receives something

to recoup him for expenses he is put to, we will not regard that as part of his salary.

Mr. KENNEALLY: The clause bristles with difficulties, and the Attorney General has been able to point out some of them. There are a number of allowances that would be left outside of the Attorney General's proposal. For instance, there is what is known as the tent allowance, given to men living in a district in which the cost of living is dearer for them than would be the case if they were working near their homes. This allowance is paid to them to recoup them for the extra expense they are put to in carrying out their ordinary employment. On the Attorney General's own argument that allowance should be exempt from the proposed tax. But the amendment will not include a person in receipt of it. There are other allowances given the Railway Department. There is the travelling allowance which the Attorney General mentioned would possibly embrace the away-from-home allowance. This allowance is granted by the court when an employee is called upon to go away from home and he has to take food with him for the whole of the journey. I am afraid that if the term used by the Attorney General is the only one to be inserted, those men will not be considered.

The Attorney General: I did not mean "travelling allowance" to include the away-from-home allowance.

Mr. KENNEALLY: It is only a difference in terms; a railway officer gets a travelling allowance, while a wages man gets an away-from-home allowance. Both mean the same thing. If we do not specifically exempt the wages man, we shall have the departmental officer alone exempted. There are other allowances to be considered. A man gets what is known as wet pay because, working in a wet place, he has to purchase additional boots. Then there is an allowance known as dirt money, to provide extra clothes for a man working in a dirty place. Both these allowances are merely recoups of money expended by the employee. If this question is left for Cabinet to determine, what will happen if the Commissioner of Railways, working under a special Act and so independent of Cabinet, fails to see eye to eye with the Cabinet in regard to this away-from-home allowance?

The Attorney General: If the Commissioner of Railways does not conform with an

award of the Arbitration Court, who deals with the position?

Mr. KENNEALLY: The court. But this Bill tells that court it is non-existent.

The Attorney General: No, no.

Mr. KENNEALLY: The proposal is that, notwithstanding any award or determination by any tribunal, the cut shall be made.

The Attorney General: The award stands, and it will then be an award of the court as amended by this Act; and the court will be the sole tribunal to determine in what way the cut shall be effected.

Hon. A. McCallum: Then we cannot rely upon the Cabinet?

Mr. KENNEALLY: This opens up an entirely new phase.

The Attorney General: No. The Bill purports to reduce remuneration paid under awards. If a dispute arises as to whether a particular remuneration payable under an award is to be subject to this cut, the Arbitration Court will determine the question.

Mr. KENNEALLY: If an organisation goes to the court and asks that a certain allowance be exempted from the cut, the court necessarily will have regard for the language used in the Act imposing the cut. If it is found in the Act that the allowances, except district allowances and the proposal of the Attorney General are to be subject to the cut, the court will be bound by that language. So the decision of the court would be already determined for the court. The Attorney General has admitted that allowances should not be included in the cut.

The Attorney General: Some allowances.

Mr. KENNEALLY: The Attorney General said that Cabinet would be able to deal with the allowances. But seemingly that is not so, for it will be the Arbitration Court, or a magistrate hearing an application for enforcement, who will deal with the question. I suggest that the wet work allowance, the dirt allowance, and the away-from-home allowance should all be exempt from the cut. Even if the amendment before the Committee be not agreed to in full, I hope the clause will be so amended as to exclude from its operation all those allowances, which are merely recoups for expenditure incurred by the employee over and above his ordinary expenses.

Mr. MILLINGTON: I appreciate the overload of responsibility carried by the

Attorney General. The amendment seeks to remove certain of that load which the Minister insists upon carrying. Rightly interpreted, the allowances he has spoken of are not extra emoluments, but are merely equalisers.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. MILLINGTON: The Attorney General, whilst resisting the inclusion of this amendment in the Bill, has made certain admissions showing he realises the difference between the amount of wages awarded by the Arbitration Court and the amount provided by way of allowances. He admits that if a person working for the Government is sent away for the convenience of the department to do certain work, his travelling allowance cannot be spoken of as remuneration. The court makes awards with a view to meting out justice all over the State, and grants certain allowances to ensure that a worker is relatively well off in one part of the State as he would be in another. If employees had to choose between working in the country and receiving a district allowance, and remaining in Perth, they would choose the latter. This means that the allowances which have been granted are not greater than are necessary to meet the situation. The Attorney General, however, is determined that the court shall not have power to fix the allowances. Governments are not as qualified as the court to deal with these matters. On the other hand the Government seem to think these allowances are too great, and desire to take control over them. No one can say that the court has ever granted too high a rate for these allowances, nor that the allowances to civil servants are too high. If a reappraisal be necessary, that is the function of the court or the Public Service Commissioner, as the case may be. No member of Cabinet is as expert in this work as the court which specialises in all industrial matters. The Government have enough to do as it is without interfering with the work of this tribunal. The allowances have all been fixed in recent times and with regard to existing conditions. If they are brought down 20 per cent., an injustice will be meted out to all those who now receive them. The Attorney General must admit that the allowances that are assessed by the court in respect to industrial awards and agreements can reasonably be included

in the amendment he has already agreed to accept.

Mr. SLEEMAN: It is astounding that the Government should make this proposal. They discriminate between the various allowances. The district allowance is important, but other allowances are equally important; for instance, the dirt money that is given to men engaged in very dirty work to compensate for the wearing out of their clothes and the discomfort of the work. It is amazing that the Government should propose to over-ride industrial arbitration. The present Government will go down in history as the repudiation Government. They have repudiated every promise they have made. According to a report published on the 22nd March, 1930, Country Party candidates said—

The party recognises the control of wages to be the function of the Arbitration Court.

The Minister for Lands: The statement is not true.

Mr. SLEEMAN: It is true, and the Minister knows it to be true. The report continues—

Our attitude in the past has been that the duplication of Federal and State courts should be ended, but not that the workers should be left without the protection of one court; and we favour the retention of the State Court.

The aim of the Government is to bring down the State basic wage to the level of the Federal basic wage, thus saving a few shillings per week. On the 29th March, 1930, the present Premier is reported as having said—

The statement is being circulated by Labour members that if the National Party be returned to power they will reduce wages. This is a pure invention for election purposes. I have explained to the people time and again that by arbitration and other means hours and wages are fixed. It is the law of the land, and any Government will be bound to stand by it. I have always believed in paying wages that would enable the worker to live in comfort. The trouble is not the rate of wages paid, but the mis-spent money of the Collier Government, and the prevailing waste. The waste due to unemployment is probably the greatest of all wastes.

To-day the Premier refuses to stand by the Arbitration Court. The Government propose to be the Arbitration Court. This is about the dirtiest bit of work seen for years. The Attorney General should accept the amendment, so as to safeguard the workers with respect to their allowances.

Hon. A. McCALLUM: Did I understand the Attorney General to propose, as an alternative, that one or two items should be mentioned here besides the district allowance?

The Attorney General: I said I would be prepared to exempt travelling allowances and transfer allowances.

Hon. A. McCALLUM: Does the Attorney General propose to name them?

The Attorney General: Yes. I am prepared to do that now.

Hon. A. McCALLUM: Is that because those allowances are not regarded as part of the wage? The travelling allowance represents money actually expended on the employer's business.

The Attorney General: I do not know that it is actually expended. Some very careful people might make a bit out of it.

Hon. A. McCALLUM: On the other hand, expensive people might be a little out of pocket. A man living in a tent on a Government job outback gets a tent allowance. He has his home in another part of the State, and still has to keep it up, probably paying rent. All his food and other requirements have to be carried out to him. Living in a camp is dearer than living in a town. Hence the camp allowance of 5s. 3d. per week. How does the Attorney General draw the line between a man who is made a cash allowance for out-of-pocket expenses incurred in travelling, and the man who has to live on a job outback and consequently incurs additional out-of-pocket expenses?

The Attorney General: I do not draw a line, but I am not prepared to exempt anything further at present. I want to examine the situation.

Hon. A. McCALLUM: An invidious distinction is drawn.

The Attorney General: Some are obvious cases; others are not so obvious.

Hon. A. McCALLUM: The Minister is misinformed as to certain allowances being part of the wage. A tent allowance is not part of the wage. The Minister for Works knows of a job now going on at Harvey. Some local men are employed there, and they get the same wages as the other men; but they live at home and therefore do not receive the tent allowance. If there is no work done on account of rain, the men living in tents receive no wages but do receive the tent allowance. How can it be argued, then, that the tent allowance is

part of the wage? If the men work overtime, they get time and a quarter or time and a half on their wage, but not on their tent allowance, which is separate and distinct. A man working in water gets wet pay. He may be in water half the day, and then he gets additional pay for that period. The moment he comes out of the water, he does not get that additional pay. The proposed discrimination will produce ill-feeling amongst Government employees, and occasion a great deal of bother and trouble to Cabinet. The items I have mentioned are the outstanding items which should be included in the clause. We have not in our minds anything which would lead to the construction that an allowance that is part of the wage would come under the clause. I do not know what the Minister had in his mind when he said that allowances were part of the wage.

The Attorney General: Are the allowances which you read out the lot?

Hon. A. McCALLUM: Those that I read out are the outstanding ones.

The Attorney General: Then there may be others?

Hon. A. McCALLUM: Yes. I do not say I read out the lot.

The Attorney General: That is the whole point. We cannot be sure of getting the lot.

Hon. A. McCALLUM: I suggest the exemption of allowances which are classed as allowances in any industrial award or agreement. The list I have read out embodies allowances that are distinct from wages. We should not be placed in the position of having to draw distinctions between the allowances I have in mind. The Attorney General has not answered the point raised with regard to the tent allowance, which is quite a new provision allowed by the court, although the full details of the financial situation were before that tribunal.

The Minister for Works: There has always been a camp allowance; it has merely been altered in name to tent allowance.

Hon. A. McCALLUM: No, the camp allowance is a different thing altogether.

The Minister for Works: The camp allowance was 6s. a week, and now it is called a tent allowance at 5s. 3d. a week.

Hon. A. McCALLUM: The tent allowance was only established when the district allowances were reviewed and some were abolished.

The Minister for Works: No.

Hon. A. McCALLUM: I know to the contrary. The Bill is to apply to conditions as they obtained on the 30th June last, when there was no tent allowance. How will that affect the position? The situation should be made clear and thus avoid constant bickering on the part of the unions, who will want to know where they stand. The proposal is a new way of dealing with legislation and is transferring the power of Parliament to the Cabinet. Even so, the decision will largely rest with the courts which will arrive at a determination strictly in accordance with the legal interpretation to be placed on the provisions of the Bill.

Mr. KENNEALLY: The member for South Fremantle asked whether Cabinet would deal with matters not mentioned in the clause, and the Attorney General replied in the affirmative. It will not be Cabinet that will arrive at the decision, but the Arbitration Court on the application of the union, or a local court by means of an enforcement case. By that means will be determined what allowances will be affected, if the Bill is passed in its present form. The amendment proposed by the Attorney General will merely add two of the allowances to the list of exemptions. The rest will remain with the courts to determine as I have indicated. Seeing that the Attorney General agreed that money paid for services rendered and as compensation for conditions other than those that apply with ordinary work, should not be subject to the cut, it should be possible for a comprehensive amendment to be framed making the whole position clear. I take it that in essence the attitude of the Attorney General is much the same as that of the Opposition. Would the Attorney General argue that the allowance paid to a man who is working inland as compensation for inconvenience or additional expense involved, should be subject to the extra cut in respect of the extra allowance? If so, it means that the man working under such conditions will be subject to a greater cut than the worker in Perth. Then again, how will Cabinet be able to determine such matters on their merits, seeing they will not come before Cabinet, but will be dealt with by way of application to the Arbitration Court?

The ATTORNEY GENERAL: The member for East Perth has somewhat misunderstood me. I do not desire that allowances paid to workers to recoup them for extra expenses should be treated as part of

their salaries or wages. For instance, if a man is moved from Albany to Perth, I do not desire his transfer expenses to be treated as part of his wages. Admittedly it is difficult to secure a comprehensive list of allowances and separate those that represent merely extra wages from those that are recoups for expenditure incurred. I am prepared to go as far as I have indicated, but I am not agreeable to the inclusion of any further specific allowances, realising that there may be border-line cases that will have to be investigated. The Bill proposes that the Governor shall have power to exempt other allowances, and it is our intention to deal with instances advanced to prove that allowances should be treated as recoups and not as additional wages.

Mr. Withers: How much would be saved on account of these allowances? Is it such an important matter?

The ATTORNEY GENERAL: I am instructed that it can be. If everything that is called an allowance in awards or agreements were exempted, it might be quite a serious matter. It is difficult for me to work out the figures myself, seeing that I am not experienced in industrial matters. I have been instructed by officers who are competent to advise, the officers who advised the previous Government. I cannot accept the amendment because I do not know where it might lead. If an exemption is granted at a later stage, it will be dated back to the commencement of the measure.

Hon. S. W. MUNSIE: The Attorney General admits that it is difficult for him to say what is an allowance for actual expenses and what is wages. He has agreed to exempt two items, but he seeks to place us in the position of admitting that no more should be exempted. We ask that, where the Arbitration Court has granted a specific allowance, it should be exempt. The court has fixed allowances for transfer and travelling expenses, as well as a tent allowance. Is the tent allowance for work done, or is it for the discomfort and inconvenience suffered by the employee? If a man does not live in a tent, he does not get a tent allowance.

Mr. Panton: That is happening at Harvey to-day.

Hon. S. W. MUNSIE: That is so. We are asking for exemption for only what the court has granted. It is unreasonable to seek a 20 per cent. reduction of allowances

as well as wages. The Government have got district allowances reduced from 10 to 60 per cent. and some of them have been wiped out, and still they are not satisfied. Since then the tent allowance has been granted. The Attorney General is not consistent.

The Attorney General: Consistency is a virtue of very small minds.

Mr. Marshall: The hon. member is wrong. The Attorney General is consistent if only in his inconsistency.

The Attorney General: I am not pig-headed; I can always alter my mind.

Hon. S. W. MUNSIE: The Minister tries to be consistent.

Hon. A. McCallum: He is not logical.

Hon. S. W. MUNSIE: Certainly not in this instance, because his objection to the amendment should equally apply to the exemptions to which he has agreed.

The Attorney General: Do you want me to be consistent to the extent of wiping them out?

Hon. S. W. MUNSIE: No; I want the Minister to be consistent, not hard.

The MINISTER FOR WORKS: The Attorney General was asked the amount of the saving. Allowances paid to the wages staff of the railways amount to about £40,000 a year and to the salaried staff about £10,000. During the last few weeks the Railway Officers' Classification Board have reduced the travelling allowance from 12s. 6d. to 10s. per day. It has been said that the court dealt with allowances a few weeks ago. Many years have elapsed since the railway employees were before the court. Recently the Commissioner of Railways asked the court to deal with district allowances and the 44-hour week, and the court decided to abolish the district allowances in the South-Western land division and to reduce them in other parts of the State. The court, however, did not alter the hours. When district allowances operated, awards and agreements provided for a camp allowance of 6s. a week. After the court had altered the district allowances, we considered we were justified in stopping the camp allowance. The A.W.U. approached me and I agreed to the matter being referred to the court. The court granted 5s. 3d. tent allowance instead of 6s. camp allowance. That is the only matter the court has dealt with for a considerable time. When the Attorney General exempted district

allowances, I assume he did so because the court had dealt with them quite recently.

Hon. A. McCallum: The whole of the industrial conditions of the railway officers were before the board and the allowances were not challenged by the department.

The MINISTER FOR WORKS: The wages staff conditions have not been reviewed for some time.

Mr. Panton: Would you consider the tent allowance part of a man's wages?

The MINISTER FOR WORKS: It is argued that, when a man is sent away, he has to keep two homes. I agree that a married man would have to do so. A single man, however, would have to pay rent for a room in Perth, and he pays 1s. a week for the hire of a tent. In view of the Attorney General's assurance, the provision in the Bill might well be accepted.

Mr. Millington: Do you say that you referred the question of the camp allowances to the court?

The MINISTER FOR WORKS: Yes.

Mr. Millington: That was settled in March; then why 20 per cent. cut on that?

The MINISTER FOR WORKS: I do not know that the Bill allows that. In my opinion, the tent allowance is the camp allowance, and it has already been reduced by 9d.

Mr. MARSHALL: I support the amendment, and I contend that Parliament has not the right to interfere with awards of the Arbitration Court. Always in this Chamber and out of it Ministers have endeavoured to make the people believe that in office or out of it they would never stoop to the depth now proposed. There cannot be found a precedent for this, no matter where we may look. The Attorney General has always endeavoured to impress upon all and sundry that interference with industrial determinations would not be carried out with his vote, yet he proposes something now that will have the very opposite effect, and he claims he is justified in doing it because of the circumstances in which the State finds itself. But the financial position of this State is no worse than that of others: indeed, it is much better than that of some of the other States. I suggest that this is the lowest rung in the ladder of attack upon arbitration generally. There has been advocacy by a certain organisation for the abolition of the Arbitration Court. In this Bill we can see the handiwork of that particular

organisation. The Employers' Federation of this State plays an important part in framing some of the clauses that appear in the measure. The Attorney General is not prepared to advocate the abolition of the court; it would prove conclusively his inconsistency, and so he desires to do away with the institution piecemeal. Has any Minister ever introduced a Bill, no matter how drastic in character, without being able to justify its introduction? The Attorney General asks not that Parliament might say, but that the Governor in Council should say what allowances should or should not be exempt. The Arbitration Court is not giving allowances for the purpose of providing luxuries. All allowances have been reduced to a low ebb, and those now granted are given because of actual necessity. We are starting at the bottom rung. We are not yet sure that bondholders themselves will make a sacrifice. Paltry pittances are to be attacked by a Government entirely unsympathetic towards the workers of the State.

Mr. J. H. SMITH: To my mind the amendment is very reasonable. We are breaking one of our principles by repudiating an Arbitration Court award. The 20 per cent., to my mind, seems so small. How can the Minister discriminate between one section of allowances and another section? He says he is prepared to give way in respect of travelling allowances and transfer allowances, but he will not move in the matter of camp allowances. To my knowledge, not only in Government works, but in those carried out by different local authorities, it has always been the custom to allow 6s. a week to a man living in a tent. Why be so paltry as to deduct 18 or 20 per cent. from that amount? The Attorney General would be wise to accept the amendment which is very moderate. I shall support it.

Hon. J. CUNNINGHAM: The Attorney General must recognise his position when he accepts the responsibility of taking on himself the right to usurp the authority of the Arbitration Court dealing with a question such as that under review. We should be dealing with questions of interest to the people generally rather than interfering with the authority of a tribunal set up by Parliament.

The Attorney General: Unfortunately, these things have become relevant because the expenditure of the public purse has passed out of the hands of the Government.

Hon. J. CUNNINGHAM: Through your interference with these things with which you should not interfere at all. Now the Government are interfering with arbitration awards, and tinkering with the authority of that court. The court has the power to make the necessary investigations, but the Attorney General has not the common decency to submit to this Committee any evidence upon which a decision might be based. We are not only interfering with, but also temporising with the issues before us. We are not giving the workers a fair deal. We have not only set ourselves up as an authority over the Arbitration Court, but we are interfering with the work of that court, and that without calling any evidence. It should not be the duty of Parliament to over-ride the Arbitration Court. The Attorney General wants to take out of the hands of the court the right to make awards. He requires a reduction in the basic wage and in all wages prescribed by the court. I will vote for the amendment, although I believe that if I were to do the right thing I would not only vote against the amendment, but also against the clause; and I would say to those who elected the Attorney General that they should be prepared to accept, as the result of their folly, the legislation he wishes to impose on the people of the country.

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

Ayes	..	..	..	21
Noes	..	..	..	23
Majority against				2

AYES.

Mr. Collier	Mr. Pantou
Mr. Corboy	Mr. Sleeman
Mr. Coverley	Mr. J. H. Smith
Mr. Cunningham	Mr. Troy
Mr. Hegney	Mr. Walker
Mr. Johnson	Mr. Wansbrough
Mr. Kenneally	Mr. Willcock
Mr. Marshall	Mr. Wilson
Mr. McCallum	Mr. Withers
Mr. Millington	Mr. Raphael
Mr. Munle	

(Teller.)

NOES.

Mr. Angelo	Mr. McLarty
Mr. Barnard	Sir James Mitchell
Mr. Brown	Mr. Parker
Mr. Davy	Mr. Patrick
Mr. Doney	Mr. Piesse
Mr. Ferguson	Mr. Sampson
Mr. Griffiths	Mr. Scaddan
Mr. Keenan	Mr. J. M. Smith
Mr. Latham	Mr. Tborn
Mr. Lindsay	Mr. Wells
Mr. H. W. Mann	Mr. North
Mr. J. I. Mann	

(Teller.)

PAIR.

AVE.	No.
Miss Holman	Mr. Teesdale

Amendment thus negatived.

The ATTORNEY GENERAL: I agreed to insert certain words, and with the help of members I will insert them. I move an amendment—

That after "allowance," in line 2, the words "travelling allowance and transfer allowance" be inserted.

Hon. W. D. JOHNSON: After all, the Attorney General is only specifying two more allowances, and is still discriminating between allowances and allowances. There are allowances for travelling and for transfer provided for and recognised in awards, agreements and classifications, and there are other allowances provided for in exactly the same way. We have pointed out how wrong it is to limit it to district allowances, and now the Attorney General proposes to include travelling and transfer allowances. That only aggravates the position, for it still leaves unconsidered certain other equally deserving allowances. I propose to move an amendment that would do exactly what I think the Minister is anxious to do, namely, cover reasonable allowances that are definitely recoups to men who have incurred extra expense in the following of their calling and so have increased their living costs above normal. The amendment I would move is that after "any allowance" in line 2, there be inserted "which is paid as a recoup to an officer for extra living costs, expenses or inconveniences incurred by him and recognised as liable to be paid for in any classification, industrial award, or industrial agreement." The hon. member has admitted the justice of recouping, and certainly an away-from-home allowance is as deserving as a travelling allowance or a transfer allowance. If the Arbitration Court award admits an away-from-home allowance, why should it not be included in the Attorney General's amendment? It is impossible in a Bill like this to specify all the many allowances. So in my amendment I limit them to recoups, to allowances justified by any classification, award or agreement. That limits the allowances to those that have been subject to review by both sides. The Minister for Works has admitted that these allowances have been modified by the Classification Board; in other words, they have been reduced, and now the Attorney General says that notwithstanding that, he is going to tax them.

The Attorney General: If they have been reduced since the 30th June, 1930, the reduction will be part of the total percentage.

Hon. W. D. JOHNSON: Yes, but that applies to district allowances, travelling allowances, and transfer allowances. The Attorney General justifies the exclusion from taxation of district allowances by the fact that since June 30th, 1930, they have been reduced. He says that because of the reduction he does not propose further to tax these payments. Exactly the same principle applies to the away-from-home allowance. The Attorney General's amendment will make Parliament look ridiculous, for the reason that there is no difference between the arguments applied to the other allowances and those applied to the away-from-home allowance.

The Attorney General: I will bear your arguments in mind.

Hon. W. D. JOHNSON: I want to see the away-from-home allowance included in this paragraph.

The Attorney General: I will not debate the matter with you now because I do not know. I do know that travelling allowances constitute a recoup for out-of-pocket expenses. You say that an away-from-home allowance is a recoup. If you are right it will be exempted, but I do not know yet.

Hon. W. D. JOHNSON: Let it be included in the paragraph. The Attorney General says he is prepared to exempt all payments that are a recoup to the officer for any expense incurred.

The Attorney General: Or out-of-pocket expenses.

Hon. W. D. JOHNSON: Why does he not say so in the clause? All allowances that are recognised by an award or agreement should be included.

Mr. SAMPSON: I disagree with the member for Guildford-Midland when he says that the amendment of the Attorney General provides a limitation. In my opinion the words contained in the amendment amount to unnecessary verbiage. I am prepared to accept the assurance of the Attorney General that out-of-pocket expenses will be exempt from any reduction. The paragraph already fully protects everyone concerned. As in duty bound I will support the Attorney General.

Mr. Marshall: Why in duty bound?

Mr. SAMPSON: So that the Bill may go through as speedily as possible in accord-

ance with the wishes of the Prime Minister. It may be considered later on that these allowances should be subject to the reduction. The cost of living has decreased and hotel meals are cheaper than they were 12 months ago. The matter should be left to the Government. I do not want to see them shackled in any way. He governs best who governs least. A Bill is the better if it is expressed in the shortest terms so long as the principles desired are made clear. The Bill should not be loaded with conditions.

Mr. Panton: It is loaded with dynamite now, and that is worse than conditions.

Amendment put and passed.

Hon. W. D. JOHNSON: I move an amendment—

That after the words "any allowance" the following be inserted:—"which is paid as a recoup to any officer for extra living costs, expenses or inconvenience incurred by him and recognised as liable to be paid for in any classification, industrial award or industrial agreement."

The Attorney General has agreed that the term does not include district allowances or travelling allowances. That does not meet the situation. What I want included is any allowance which constitutes a recoup for out-of-pocket expenses. When going into this matter the Arbitration Court made provision for the expense an officer would incur when going away from home on duty. It is fair to assume that no extra expense is involved beyond what the officer has to pay. His salary is increased to recoup him. The Minister says, "We will therefore penalise the officer to the extent of 18 per cent." The hon. gentleman should appreciate the reasonableness of the amendment. The matter affects constituents of practically all members of the Chamber except one northern member.

[Mr. J. H. Smith took the Chair.]

The ATTORNEY GENERAL: The amendment will not carry the matter any further. It will merely limit the power taken under the paragraph by the Governor. Why not leave the Governor as free as possible in the matter?

Hon. W. D. Johnson: Because we are liable to have a change of Governors.

The ATTORNEY GENERAL: The amendment will limit the power of the Governor to exempt certain allowances, a thing

which the hon. member does not desire. I submit that we have thrashed this matter out. The amendment of the member for South Fremantle covered the same ground, and I have made a concession. I do not wish any allowance by way of mere recoup to be cut, but to endeavour to define in the Bill all the allowances to be exempted is impracticable. The power will not be exercised by the Governor or Administrator, but by departmental heads.

Mr. Kenneally: And the departmental heads, being desirous of economy, will recommend Cabinet to cut the allowances.

The ATTORNEY GENERAL: I do not think so. We can safely leave the matter now. I am unable to agree to the definition proposed by the member for Guildford. His amendment seems to resurrect that which was moved by the member for North-East Fremantle.

Hon. W. D. JOHNSON: Only one word is needed to overcome the difficulty suggested by the Minister, the word "or," which should be added to my amendment. Then we shall definitely specify travelling allowance, district allowance, transfer allowance, or any other recoup. We must specify allowances other than those mentioned by the Minister, though I agree with him that we cannot specify them all in the Bill.

Amendment put and negatived.

Clause, as previously amended, put and passed.

Clause 6—Computation of salary:

Hon. S. W. MUNSIE: I move an amendment—

That the following proviso be added to the clause:—"Provided that for the purpose of this section the value of any such privilege as aforesaid shall be assessed at a sum 20 per cent. below the value thereof if assessed and computed as on the 30th day of June, 1930."

The Attorney General: I propose to accept the amendment.

Hon. S. W. MUNSIE: The purpose of the amendment is to make it clear that in the case of an employee receiving so much per week and board and lodging, the value of the board and lodging shall be reduced, for taxation purposes, to 20 per cent. below the value as at the 30th June last.

The ATTORNEY GENERAL: I agree that the proviso should be inserted.

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

Clause 7—Salaries to be reduced:

Hon. P. COLLIER: This is a really important clause. It deals with the percentages of reduction proposed to be made. From this clause the Government expect to make the major portion of their 20 per cent. economies. The clause is of an all-comprehending, dragnet nature. It will bear repetition that the 18 per cent. reduction applies to all salaries under £250 a year. No matter how small the salary, if it be the 10s. per week of an office boy or an office girl, the reduction of 18 per cent. is to apply to it. As instanced by the member for Leederville, the reduction applies to a number of girls who are employed in the merciful work of nursing at hospitals and who receive 10s. per week. From the wage of 10s. paid to those girls, there will be a deduction of 6s. 3d. a week.

The Minister for Lands: That is rather exaggerated.

Mr. Panton: No, it is right.

Mr. Sampson: Will not the amendment we have just dealt with alter that?

Hon. P. COLLIER: I thought the hon. member did not know what he was talking about.

Mr. Sampson: It will affect the question of board.

Hon. P. COLLIER: Will it? I am glad that the hon. member is able to salve his conscience by virtue of an amendment that deals with travelling allowances! What will that have to do with girls in the hospitals? The Bill will affect employees in every avenue of occupation. It is altogether too drastic to say that everyone on the lower wages or salaries, irrespective of how low they may be, must suffer a reduction of 18 per cent. Some of those salaries are much below what the Arbitration Court has fixed as a living wage. I have not seen all the Bills that have been submitted to the Parliaments of the several States, but so far as I am aware no other State has attempted to effect such drastic reductions. According to the telegram read by the member for South Fremantle to-night, the South Australian Government are not touching wages at all.

The Premier: They have already been reduced.

Hon. P. COLLIER: If that is so, the reduction has been effected by the tribunal set up for that purpose, not by Parliament.

Hon. S. W. Munsie: And wages have been reduced here.

Hon. P. COLLIER: Yes, to the extent of about 9 per cent. below the basic wage this year. In South Australia that course is not being adopted.

The Minister for Lands: Their basic wage is much lower than ours.

Hon. S. W. Munsie: And their cost of living is lower.

Hon. P. COLLIER: Even so, the basic wage was fixed by the tribunal appointed for that purpose, and in fixing it, all necessary circumstances were kept in mind.

The Minister for Lands: The Federal basic wage effected a 10 per cent. cut afterwards.

Hon. P. COLLIER: Earlier in the evening, the Attorney General interjected that the provisions of the Bill have been advanced because the Arbitration Court set up to fix wages in this State, would not make any reduction such as the Government considered ought to be made. In other words, the Government will supersede the Arbitration Court unless the court fixes a wage of which they will approve. That is the principle underlying the Bill. My amendment deals with the amount of the reduction. The Commonwealth Government do not propose any reduction on salaries or wages below £182 a year, which somewhat approximates our basic wage here.

The Minister for Lands: That is, for adult workers.

Hon. P. COLLIER: I am referring to adult workers; I know there are other rates for minors and female workers. A similar position exists in Victoria, and certainly no other Bill before any Parliament of Australia seeks to affect such a drastic reduction as that proposed in the Bill before us. If the Government feel compelled to effect a 20 per cent. reduction in expenditure as compared with that of the 30th June last year, and in their endeavour to do so, consider it necessary to attack even the very lowest wages paid, they might at least have started off with a very low percentage deduction. In commencing with a reduction of 18 per cent., the Government have proposed something that should not be tolerated, particularly seeing that tens of thousands of persons, including dependants and families, will be affected. Those people are even now below the bread line. A much lower percentage should have been suggested. It is urged that the Plan seeks to secure equality

of sacrifice, but the only thing we make sure of in this Bill is that the sacrifice shall be in respect of those in receipt of wages and salaries. The Premier himself stated at the conference, and also in an interview in the Press in reply to Professor Copland, that in Western Australia a reduction had already been effected to the extent of 20 per cent.

The Premier: Yes, in savings, not deductions. I think South Australia has effected a saving of 30 per cent., and we have saved 20 per cent. That is effected in the purchase of goods and other economies.

Hon. P. COLLIER: In the statement the Premier said that two States, South Australia and Western Australia, had actually achieved a reduction of 20 per cent. in governmental expenditure. That really amounts to a reduction in the number of employees.

The Premier: And in respect of purchases, and in other directions as well.

Hon. P. COLLIER: But other States have effected reductions in a similar manner. Many men have been retrenched from the Government service in other States, particularly South Australia and Victoria. I am unable to understand how we can be said to have already effected a 20 per cent. reduction in this State.

The Premier: Yes, in South Australia and Western Australia, while the other States have effected considerable reductions, too.

Hon. P. COLLIER: But they were effected in different ways. Queensland started 18 months ago with her reduction in wages and salaries. The South Australian reductions were mainly secured by means of retrenchment in the Government service and in other directions.

The Premier: It covers reduction of salaries and wages.

Hon. P. COLLIER: At any rate, there is no such thing in the Bill before us, nor, so far as I can see, in the Conference Plan itself, that will give us anything approaching equality of sacrifice.

The Premier: I do not say that anything can give us equality of sacrifice.

Hon. P. COLLIER: Or something even approaching it. The Premiers' Conference arrived at a decision that the Plan, so far as it was possible to achieve it, would provide equality of sacrifice. Already we find that one section of the community does not propose to make any sacrifice, except at its own sweet will, when it likes, and to what extent it pleases. In this morning's "West

Australian" there appeared a statement issued by the Associated Banks in Victoria, and it is very interesting to note their view of the situation. The statement commences:

Arbitrary legislative interference either by the Commonwealth or the States with the business of the banks will not only be detrimental to the general community, but will so affect their position that their ability to assist in the Government rehabilitation scheme will be seriously impaired.

Mr. Kenneally: There is a threat.

Hon. P. COLLIER: The statement also includes the following:—

The banks here are gravely concerned at the prospect of legislation affecting banking business being passed in view of various consequences this would be likely to have on the Commonwealth conversion loan.

We have been told that mainly by the aid of the banks and the large insurance companies, the conversion loan will be a success. In plain words, the Associated Banks say to us now what their attitude is on that question. While all the Governments of Australia are engaged in arbitrarily, as the banks indicate, cutting down the salaries and wages of the workers of Australia, and in Western Australia, we are doing it without consulting those workers and are making it retrospective to the 9th July last—

The Premier: That is the Federal law, too.

Hon. P. COLLIER: I know. While all the Governments of Australia are doing this, the banks say, "You must not legislate affecting our interest or our business." It is more than a threat; it amounts to a direct intimation to the Governments of Australia that if they attempt to interfere by legislation with the banking business the conversion loan will be a failure; for the banks will not assist in it. First of all the banks said to the Melbourne conference, "We will give you no further assistance unless you go back and effect tremendous economies." The Premiers, realising that it was only through the banking institutions that they would be able to carry on, consented to that proposal and agreed to introduce legislation that would enable the bondholders to convert their stock at a reduced rate of interest. In addition the Government said, "We will effect 20 per cent. economies as at the 30th June, and will reduce wages and salaries everywhere." There was no stipulation that any compulsion should be applied to the banks, and

the banks intimated to the Premiers' Conference that they would voluntarily reduce the rate of interest. But they had to be trusted to do it, and they now say in this statement that they are considering the question and a reduction will be made in due course, but when and where and to what extent is entirely for the discretion of the banks themselves.

Mr. Kenneally: The workers should have the same concession.

Hon. P. COLLIER: Yes. It is compulsion for everybody but the banks, who threaten that the conversion loan will be a failure if the Governments attempt to legislate against them. What attitude is that for the banks to take up? Immediately these Bills were introduced into the various Parliaments of Australia, the banks should have shown that they were falling into line. The Commonwealth Bank has already reduced its interest charges to 5½ per cent., but the Associated Banks, whose rate of interest is from 7 per cent. to 7½ per cent., have made no move in that direction. Actually they have reduced the rate of interest payable on deposits, new money or renewals. So even if the banks should make a reduction of 1 per cent. in the interest chargeable on advances, they will then not be contributing anything at all to this restoration of the economic position of Australia; because what they will do will be to reduce the interest payable on deposits by 1 per cent., and afford a corresponding reduction in the interest chargeable on advances. I notice that one of the leading banks of Australia has declared a dividend of 12 per cent. for the year. So that bank is not suffering from the depression. In a statement published a few years ago by a Western Australian bank it was shown that 50 per cent. of its total deposits were on current account, for which no interest at all is paid. In this way millions of pounds of the people's savings are handed over to the banks for no interest at all. Compare the sacrifice of bank shareholders enjoying large dividends with that of the unfortunate man trying to maintain a wife and family on £2 per week from which 18 per cent. is to be deducted. The principle of banking is the greatest scheme ever put up on an unsuspecting public. Take the history of the Western Australian Bank. For 16 years the bank paid 16 per cent. dividends on the original shares, carried £750,000 to reserve, and then, when the reserves were so large

that there was no need to increase them, the bank gave two bonus shares for every original share, and still continued to pay the same dividend on the watered stock. As a matter of fact, there is no greater fraud put up on the public to-day than the methods of big wealthy corporations. They declare a dividend of only, say, 6 per cent. But it is 6 per cent. on stock that has been watered over and over again. So actually the dividend amounts to 40 per cent. or 50 per cent. of the original share money. It is a fine art, this covering up of profits so as not to arouse the suspicions of the public. If a dividend of 40 per cent. or 50 per cent. were to be declared, there would be an outcry for a reduction in the charges made for the services rendered; but while the dividend is shown to be only 6 per cent. the public accept it as being perfectly reasonable. If the people really understood it they would not tolerate for 24 hours the present banking system.

Mr. H. W. Mann: Is it any worse than that of the sugar company?

Hon. P. COLLIER: I do not know which of them started the system, whether the banks learned it from the sugar company, or whether the sugar company came in after the banks and took a leaf out of their books. The sugar company, I understand, is not making any equality of sacrifice. No wonder things are prosperous in Queensland, when she can flech millions from the rest of the Commonwealth! I only wish I had power to carry through Parliament against the banks and the sugar company some measure of the drastic character of this Bill in its application to the wage and salary earners. The percentages set out here are altogether unfair. The 18 per cent. cannot be justified at all. It ought to be much lower. The Bill requires drastic amendment in two directions; first of all to exempt all those who are on or below the basic wage and, after the exemption, the percentage to begin at a lower stage and gradually work up. I have a copy of the Victorian Bill. It is something on the lines of our Income Tax Act, though not quite the same. Under our Income Tax Act there is an increase for every £1 of income, whereas the Victorian Bill provides for increased percentages for every £5 or £10 increase of income. There it is proposed to make reductions as follows:—£245, 2 per cent.; £250, 3 per cent.; £260, 4 per cent.; £270, 5 per cent.; £280, 6 per cent.; £290, 7 per cent.; £300, 8 per

cent.; £310, 9 per cent.; and so on by easy stages until it reaches 30 per cent. Here provision is made for only three gradations. The amendment proposes to exempt all employees below the basic wage, and then to impose an increase of 5 per cent. for every £200 of income, with a maximum of 30 per cent. There would be six stages from the minimum to the maximum. No doubt the Minister will reply that the heavy imposts upon the low salaries are necessary to enable the Government to get the 20 per cent. all-round reduction agreed upon by the conference. I admit I have not made any calculation, but I have no doubt that the amendment would not give the Government nearly the same amount of money as would their own proposal. I think the Attorney General might have shown the amounts likely to be received from the reductions of 18 per cent., 20 per cent. and 22½ per cent., and he might also have worked out the amounts likely to be received on the basis of the amendment.

The Attorney General: The higher salaried officers are very few.

Hon. P. COLLIER: There are not many receiving over £1,000, but surely it cannot be contended that it is fair to reduce a man on £250 by £45 a year, or 17s. a week, or to reduce a man on £300 by £60 a year or £14s. a week. A man on £6 a week would be reduced to £4 16s., while the man on £1,000 a year would be reduced by £4 a week. I do not think the Attorney General will attempt to justify his schedule on the grounds of equity. He is proposing it merely on the grounds of necessity to obtain the 20 per cent. all-round. To say that a man who is receiving £1,000 a year and will be reduced by £200 will make a sacrifice equal to the man on £250, who will lose £45, is absurd. To make a contrast still wider, a man on £1,000 a year will lose £200 and a man on £2 per week will suffer an 18 per cent. reduction. The man on £2 a week is below the breadline. Two kinds of sacrifice will have to be made under this Bill. For men on £600 and upwards, there will be a sacrifice of money. Such men will not be able to save as much money in the future as in the past. A man on £2, £3 or £4 a week will make a monetary sacrifice which will also necessitate a sacrifice of bodily well-being and of the living conditions of himself, his wife and family. There can be no comparison between the sacrifice of a man

who suffers a reduction in food and clothing for himself and his family and the monetary sacrifice of the higher paid man. The latter would still have sufficient money to live in comfort. He would still be able to enjoy whatever he desired in the way of food, clothing, housing and comfort, and would be able to continue to enjoy most of the luxuries and pleasures of life. In his case the sacrifice would be comparatively nothing, but when it comes to sacrificing something from the food supply of the family, that is where the real sacrifice comes in, and those people are the only ones who will make the real sacrifice. I care not how bad the economic conditions may be, I care not how bad the financial position may be, no Parliament is justified in reducing a wage which is already below the living wage. No set of men are entitled to say to their fellows, "You must sacrifice a loaf of bread for your table, a pair of boots for your child, and other necessities of life for your home." Nothing will justify it, especially as there are so many avenues that could be attacked without entailing any sacrifice upon the people concerned. The Bill will intensify unemployment, bad times and misery for quite a considerable period. There are many things which are urgently needed and that should be done by Parliaments in these times, but which the conference did not consider. There are tariffs and bounties, and there has been a fall in the price of everything, even a fall in wages.

The Premier: Tariffs have gone up.

Hon. P. COLLIER: The reduction in wages is equivalent to an increase in the tariff, because manufacturers in Australia are able to produce things to-day at considerably less cost than was the case when wages were higher.

Hon. Sir James Mitchell: The manufacturer has the exchange also.

Hon. P. COLLIER: If the average wage was £5 per man, the cost of production per man was so much, but if wages have come down £1 a week, the cost of production must be proportionately less. This should enable manufacturers to compete successfully against imports on a lower tariff than exists to-day.

The Attorney General: Do you think it would have been proper to reduce the tariff all round by 20 per cent.?

Hon. P. COLLIER: I am glad to say the Federal Government have reduced bon-

uses. I regret that the Leader of the Country Party was not present at the conference. No scheme or plan that we may arrive at will be of any good to Australia unless it gives consideration to those who are engaged in our primary industries. We must do something for our wheat and wool growers, for our timber industry, and for our metal and mineral industries. If costs do not come down we shall not get round. We can meet our commitments overseas in no other way.

The Premier: The only way to get the tariff down is to wipe out altogether the Federal business.

Hon. P. COLLIER: I think the Leader of the Country Party would have put up a fight on the tariff question. I am a protectionist, but I do not believe in the kind of protection we have to-day. By getting the ear of Ministers and without proper investigation being made, but merely upon ex parte statements, people are able to get tariffs pushed up. Nearly all the wealthy men of Melbourne and Sydney who have been in business since the early days of Federation, and have been building up secondary industries, have had a tariff ring to protect them.

Hon. Sir James Mitchell: The tariff is a scandal.

Hon. P. COLLIER: The unfortunate worker has to take this whether he likes it or not, and other people are to go scot free.

The Premier: We cannot alter the tariff.

Hon. A. McCallum: But we can alter this.

Hon. P. COLLIER: Excessive tariffs only lead to inefficiency. Instead of plant and machinery being kept up to date, and manufacturers keeping their wits sharpened in order that they may compete with other manufacturers, they have only to get another 10 per cent. added to the tariff and no incentive exists for them to keep up to date. The reductions proposed in this Bill are altogether unfair. Even if we cannot get the 20 per cent. by any other means, let us make the reductions heavier if necessary upon those whose real living conditions will not be affected, and keep the burden off those who will undoubtedly suffer privation and misery by reason of these reductions. I move an amendment—

That in Subclause 1 the words "a rate which will be eighteen per cent., twenty per cent. or twenty-two and a half per cent. as the case may be," be struck out and the words "an extent determined" inserted in lieu.

The ATTORNEY GENERAL: There is a great deal of what the Leader of the Opposition has said with which I agree on principle. If I had been in his place to-night and he had been over here, no doubt I would have made a speech on similar lines to that which he has made. These are times when we are driven to do things we would not dream of doing in normal periods. The first resolution carried at the conference was for a reduction of 20 per cent. in the adjustable Government expenditure as compared with the year ended the 30th June, 1930, including all emoluments, wages, salaries and bonuses paid by the Government whether fixed by statute or otherwise, such reductions to be equitably effected. Suggestions have been made from time to time that the economies already effected by this Government may be regarded as a contribution towards compliance with that plan. In my view that is not correct. I may refer to a certain passage of the Conference report. There seemed at the time to be some little doubt whether the 20 per cent. reduction was to embrace economies effected by retrenchment or smaller purchases of goods, or whether it was to be a wages and salaries reduction as well as any economies otherwise effected. On page 21 I am reported as having said—

Does Professor Giblin think that the cut in wages will not excuse Governments from retrenching further in every other practicable direction?

Professor Giblin: That is the suggestion—that it should be possible on a 20 per cent. cut on wages and salaries, with all other economies that can be added, to effect still greater savings.

Mr. Theodore: The converse of that is that retrenchment does not excuse a Government from making an all-round cut in wages.

Therefore I think it is undeniable—

Hon. A. McCallum: It is hardly fair to leave off there.

The ATTORNEY GENERAL: All right. What more do you want me to quote? I will read the rest, though I do not think it is relevant. Mr. Theodore continued—

If we examine a statement made by officials in February, we see that the figure for New South Wales is 5 1/3rd per cent., Western Australia 6 per cent., Tasmania 7 per cent., and Queensland and South Australia each 11 per cent. To carry out the full effect of this standard of economy, there would have to be still further cuts in all those States in wages and salaries.

I submit it is clear from a perusal of that passage, and other passages, and from a

perusal of Conference resolution (a), that it was definitely agreed that apart from economies effected otherwise than by reduction of adjustable Government expenditure, we still had to aim at achieving a 20 per cent. reduction in adjustable expenditure on wages and salaries as at the 30th June, 1930.

Hon. A. McCallum: What is meant by "adjustable expenditure"?

The ATTORNEY GENERAL: It is defined as including all emoluments, wages, salaries, and pensions paid by the Government, whether fixed by statute or otherwise, such reduction to be equitably effected.

Hon. A. McCallum: It is all adjustable Government expenditure, including those things.

The ATTORNEY GENERAL: Yes.

Hon. A. McCallum: That is not the way you put it.

The ATTORNEY GENERAL: It was not intended for one moment that a Government would be excused from making this reduction in the adjustable Government expenditure while failing to make retrenchments, or, having made retrenchments and economies in that way, from making reductions in this expenditure.

Hon. A. McCallum: I think your quotation proves the opposite.

Hon. P. Collier: Would not savings effected by retrenchment be included in the 20 per cent.?

The ATTORNEY GENERAL: I say, not. I say that clearly the Conference resolution bound Governments to effect that 20 per cent. reduction over all these things, and allowed them just the latitude that they could adjust the reduction in what they thought was an equitable manner. That being so, I submit that the task of the present Government was, apart from retrenchment and economies effected by not buying goods, materials, and so forth, to achieve in their expenditure on pensions, wages, and salaries a reduction of 20 per cent. It is said that our view of what is an equitable adjustment is a wrong view. Maybe it is, from certain points of view: but we did take as our model what the Federal Government proposed at the Conference. In effect, the Federal Government have put substantially into law what they brought down at the Conference. What we have presented here by way of reduction is substantially what the Federal Government have put into operation. We are proposing to make certain further amendments—they appear on the

Notice Paper—including an amendment fixing a limit for the adult male worker and a limit for the adult female worker. The limit for the adult male worker is £185, or 20 per cent. below the basic wage as it existed on the 30th June, 1930, and in effect £3 higher than the limit for the adult male worker fixed by the Federal court. For female adult workers we propose a limit of £100.

Hon. P. Collier: All workers up to those salaries will not be taxed at all?

The ATTORNEY GENERAL: They cannot be taken down below those amounts.

Hon. P. Collier: There will be no reduction from the salary of any adult male worker up to £185?

The ATTORNEY GENERAL: No.

Hon. J. C. Willcock: Juniors are not exempt?

The ATTORNEY GENERAL: No. I do not know whether hon. members will agree that the young man of 18 without responsibilities is perhaps a better mark for taxation than the man of 35 who is married and has four or five children.

Mr. Kenneally: The proposed amendment does not mention the young man with no responsibilities.

The ATTORNEY GENERAL: I know it does not, but we are dealing in masses.

Hon. A. McCallum: How does that amendment improve the Bill, if you are making it 20 per cent. below what obtained on the 30th June, 1930?

The ATTORNEY GENERAL: It ensures some limit. The hon. member the other night complained that there was no limit.

Hon. A. McCallum: Are you not going the whole limit in this? You are taking the full 20 per cent. off.

The ATTORNEY GENERAL: I made a mistake. It is 18 per cent. The £185 is 18 per cent. below the basic wage as at the 30th June, 1930. Let us assume we do this and carry out the brutal reduction. When it is done, the worker will still be better off than he would be if he were a worker operating under the Federal award either in Perth or elsewhere. I am advised that 70 per cent. of the workers in the Eastern States operate under Federal awards, and they have actually had since the 30th June, 1930, or thereabouts a reduction of over 20 per cent. in their remuneration. I am not arguing that a man receiving only the basic

wage under either a Federal award or the State award is living in luxury. Of course he is not. But he is in an incomparably better position than two-thirds of the workers of Australia who are living on the pittance which Governments are able to afford to pay them.

Mr. Raphael: They are not living.

The ATTORNEY GENERAL: Well, they are existing. I do suggest to hon. members that it is not wise or proper to exaggerate the position of the average man living on sustenance. To suggest that a man on sustenance is starving is not the proper thing. I meet scores of men on sustenance every day; and any frank and honest man on sustenance will say that although the amount he draws is not a luxury or anything like it, it will give him adequate food to preserve his health. It is not proper for us to talk about people starving, because it is not true.

Mr. Sleeman: It is semi-starvation.

The ATTORNEY GENERAL: It is not. I do not know myself, because I have never had the misfortune to have to exist on such a small amount, but I have inquired from a number of honest, frank people as to what the sustenance allowance means to them in regard to the purchase of food. I do not refer to the purchase of clothes, rent, and so on. I have not yet heard one man tell me that he is starving and that he cannot keep in proper health as a result of the sustenance payments.

Mr. Sleeman: A man with eight or nine children?

The ATTORNEY GENERAL: I am not talking about them, because I know they do not draw the full sustenance. I am talking about men, their wives and children, who are able to draw the sustenance up to a total of £2 9s. a week. It is bad for us to talk about people starving on that amount of sustenance.

Hon. A. McCallum: Well, they are starving.

The ATTORNEY GENERAL: I say they are not.

Hon. A. McCallum: I say they are.

The CHAIRMAN: Order! The Minister has the floor.

The ATTORNEY GENERAL: The Leader of the Opposition dealt with the position regarding the banks. One of the unsatisfactory features of the Conference, to my mind, was that it was left somewhat

indefinite as to what the banks were going to do. Hon. members will see that resolution (d) read—

A reduction of bank and Savings Bank rates of interest on deposits and advances.

In the sub-committee's report, submitted by Messrs. J. P. Jones and L. Hill and Sir James Mitchell, they said—

It is important and possible to bring about an immediate and progressive reduction of private interest by arrangement between the Associated Banks, Government Savings Banks and other institutions.

It would have been preferable had we had a definite proposition as to what, by how much, and on what basis the banks would carry out that proposition. I think the Governments of Australia are entitled to ask the banks to make that definite announcement straight away.

Hon. P. Collier: I think they ought to.

The ATTORNEY GENERAL: Yes, and we are entitled to say that our legislation shall not be proclaimed until we do get that definite announcement.

Hon. P. Collier: The banks adopt a high and mighty stand, and say they will do what they like, how and when they like!

The ATTORNEY GENERAL: I agree that that is not a proper attitude, and we should insist on knowing how, when, and to what extent the reductions are to be made. On the other hand, I do not think it possible to enforce on the banks a flat rate reduction straight off of 22½ per cent.

Hon. J. C. Willcock: Wage conditions are based on varying contracts. Cannot the bank conditions be varied in that way too?

The ATTORNEY GENERAL: Of course they could be. I do not pretend to a complete understanding of banking any more, I presume, than does the Leader of the Opposition or the member for Geraldton, but I do not think we could say that the whole of the interest charges by the banks should be brought down forthwith on a flat rate based on 22½ per cent. To attempt to do anything of the sort would be highly dangerous.

Hon. P. Collier: It would mean treating bad securities on the same basis as good securities.

The ATTORNEY GENERAL: That is so. I have been in touch with Crown Law officers in other States, and I under-

stand that what is likely to happen is that instead of reducing the rate of interest on the whole of the overdrafts the banks will be permitted to hand on the advantage first of all to primary production. If the plan the banks advance is to be on those lines, and they give greater advantage to customers engaged in primary production than to those engaged in other avenues, it may be the wiser method, and may prove of great advantage to Western Australia.

Hon. P. Collier: At any rate, it is up to them to fall into line with everyone else at this juncture.

The ATTORNEY GENERAL: Yes, and we are entitled to hear what they intend to do. We are entitled to know, not something quite indefinite, but the concrete proposition they intend to carry out. We are entitled to have that information before we proclaim our legislation.

Hon. M. F. Troy: The attitude of the banks is a positive danger in these times.

The ATTORNEY GENERAL: As a member of the Premiers' Conference, I would consider I had not been fairly treated if I were asked to finalise this legislation and proclaim it without hearing what the banks propose.

Mr. Kenneally: Will the Minister undertake that none of these cuts will be effective until we know what the banks intend to do?

The ATTORNEY GENERAL: I do not think I could give such an undertaking off my own bat, but I shall urge my views on others concerned that we should hear something definite from the banks.

Hon. P. Collier: The Commonwealth Government should take up this matter.

The ATTORNEY GENERAL: I believe they will do so. Of course, I do not want members to think that I intend putting a pistol to the heads of the banking authorities, but I want to know what they intend to do, and I think we would be justified in standing back a little. The Leader of the Opposition has said that this Bill will intensify unemployment for a time. That may be so. There is a certain amount of truth also, given its proper application, in the proposition the member for South Fremantle advanced. He asserted that when we reduce wages we reduce the consuming power of the people, and, as a result, in-

dustries may not be able to employ so many people. That proposition would have greater weight in countries organised on different lines from those obtaining in Western Australia. It might be a weighty proposition in America. If Henry Ford desired to sell motor cars wholesale the higher wages other industries paid to their employees would mean so many more customers for Henry Ford.

Hon. A. McCallum: That applies to motor-car sellers here.

The ATTORNEY GENERAL: Yes.

Hon. P. Collier: And to most other industries, too.

The ATTORNEY GENERAL: But it does not apply unless we have more or less solvent conditions throughout the whole community. Everyone desires wages to be as high as industries can afford to pay, and the wages we want to be high are those of the people who eat our wheat and use our wool. And the keeping up of wages in Western Australia is not going to help the wheat producer and the wool producer in the slightest degree. It is the man in Great Britain, in Germany, in China, in Japan who is the person most likely to be able to increase his consumption of our wheat and wool. But it may be that a reduction in the remuneration to public servants is immediately going to reduce their consuming power, which will be reflected in the volume of business done. But in due course a better distribution of what is available will enable the Governments to get nearer the balancing of their budgets, and with that we may get a restoration of confidence in the community and money flowing more freely. So, ultimately, the effect of this measure will be to restore the normal economic position. Now the Leader of the Opposition has put up an alternative scale, which I am advised would produce approximately one-third of what we have undertaken to get. So we could not possibly accept that alternative. Members know how numerous are the small wage and salary earners as compared with those more highly placed. Persons receiving £250 per annum in the Public Service number 12,000; receiving from £251 to £501 they number 6,700; receiving from £501 to £1,000 they number 401; and those receiving upwards of £1,000 number only 43. So members will see that to achieve what we have undertaken we cannot let off the smaller man any more than we have done. Even if we were to

adopt Mr. Lang's policy and wipe out everybody getting more than £500, we would still be short of what we have undertaken to get. I regret that I cannot accept the amendment.

Hon. A. McCallum: I differ altogether from the interpretation the Attorney General has placed on the decision of the conference, just as I differ from the interpretation he places on the discussions of the conference. The conference decision on this point reads as follows:—

(a) A reduction of 20 per cent. in all adjustable Government expenditure as compared with the year ended the 30th June, 1930, including all emoluments, wages, salaries pensions, etc.

If it is including all those, it is not limited to those, but embraces something else. I want to read a little of the discussion that took place, so as to show that that was clearly in the minds of the Conference when they arrived at the decision. The Premier himself took credit for having already effected a 20 per cent. reduction. Professor Giblin was asked to explain the position, and this was his statement—

There would be a saving in some departments of rather more than 20 per cent. as the result of less business done. Twenty per cent. would be a safe estimate of the economies that could be made. That statement is borne out by the experience of South Australia and Western Australia, where the expenditure in all departments has been cut 20 per cent., although the general cut in wages and salaries has not been as much as 20 per cent. Taking the whole of Australia, it is safe to say £9,000,000 more could be got in that way.

Then Mr. Theodore, who was very inquisitive and could not understand the references to Western Australia, said—

The figures in the report show approximately an average reduction in wages and salaries of 6 per cent. Yet you say that in Western Australia the total minimum is 20 per cent.

Mr. Davy: There has been a reduction in Western Australia of approximately 10 per cent. The total reduction on the average wage is about 10 per cent.

Mr. Hogan: But how is that reconcilable with the statement that the reduction in Western Australia amounts to 20 per cent.?

Mr. Davy: Professor Giblin pointed out that there had been dismissals on a large scale. The cost of materials has been reduced. Actual wages are lower, and the total wage cut has been 10 per cent.

Mr. Theodore: In the attached statement of budgetary prospects, the report shows that Western Australia's actual expenditure for 1929-30 was £10,270,000, and the anticipated

expenditure for 1931-32 is £9,930,000, or a reduction of £340,000. Where does the 20 per cent. saving come in?

Professor Giblin: That is one of the points explained in the paragraph in the report. Your figures include interest, road expenditure and unemployment, which are excluded from the items on which a 20 per cent. cut is possible.

Mr. Davy: There is exchange, too, of course.

Professor Giblin: Yes.

Mr. Davy: The proposed expenditure on public utilities is shown.

Mr. Theodore: That is brought in under the proposal for the 20 per cent. cut.

Then, later on, we get this—

Mr. Davy: Does Professor Giblin think that the cut in wages will not excuse Governments from retrenching further in every other practicable direction?

Professor Giblin: That is the suggestion—that it should be possible, on a 20 per cent. cut in wages and salaries, with all other economies that can be added, to effect still greater savings.

Mr. Theodore: The converse of that is that retrenchment does not excuse a Government from making an all-round cut in wages. If we examine a statement made by officials in February, we see that the figure for New South Wales is 5 1/3 per cent., Western Australia 6 per cent., Tasmania 7 per cent., and Queensland and South Australia each 11 per cent. To carry out the full effect of this standard of economy there would have to be still further cuts in all those States in wages and salaries.

Professor Giblin: The committee wanted it to be understood that that comparison did not imply that South Australia and Western Australia had achieved perfection.

Mr. Theodore: The matter having been mentioned with honour in the report, it looked as though all the other States had lagged behind, and that South Australia and Western Australia had done their job.

The claim was made that, apart from the Bill, the State had already effected a 20 per cent. reduction. If the Attorney General is right that the scale in the amendment will give only one-third, he will get actually more than he is pledged to get by the conference decision. If the contentions at the conference are correct, no further action on the part of the Government is necessary. All these reductions are additional to the conference decisions. The Government should be well satisfied with the one-third suggested in the amendment. Why are we asked to carry reductions so far? The Attorney General argued that other Governments were doing the same, but the telegram from the South Australian Premier shows that he is not interfering with wages at all, while other

Governments are not interfering with outside wages. Either the Premier put wrong figures before the conference, or he is asking workers in this State to submit to a 20 per cent. reduction that the conference did not ask him to impose. Either he misled the conference, or he is misleading the workers now. He cannot have it both ways. Either he was wrong at the conference, or he is wrong here.

The Premier: It is neither.

Hon. A. McCALLUM: The Premier did not think we would get the reports of the conference proceedings.

The Premier: I do not mind your having them.

The Attorney General: The Premier never ceased urging that the whole of the conference should be open to the Press.

Hon. A. McCALLUM: That is not recorded in the report.

The Premier: That report is not a full report. The "Hansard" reporters were not present at times.

Hon. A. McCALLUM: Unfortunately it is not a full report. The conference went into committee on occasions.

The Premier: But at other times the "Hansard" reporters were not present.

Hon. A. McCALLUM: It was represented that South Australia and Western Australia had achieved a 20 per cent. reduction, and yet the Government are proposing a 20 per cent. cut on salaries and wages. Why? Why do not they accept the one-third offered in the amendment? The workers are being asked to bear a greater burden than those in any other part of Australia.

The Premier: And they will have higher wages when this is all over.

Hon. A. McCALLUM: I say they will not.

The Premier: You are wrong.

Hon. A. McCALLUM: That is the Premier's way of misleading the people. He makes statements that have no foundation in fact. He is still putting out false statements.

The Premier: They are not false.

Hon. A. McCALLUM: He is putting out false statements that he knows to be false.

The Premier: I demand a withdrawal of that statement.

The CHAIRMAN: The hon. member will withdraw the statement.

Hon. A. McCALLUM: I withdraw the word "false" and say the statements are incorrect and have no foundation in fact.

The Premier: Say what you like.

Hon. A. McCALLUM: The Premier must stand up to his statements. There can be no bluff when he is facing us. He says the workers here are getting higher wages than those elsewhere.

The Premier: Of course they are.

Hon. A. McCALLUM: The Premier has been making use of the fact that the basic wage here is higher than the Federal rate, inferring that the workers are enjoying benefits not enjoyed by workers elsewhere, and that here alone is the basic wage higher than the Federal rate. The State basic wage in Sydney is 9s. 8d. higher than the Federal rate, in Adelaide 10s. 8d. higher, in Brisbane 13s. 3d. higher, and in Perth 11s. 2d. higher. Consequently Perth is not singular in that respect. What then becomes of the Premier's statement that the workers here are getting more than the workers elsewhere?

The Premier: What is the basic wage in Queensland?

Hon. A. McCALLUM: Three pounds, and here, allowing for the 10 per cent. reduction, it is £3 6s.

The Premier: What is the Queensland basic wage?

Hon. A. McCALLUM: It is £3 14s. The Commonwealth figures in Brisbane show £3 0s. 9d., and in Perth £3 6s. 10d., after allowing for the 10 per cent. reduction.

The Premier: Ours is the highest.

12 o'clock midnight.

Hon. A. McCALLUM: Sydney is £4 2s. 6d., plus 1s. 2d. for child endowment. Practically every capital city in Australia is above the Commonwealth figures. The whole controversy in the Press suggests that because our State figure is above the Commonwealth figure, our people have been singled out for special favours. That is not true. The explanation is that the Commonwealth average all rents whether for a one-roomed or a 12-roomed house. Our State court takes the average rent of a four- or five-roomed house, which is considered necessary for a man, his wife and two children. In the compilation of the figures every State court has discarded the Commonwealth figures. I hope this will be the end of the talk that our people have been singled out for special consideration.

The Attorney General: What proportion of the people in the Eastern States is covered by State basic wages?

Hon. A. McCALLUM: It is argued that all should be dealt with by the Commonwealth, because their basic wage is the lowest. When the position was otherwise, the argument was all in favour of keeping the State Arbitration Courts intact. It is all a question of which suits the pockets of the particular gentry concerned in this change of opinion. Very few of the unions in this State are federated, but in the Eastern States they are principally members of Commonwealth organisations. I was pleased to learn the views of the Attorney General on the attitude of the banks. There will be ructions if the banks continue to adopt their present methods. There is a dictatorial attitude. They want to govern the whole country. They have dictated this scheme, and have declined all advances by the Commonwealth Government. They have issued an ultimatum to the Commonwealth that they will not give them any more money after the 30th June. At the Conference it was stated more than once that the banks had refused to accept money on fixed deposit.

The Premier: Short-term deposits.

Hon. A. McCALLUM: They say they cannot find any use for such deposits.

The Attorney General: It would be dangerous for them to lend short-term deposits to Governments, because they might not get the money back when they called it up.

Hon. S. W. Munsie: They agreed to find £11,000,000.

Hon. A. McCALLUM: But they have since denied that. The banks are the governing authorities of this continent. They have dictated to all Governments. They have spent any amount of money in propaganda, because they thought an election would be fought on the issue of whether the people or the banks were to control the nation. They took one of our professors away to act as advocate for them. Everyone is to be forced to adopt their standard, which means absolute degradation and poverty for the masses of the people. They have declared that if any attempt is made by legislation to force them, that will be the end of the loan conversion. It is a deliberate threat that they are holding over the country. If the people are going to submit to that, they

will deserve all that is coming to them. It is about time the people took hold of the banking institutions of this country. Until those institutions are controlled by the nation, in the interests of the nation, the nation will never be safe. Undoubtedly the policy of the Australian banks has been dictated by their headquarters in London.

Hon. S. W. Munsie: They will advocate either deflation or inflation, whichever suits them.

Hon. A. McCALLUM: I hope a conference will be convened, as proposed, to put the acid on the banks, to see what they are going to do. I hope that movement will be supported by the Government of this State. I am surprised at the Attorney General's assertion that the sustenance allowance provides enough food to keep a man in normal health. The people on sustenance with whom the hon. gentleman comes in contact must be limited in number. Any one who comes into contact with many of them hears tales that are absolutely heart-breaking. The Attorney General does not live in a working-class quarter.

The Attorney General: In one section of my electorate there is much poverty, and I see people on sustenance every day.

Hon. A. McCALLUM: Children coming from a home dependent on sustenance cannot be said to get enough food to retain normal health.

The Attorney General: Such households cannot buy clothes, and cannot pay rent.

Hon. A. McCALLUM: I am talking of food. There was a president of the Arbitration Court of this State who, in order to test the evidence given by certain witnesses for the workers, tried to live on the basic wage for a month himself. Then he came into court with his household budget I believe he was out 30s. each week. I do not wish to suggest to the Attorney General that he should try living on 7s. a week; but I tell him in all seriousness that the teachers at the schools in my electorate appeal to the youngsters to bring spare lunch with them, and each morning the children are asked how much spare lunch they have got for giving out to the children who are forced to come to school without lunch. That occurs every morning. The statement that those on sustenance are getting the necessary food contradicts all that I know. The Salvation Army go round the schools delivering food for the children. It is a common practice. And the position is no better

in some homes where the breadwinner is on part time. The whole position is pitiful. On top of that there is to be this 20 per cent. reduction. I do not fully understand the Attorney General's amendment. It is unfair to ask us to consider the Bill at all until we have the full proposals of the Government before us—the whole scheme of the Plan. The Attorney General, in his two full pages of amendments, has given us a new Bill. The whole structure of the measure has been altered, and we should have time to study it. I cannot read the Attorney General's amendment dealing with the basic wage as he reads it. It does not deal with a man on broken time. A man may be earning far less than £185 in a year, not getting half of it, or a quarter of it; but because his rate is £185 per annum, he will still have to submit to the reduction.

The Attorney General: How could we tell in the case of such a man the number of weeks he worked in a year?

Hon. A. McCALLUM: It is no use arguing that the basic wage is exempt so long as those words "at the rate of" are retained.

Hon. S. W. Munsie: If a man worked one day at the rate, he would have to pay tax, even although he did not work another day in the year.

The Attorney General: That is so.

Hon. A. McCALLUM: Then what purpose does the Attorney General's amendment serve? Where is the benefit? Where is the difference between the provisions in the Bill and the Conference resolution?

The Attorney General: Unless we include some such provision, those in receipt of below £185 would suffer the reduction of 18 per cent.

Hon. A. McCALLUM: The Bill contains a provision that where there are two classifications, the employee shall not receive below a certain figure.

The Attorney General: But that will deal with overlapping. This provision will cover the hospital probationers referred to by the member for Leederville. They are adult workers, and will be saved by this provision.

Hon. P. Collier: Because their rate is below the £100 provided for women?

The Attorney General: That is so.

Hon. A. McCALLUM: But this provision will not save women on the basic wage, which is £2 2s. 2d. That is over £100.

The Attorney General: In the Federal Act the basic wage has been brought down to £182.

Hon. A. McCALLUM: They are not touched at all under the Federal Act. When the cost of living adjustment is taken off, then the basic wage will not be affected.

The Attorney General: Their basic wage is already 20 per cent. below that ruling as at the 30th June, 1930.

Hon. A. McCALLUM: But that is because of the cost of living adjustment.

The Attorney General: I think not.

[*Mr. Richardson resumed the Chair.*]

Hon. A. McCALLUM: Compared with the range set out in the Federal measure, ours is much more narrow, and certainly our measure is more unjust than any other similar Bill. At least we should expect our legislation to be as liberal as that of South Australia. Although we have had retrenchments, dismissals and reductions already, there is to be this added burden. The whole measure is bristling with inequities; it is absolutely unfair; it will inflict untold hardships; it will create more trouble than it is likely to do good. For the life of me, I cannot see how such legislation will create employment and benefit industry. There is nothing surer than this, that the Premier can certainly look forward to the end of the rationing system. That is what the Bill means. No provision is embodied in it to allow for those whose work has been rationed, and the workers will be asked to submit to rationing and the deduction as well. This measure will mean the dismissal of hundreds of men who will have to go on the dole, and thus increase the sustenance payments the Government will have to provide.

Hon. P. Collier: The tramway employees have already turned down rationing.

Hon. A. McCALLUM: And are the unions throughout the State, who have largely favoured rationing, to be expected to adopt that attitude in future? Already the Government are spending upwards of £750,000 a year on sustenance payments and that figure will be considerably added to. So far from the Premier being able to Balance his Budget, the finances will be thrown more out of gear than ever. The amendment suggests an improvement on the Bill, although it is not so acceptable as that embodied in the Victorian legislation. The Government could well accept the amendment, because it will provide more than the conference expected them to get. The

workers of this State should not be expected to suffer more than those in the Eastern States.

Mr. SLEEMAN: I do not see that the amendment the Attorney General intends to move later on will get us anywhere. It will not affect the men in receipt of sustenance. If a man is receiving wages at the rate of £180 a year, he will not be exempt. The Government might just as well be honest and admit at once that their main objective is to reduce the State basic wage down to the level of the Federal basic wage. Then there is the position of the under-age workers. They will have to suffer a reduction of 18 per cent., and in many instances these young people are the sole supporters of their families.

Mr. Kenneally: In many instances they are the only ones working.

Mr. SLEEMAN: That is so. They are fortunate in this respect, that they have been kept on because the firms have got rid of employees to whom they had to pay higher wages. I know of other homes where there are brothers working and keeping two or three sisters and their mother. Under the Bill a boy earning 28s. a week will be reduced by 4s. per week, and there will be no assistance for the family from the Child Welfare Department, because it will be said that the boy is working and should be keeping his family. From the economic point of view it will be better for many to accept the dole rather than remain in work at the reduced wages. The Attorney General has said that the dole is sufficient to keep a man quite well.

The Attorney General: No. What I said was that my inquiries led me to believe that it will supply food to keep a man in proper health.

Mr. SLEEMAN: That is quite a different tale from that told in March, 1930, when Sir James Mitchell said—

Under Mr. Collier there could not be any reduction in wages for the workers, because so far from their getting any wages they are now out of work and starving.

Yet to-night I have been taken to task for saying the workers are starving in 1931. If the Attorney General could see some of the sights that members on this side see, it would break his heart to note the condition of some of the people on the dole. They are not getting sufficient nourishment and they cannot get any clothes at all. To-day there is not to be found in the metropolitan

area a rag or a boot worth picking up. I hope the amendment will be carried, for that which the Attorney General proposes to move will not get us anywhere.

Mr. RAPHAEL: Evidently the references to the unemployed has driven Government supporters from the Chamber, ashamed of what they have done in assisting the Government to reduce the workers to sweating conditions. The Attorney General has declared that the unemployed have more than sufficient food on the paltry 7s. per week.

The Minister for Lands: You do not improve your case by wild exaggeration.

Mr. RAPHAEL: The Government believe that a child 14 years of age should be able to sustain himself on air. Say, for instance, there is a family of seven children, one being under 14 years of age. The Government grant to that family is 28s. a week. It is untrue to say that they are allowed 7s. per week because immediately the child reaches 14 years of age it becomes the only one of the family that is allowed to draw the ration, and so the other six have to survive on fresh air. The Attorney General seems to be with us in regard to the reduction of bank interest. I am personally affected by these overdrafts, and immediately I learnt there was to be a reduction in interest I was amongst the first to apply for that reduction. But I was told by the bank that I would not be considered at all, that they were making reductions in a few instances, but that was all. If we are asked to accept lower remuneration, we are entitled to receive some recompense from the banks with whom we have overdrafts. We have certain commitments to meet, and how can we meet them if our salaries are reduced? The conditions of the workers are to be forced down and the banks are to be free to determine what they will do. Some assurance should be given that child endowment will be instituted to safeguard the standard of living of married workers. Under the Bill it will be optional for landlords to reduce their rent and for banks to reduce their rate of interest. The spending power of many men will be reduced to a level lower than that of a man on rations.

Mr. Parker: Do you suggest reducing the dole?

Mr. RAPHAEL: The hon. member might think it should be reduced. The Plan has

been put forward by the banks and there is no hope of any good coming from it. The only hope lies in increased prices for our export commodities. England has been purchasing millions of pounds' worth of goods from Russia, a country that robbed British investors of over £900,000,000.

The **CHAIRMAN:** The hon. member must adhere to the amendment.

Mr. RAPHAEL: I was merely replying to a statement made by the Attorney General. Australia is precluded from borrowing in England, although Australia has always met her obligations. Yet Russia can get whatever money she wants from England. If a man works only one week in four and has to suffer an 18 per cent. reduction, what wages will be left him? He will not have a living wage. The State Statistician, a highly-paid Government officer, has compiled figures to show the cost of living, but the Government, by this Bill, say in effect that his figures are wrong. I hope the Attorney General will see the error of his ways and approve of the amendment.

Mr. KENNEALLY: This is the clause which really governs the rates of deduction from income.

The Attorney General: Many officers of the service have already lost more than 9 per cent. of their salaries.

Mr. KENNEALLY: The same argument applies with equal force to other people. The scale set out in the schedule is altogether unfair. A person in receipt of £200 a year will be called upon to lose only $4\frac{1}{2}$ per cent. less of his income than the man who receives £2,300 a year.

The Attorney General: What do you say is a fair percentage to deduct?

Mr. KENNEALLY: It is fair to start off at a very low figure, and work up gradually so that those who have the higher income shall pay the higher percentage. At the conference it was disclosed that the Government in Western Australia had already effected a 20 per cent. saving in their expenditure. Such a reduction must affect the people of the State. That being so, it is not necessary to save another 20 per cent. out of the wages and salaries of Government employees. The Attorney General cannot justify the incidence of the proposed deductions. There is a stretch of about £800 between the 18 per cent. and the 20 per cent. That is altogether too wide. The sacrifice which has to be made

by the man on the lower rung of the ladder is immeasurably greater than that which has to be made by the man in receipt of the higher income. The right people to pay are those who are well above the basic wage, and are better able to stand up to the reduction. The present State basic rate is the lowest amount upon which any man can live and support his wife and family.

Hon. W. D. JOHNSON: I submit that we have discussed this matter as far as we can without coming into actual touch with the Attorney General's amendment. Really, the same ground is being covered. We have a committee at work on these amendments, and they have not had a chance to look at the Attorney General's proposals. It is unreasonable to continue the discussion, because we must compare what is really the Attorney General's new Bill with the amendments we drafted on the original Bill. The Attorney General should give us an opportunity of working on that aspect in the morning, so as to be ready to deal with the Bill to-morrow afternoon. If we sit all night, what chance shall we have of doing what is required? The Attorney General should agree to report progress.

The ATTORNEY GENERAL: I have no desire to be discourteous to the Opposition and I do not think I can properly be charged with such an offence at any time. Though the member for Guildford-Midland has described this as a new Bill, actually the amendments down to Clause 14 have no importance whatever, except in one respect. From Clause 14 onwards, I agree, there is a lot of matter which certainly requires considerable investigation: but down to that point the only amendment of the slightest importance among those proposed by me is one which has been referred to, that which reduces the rate of salary in the case of adult male and adult female workers. I would agree that when Clause 14 is reached it would be reasonable, from the Opposition's point of view, to report progress. I do not think it unreasonable that that one amendment of mine should be dealt with to-night. The other amendments are trivial—matters of drafting.

Hon. P. COLLIER: I think the Attorney General will agree that the amendment we are now discussing is related to the first of the amendments he has placed on the Notice Paper. I do not suggest that the

Attorney General has been discourteous at all.

Hon. W. D. JOHNSON: No one suggests that.

Hon. P. COLLIER: The fact remains, however, that I have not yet read one of his amendments. I have not had time to do so. I only received a copy of the amendments at about a quarter to four, and we were engaged in a meeting until the bells rang. I have glanced at the first of the hon. gentleman's amendments, and I know that it relates to the amendment now under discussion. While the Attorney General says that his amendments, with the exception of the first, are not important, we have some important amendments.

The Attorney General: Why not go on with those?

Hon. P. COLLIER: Then, even with reasonable discussion, we should be here until daylight. I understand the Attorney General will not agree to any of our amendments. After being up all night, we shall have to consider the Attorney General's amendments, which he admits are important. There will be no time for us to draft any amendments if we are to get any sleep at all. Even those of the Attorney General's amendments which are easily understood have a distinct bearing on other amendments which will require time for discussion. If Clause 14 is to be adequately considered, we shall certainly be here all night. Though unintentionally, the Attorney General is placing us at a great disadvantage.

The Attorney General: We might well go on with it to-morrow night.

Hon. P. COLLIER: It would be better not to go on with the Bill to-night and so give us an opportunity to consider the amendments suggested by the Attorney General to-morrow. It would not help very much if we were to go on till daylight and then resume in the afternoon, after having to spend what remained of the morning in considering the amendments submitted by the Government.

The Attorney General: It would not help us very much if we were to adjourn now, and have all this discussion all over again to-morrow.

The Minister for Lands: Cannot we finish the amendment?

Hon. P. COLLIER: That would assist.

The Attorney General: Why not finish the clause?

Hon. P. COLLIER: But we have so many amendments. We would be here till daylight.

Mr. Kenneally: And much of the argument might be unnecessary if we had an opportunity to examine the Attorney General's amendments.

Hon. P. COLLIER: After considering the Minister's amendments, I might not go on with some that I have placed on the Notice Paper.

The Attorney General: I assure the Leader of the Opposition that the only amendment that can possibly have any significance whatever with regard to the Opposition amendments is the first, which refers to the rate of salary of adult officers.

Hon. P. COLLIER: We are entitled to have time to consider the Government's amendments, and we have not had that opportunity.

The Attorney General: What does the Leader of the Opposition propose, that we should go on week after week?

Hon. P. COLLIER: I do not suggest that at all. If ever there was an important Bill brought before this Parliament it is the one we are discussing now.

The Attorney General: I agree, and it is one that must be dealt with.

Hon. P. COLLIER: We have spent weeks of legitimate discussion on Bills of less importance, and so far we have devoted four days only to the Bill.

Hon. W. D. JOHNSON: It took three weeks to pass the Bill in Victoria.

Mr. Patriek: It took two nights in the Federal Parliament.

Hon. P. COLLIER: The Bill could be put through this week.

The Attorney General: If the Leader of the Opposition will agree that we can finish the Bill this week—

Hon. P. COLLIER: Of course, the Minister is in control.

The Attorney General: That is so, but if you will help us to that end, we will meet you.

Hon. P. COLLIER: My party will have to discuss the amendments proposed by the Government to their own Bill as well as our own amendments.

The Attorney General: Will the Leader of the Opposition agree to deal with the Bill to-morrow and finish it, merely finalising this evening the amendment that we have already debated at length?

Hon. P. COLLIER: I do not know that I could give that undertaking. I must consult my party, just as the Minister would have to consult his. The Minister has already announced that the Bill must be put through this week.

The Attorney General: Before we adjourn to-night I suggest that we reach a decision on the amendment we have discussed for the last hour and a half.

Hon. W. D. JOHNSON: I would like to point out that on our side of the House we have appointed a committee to deal with the Bill. I am on that committee. If I have to sit all night and then, without any sleep at all, consider the Government amendments in the light of our own, it will be unfair.

The Attorney General: We have already spent an hour and a half in discussing the amendment and it would be absurd to adjourn without reaching a decision.

Hon. W. D. JOHNSON: I would point out particularly to the members sitting on the Government cross Benches, who seem to resent the discussion, that we have not had an opportunity to consider the Minister's amendments that were before us for the first time to-day.

The ATTORNEY GENERAL: I do not wish to embarrass members, but the amendment we are now dealing with has been debated for an hour and a half and we do not want to start all over again on that. We have to complete the Bill this week and so, if I agree to allow the discussion to stand over until to-morrow, members must not complain if we then have what is colloquially called an all-nighter.

The PREMIER: We have no wish to inconvenience members. It is true that some of these amendments have appeared on the Notice Paper to-day for the first time. Still, it must be understood that the Bill cannot be much longer delayed.

Hon. P. Collier: I thought we were moving pretty rapidly.

The PREMIER: The Bill offers peculiar opportunities for members to make second reading speeches, for every clause touches finance, and we know what that means. We do not wish to deprive members of an opportunity to consider these amendments, but I hope that will not mean that there will be endless repetition of the discussion we have had up to date. There is nothing to be gained in opposing these clauses in long speeches.

Hon. P. Collier: In two days I have spoken only an hour altogether.

The PREMIER: I am not complaining of the Leader of the Opposition.

Hon. P. Collier: It is only the fourth day on an important Bill like this, second reading and all.

The PREMIER: We must get the thing through this week, but we are prepared to give opportunity for a study of the amendments that have appeared to-day for the first time.

Hon. S. W. MUNSIE: Had not the Attorney General, when replying to the Leader of the Opposition, indicated that he was not prepared to consider any amendment whatever, there would not have been any discussion at all about this. Surely no member of the Government, not even the Attorney General, wants to put an 18 per cent. cut in the wages of a boy earning, say, £1 per week. The Attorney General insists that we must conclude the Bill this week. But there are two State Parliaments in which not even the Debt Conversion Bill has been introduced yet. Queensland has not considered any of these Bills.

The Premier: Yes, she has, and has put them through all their stages.

Hon. S. W. MUNSIE: The Premier has done well to get as far as he has in four days. Never before have we had a Bill of so much importance to the people of the State. The second reading debate might well have occupied a fortnight. It is true that in the Commonwealth Parliament the Bill occupied only two days; but the ground had been prepared by the discussion on a motion, a discussion that lasted for three weeks of four days each, and with two all-night sittings thrown in. I have never seen anything so ridiculous as this schedule. The Premier could get 20 per cent. in the main without having the first range anything like 18 per cent. He says that under our amendment he would get only one-third of what is required. Well, alter our proposed schedule. Even that starts too high. We ask for the exemption of men on the basic wage, but if the Government will not agree to that, they should not reduce a boy or girl on 10s. a week by 18 per cent. No other Parliament is attempting to do it. Page after page of the conference report shows that the Attorney General battled to get a 20 per cent. flat rate.

Mr. Hegney: Including the widows' pension.

Hon. S. W. MUNSIE: The Attorney General is the only one who battled for it. I admire his persistency. Even the Premier contradicted him three or four times.

The Attorney General: He is always contradicting me, and I am always contradicting him.

Hon. S. W. MUNSIE: The Attorney General desired two things—to get a flat rate and to bring in outside employees. To both of those proposals, the Premier was opposed, and the conference turned them down. But on his return here the Attorney General has had sufficient influence with his colleagues to get his own way. He will not get his own way if I can help it. Surely he can suggest something more reasonable than an 18 per cent. reduction of the lowest paid employee! It would have been better to stick to the flat rate. Many of the difficulties confronting the passage of the Bill would be overcome if the Attorney General would accept a reasonable grading. Anyone who supports the Attorney General's schedule after the speech of the Leader of the Opposition must be dense.

Mr. Withers: No, disciplined.

Hon. S. W. MUNSIE: No other Government has adopted anything like the same scale of reductions.

The Attorney General: The Commonwealth scale is substantially the same.

Hon. S. W. MUNSIE: It is not. I shall quote the Commonwealth scale.

Hon. P. Collier: There has been a good deal of research on this Bill. Professors of economics will be out of work after this.

The Premier: Do you want the Commonwealth Bill?

Hon. S. W. MUNSIE: No, nor this Bill either. Under the Commonwealth scale, a junior on £95 loses £17 on cost of living.

The Premier: What percentage is that?

The Attorney General: It is at least 18 per cent. We are asked to come into line with that.

Hon. S. W. MUNSIE: There is nothing in the conference minutes to show a reduction of 18 per cent. That junior would thus receive £78, and would suffer no further reduction. A junior on £100 would lose £17, leaving £83, which salary would be subject to a reduction of 1.2 per cent., bringing the salary to £78.

The Attorney General: That is a reduction of 18.2 per cent.

Hon. S. W. MUNSIE: That is the Attorney General's interpretation of the Commonwealth Bill. In that measure no mention is made of the £17 cost of living allowance.

The Attorney General: You have just told us of that.

Hon. S. W. MUNSIE: The Premier has attended a good many conferences——

The Premier: Not willingly.

Hon. S. W. MUNSIE: No; but before he left for the previous conference, the £17 had been taken off.

The Attorney General: No.

Hon. S. W. MUNSIE: The adult on £216 comes down £34, but he lost that before the Premiers' Plan was formulated.

The Attorney General: He comes down to £182, which is lower than I propose.

Hon. S. W. MUNSIE: There is no deduction at all from the £182. The Attorney General is misleading us by the amendments he has on the Notice Paper. He would have us believe that the man and woman receiving only £185 would come down nothing under the Bill.

The Attorney General: That is correct.

Hon. S. W. MUNSIE: Not according to the Attorney General's amendment. If a public servant worked for one week at the rate of £185 a year, the deduction would be made from his income. If, then, he did not work for three months and had a week's work from the Government, still at that rate, they would again deduct this rate from his income. If the Attorney General puts in the words "at the rate of," he will be able to deduct a proportion of the pay such a man earns, although for the year he would not have received anything like £185.

The Attorney General: The man on £185 will not have his rate reduced.

Hon. S. W. MUNSIE: I am talking about the actual wage and not the rate. If the Attorney General does not give way he will get a lot of opposition from this side of the House. Under the Federal provision, if a man worked for one day at the rate of £1,000 a year, and did no more work during the year, he would not pay a penny. The only reply we have had to our suggested schedule is that it will give the Government about a third of the money required. Surely the Attorney General can put forward some other scale that will bring him nearly all he wants, without creating so much hard-

ship upon the small wage earner. This Bill is a scandal compared with other Bills of a similar nature in other State Parliaments. No other State Government is taxing wages that are fixed by Arbitration Court awards. The Premier ought to be humane enough to refrain from taking 18 per cent. from the lowest paid people in the community. I will help the Government to get as much money as possible if they will be reasonable in the matter. As things are they will get more out of the 18 per cent. people than they will out of the 20 per cent., which means they will get the greater part of their income from the lowest paid individuals.

The Attorney General: That is the whole trouble.

Hon. S. W. MUNSIE: Surely the Government will let off the boys and the girls with something less than an 18 per cent. reduction. I am surprised at the backing they have had over this dastardly Bill.

The PREMIER: There is no pleasure in the Government having to bring down this Bill. It is brought down from sheer necessity. Not one farthing of loan money is being received to-day. We have not raised any money except to meet deficits since June, 1930. We used to average loans of about £4,000,000 a year but now we are getting nothing. Last year our revenue from all sources was £1,000,000 less than during the previous year, and this year it will be still less.

Hon. S. W. Munsie: South Australia is worse off than we are, but is not doing what we are asked to do.

The PREMIER: South Australia has already done it. In that State the basic wage is lower than in ours, and there are all sorts of taxes on the man earning even £1 per week. It does not matter how a man gets his wage here, so long as it is higher than the South Australian wage. The cost of living is pretty much the same everywhere. I want to make the Committee understand the position in regard to finance. The aggregate of Australian expenditure for the last financial year was £194,000,000, and it resulted in a deficit of over £30,000,000. Obviously that cannot go on. Everyone knows that the bottom has fallen out of everything. Undoubtedly reduction has got to be made. Even with the savings now proposed, there will still be a big deficit. To collect revenue is impossible. We are a

primary-producing country, and our only source of revenue is really the primary products—gold, timber, wool and wheat. Most of our commodities have fallen in price tremendously. I should very much like to see the cost of production reduced. I agree with the Leader of the Opposition that the tariff is a terrible burden on the farmer. The only bright spot in the exchange is that we reap £1,500,000 from it because of our large imports from the Eastern States.

Mr. Sleeman: Do you think reduction of wages will get you anywhere?

The PREMIER: We simply cannot continue to pay out the amount we have been paying. If there is a section of the people of this State who can bear a reduction, it is the young people. The married man generally is badly hit; but the youths employed by the Government are paid very well indeed, at any rate until they reach the age of 25 years. I suggest to hon. members that they read the discussion at the Premiers' Conference. My friend opposite makes use of just what suits him.

Hon. S. W. Munsie: I have read the report clean through.

The PREMIER: Then the hon. member has forgotten a great deal of it. In fact, he has misquoted. There should not be misrepresentation.

Hon. S. W. Munsie: I have not misrepresented you. I said you opposed your own Attorney General.

The PREMIER: If the hon. member reads the report fairly, and discusses it fairly, not with a view to advancing party interests, his speeches will be very different. I hope that future Premiers' Conferences will be open to the public and will be fully reported. The Government have not brought forward this Bill with any degree of pleasure at all. I hope that the present situation will not last long, and that in a year or two our people will be enabled to return to the wages and salaries formerly ruling. The Leader of the Opposition referred to the banks. Let me say what the banks have done for us, anyhow.

Mr. Marshall: Tell us what they have done us for.

The PREMIER: The banks of Australia include Government banks. In the Government banks there are £200,000,000 deposited. In the ordinary banks, according to the last return, there are £285,000,000

deposited; and those banks have loaned £285,000,000 to the public. Every penny deposited was lent to the public, and undoubtedly provided work and trade. Of the £200,000,000 that the Savings Banks hold, on which interest has to be paid, it cannot be denied that interest rates have been pushed up as the result of the rates the Government have paid for money. They have paid 6 per cent. on loans, and, with regard to the Savings Bank, 5¼ per cent. on deposits and 4¾ per cent. on monthly balances. Undoubtedly the Savings Banks and Government borrowings have put the rates of interest up too high.

Mr. Corboy: And the workers are being asked to recoup on account of the foolishness of Governments in the past.

The PREMIER: That is not so. At any rate, the workers benefited while the loan funds were available and were being spent.

Mr. Corboy: You admit it was foolish to push up interest rates.

The PREMIER: Yes, I do. In this State, the banks have loaned out about twice as much as they had deposited with them. They have been more liberal here than anywhere else, if we take the deposits against the advances. I am certain that the banks will reduce their interest charges and that interest rates generally will come down. It is only by means of such reductions that we can hope to restore activity and put our people back to work.

Hon. S. W. Munsie: Will you alter the schedule?

The PREMIER: I do not think we can alter it. The Federal deductions are, as in our Bill, based on the rates paid as at the 30th June, 1930.

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

Ayes	..	..	..	..	19
Noes	..	..	..	..	22

Majority against 3

AYES.	
Mr. Collier	Mr. Munsie
Mr. Corboy	Mr. Pantou
Mr. Coverley	Mr. Raphael
Mr. Cunningham	Mr. Sleeman
Mr. Hegney	Mr. Walker
Mr. Johnson	Mr. Wansbrough
Mr. Kenneally	Mr. Willcock
Mr. Marshall	Mr. Withers
Mr. McCallum	Mr. Wilson
Mr. Millington	

(Teller.)

Noss.

Mr. Angelo	Mr. J. I. Mann
Mr. Barnard	Mr. McLarty
Mr. Brown	Sir James Mitchell
Mr. Davy	Mr. Parker
Mr. Doney	Mr. Patrick
Mr. Ferguson	Mr. Piessie
Mr. Griffiths	Mr. Sampson
Mr. Keenan	Mr. Scaddan
Mr. Latham	Mr. Thorn
Mr. Lindsay	Mr. Wells
Mr. H. W. Mann	Mr. North

(Teller.)

Amendment thus negatived.

Progress reported.

*House adjourned at 1.9 a.m. (Thursday).***Legislative Assembly,***Thursday, 23rd July, 1931.*

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

QUESTION—WIRE NETTING SUPPLIES.

Mr. BROWN asked the Minister for Lands: When will a supply of wire netting be made available to settlers?

The MINISTER FOR LANDS replied: Tenders have closed, and are not yet finalised.

QUESTION—CANNING STOCK ROUTE.

Mr. COVERLEY asked the Minister for Works: 1, In view of a statement appearing in the "West Australian" of the 21st July, implying that Mr. A. W. Canning and party were unable to obtain a sufficient

supply of foodstuffs, especially flour, due to an alleged shortage at Hall's Creek—the statement being misleading and unjust to business people at Hall's Creek—will he make immediate inquiries into the following: Did Mr. Canning remain in Hall's Creek for one week in search of supplies, while, at Smith's store at that centre, there was for sale during that time tons of flour, sugar, etc., at a much lower cost than they were secured by Mr. Canning? 2, Is it not also a fact that Mr. Canning was informed by Smith's manager that any order for stores he might submit could and would be supplied? 3, In view of this, why did Mr. Canning forward two men to Wiluna for supplies, thereby losing the value of their labour for a lengthy period? 4, In view of the fact that Mr. Canning was in Hall's Creek for a week, should he not have attempted to secure supplies by tender?

The MINISTER FOR WORKS replied: The information is not available until Mr. Canning returns.

QUESTIONS (2)—GROUP SETTLEMENT VALUATIONS.*Peel, Bateman and Serpentine Areas.*

Hon. M. F. TROY asked the Premier: 1, Of the holdings valued by the Group Valuation Board and comprised within the Peel, Bateman and Serpentine group areas, what number are at present vacant or untenanted? 2, What number of the settlers on those areas are paying (a) annual interest, (b) part interest, (c) no interest?

The PREMIER replied: 1, No Peel Estate holdings assessed by the Valuation Board are vacant or untenanted. 2, To answer this question will involve an examination of each of the 170 accounts. It will take some time to prepare this return, and the Agricultural Bank staff is already fully occupied. Interest is not paid annually, but six-monthly.

First, Second and Third Periods.

Hon. M. F. TROY asked the Premier: 1, Of the 645 group holdings valued by the Group Valuation Board during the first, second and third valuation periods, what number of settlers are paying (a) annual interest, (b) part interest, (c) no interest? 2, What is the total interest received from