

The Premier: Your body would not be big enough to hold it.

Mr. KENNEALLY: The motion aims at belittling the status of the Commonwealth and undermining the influence of the Commonwealth in Imperial affairs, and it should not receive the assent of this House.

The Premier: We do not accept the Commonwealth as an overlord and you should not.

Mr. KENNEALLY: I have never heard the Premier advance any argument in favour of Australia as a nation.

Mr. Parker: Surely you do not want to argue about it.

Mr. KENNEALLY: Surely he will give credit to those who stand for an Australian nation in order to become part of the British Commonwealth of Nations.

The Premier: We belong to the British Empire.

Mr. KENNEALLY: Surely, then, the Premier is broadminded enough to make allowance for those who hold the views I have mentioned.

The Premier: Of course; I am sorry for them at times.

Mr. KENNEALLY: The Premier can be sorry for those who aim at Australian nationhood because his influence has been in the opposite direction. Those people are entitled to their beliefs, just as the Premier is entitled to his insular opinion that we should remain as separate States with all the disadvantages that prevailed in pre-Federal days. I hope Australia will develop along the lines of nationhood, and that such development will be as a member of the British Commonwealth of Nations. That is where our destiny lies. Those who stand in the way of Australia's developing along those lines are not aiming at benefiting or buttressing the British Empire but the reverse. If we cannot develop as a nation within the Empire, we must nevertheless develop as an Australian nation.

Question put and passed.

*House adjourned at 11.20 p.m.*

## Legislative Council,

*Tuesday, 4th August, 1931.*

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

### MOTION—STATUTE OF WESTMINSTER.

#### *Protest against Enactment.*

Debate resumed from the 28th July on the following motion by the Minister for Country Water Supplies:—

That this Parliament of the State of Western Australia, a State of the Commonwealth of Australia, hereby enters its emphatic protest against the passing by the Parliament of the United Kingdom of a Statute at the request of the Parliament of the Commonwealth of Australia to give effect to certain resolutions passed by the Imperial Conference held at London in the year 1930, and in particular to the provision that no Act of the Parliament of the United Kingdom passed after the commencement of the said Statute shall extend or be deemed to extend to the Dominion of Australia as part of the law of that Dominion unless it is expressly declared in that Statute that the Dominion of Australia has requested and consented to the enactment thereof, on the ground that any such provision would inflict great injury on the State of Western Australia and tend seriously to weaken the link between the people of Western Australia and the people of the Home Country which it is the desire of both to strengthen and preserve.

HON. J. M. DREW (Central) [4.35]: I asked the House to give me a week in order to make investigations into this question, for it is one of much importance. I think I am in a better position to form a judgment on it now than if I had had to deal with it in haste. It is strange indeed that, contrary to their usual courtesy, the British Government should have omitted to indicate to us at an early stage what was proposed to be placed, as has been indicated, on the Statute Book of England. A formal notification is all that

would have been necessary, and so far as I have been able to gather, no such intimation has been received. Had we received such an indication, it would have given us an opportunity to discover whether our rights were to be invaded to such a degree as would have justified us in protecting ourselves to the extent possible in the circumstances. Some time ago I gained a little knowledge of the Statute of Westminster from a leading article published in one of the principal Irish newspapers. As we all know, one of the results of the Imperial Conference held in London last year was a promise of added privileges to all the British Dominions, among them being Canada, South Africa, the Irish Free State, Australia and New Zealand. If the Irish interpretation be correct—I think it is—the new privileges mainly mean direct access to the King by all the Dominions concerned. There was no complaint from the Irish Free State, as I learned from the leading article, of any injustice resulting from the old system since the establishment of the Free State, but they desired to deal direct with the King.

Hon. J. Nicholson: That is a Dominion, not a State.

Hon. J. M. DREW: The Irish Free State is a Dominion. Their desire was based on two grounds. In the first place, they had confidence in the King personally and felt that his influence had been responsible to a large extent for the political freedom they now enjoy. In the second place, they wished to enjoy a status equal to that of Great Britain as a member of the British Commonwealth of Nations. It is generally understood that the statute confers upon every member great privileges. I cannot see that the Statute of Westminster will transfer, or enable to be transferred, any of the sovereign powers of the State Parliament to the Commonwealth of Australia, inasmuch as those powers are clearly defined in the Constitution. The powers of a State are defined in Sections 106 and 107 of the Commonwealth Constitution Act. Section 106 reads—

The Constitution of each State of the Commonwealth shall, subject to this Constitution, continue as at the establishment of the Commonwealth, or as at the admission or establishment of the State, as the case may be, until altered in accordance with the Constitution of the State.

Section 107 reads—

Every power of the Parliament of a Colony which has become or becomes a State, shall, unless it is by this Constitution exclusively vested in the Parliament of the Commonwealth or withdrawn from the Parliament of the State, continue as at the establishment of the Commonwealth or as at the admission or establishment of the State, as the case may be.

It will be seen that these powers can only be taken from a State by an alteration of the Constitution as authorised and specified by this Act, necessitating, of course, the approval of not only a majority of the people of Australia, but a majority of the States. The fourth clause of the schedule of the proposed Statute of Westminster realises this position. It reads—

Nothing in this Act shall be deemed to confer any power to repeal or alter the Constitution or the Constitution Act of the Commonwealth of Australia otherwise than in accordance with the law existing before the commencement of this Act.

Nothing in this Act shall be deemed to authorise the Parliament of the Commonwealth of Australia to make laws on any matter within the authority of the States of Australia, not being a matter within the authority of the Parliament or Government of the Commonwealth of Australia.

That clause is all-embracing. It provides every safeguard, so far as I can interpret English. It has been said that the preamble of the Commonwealth Constitution Act is not the Commonwealth Constitution. I refer to the first nine paragraphs of the Act, which represent the preamble. It has been said that those parts can be amended at the will of the Parliament of the Commonwealth. If the preamble is not part of the Constitution Act, I take it that any amendment of the preamble cannot override the Constitution.

Hon. J. Cornell: The preamble of any Bill is adopted in the same way as any clause.

Hon. J. M. DREW: That seems to be the logical conclusion. If the preamble is not part of the Act, it is obvious that no amendment can be made to it that would interfere with the sections of the Act itself. The sections I have read are part of the Commonwealth Constitution Act and the objection that has been raised cannot, in my opinion, apply. There is no doubt the statute gives the Commonwealth Government the right to advise the King to veto legislation passed by the States and reserved for Royal assent. There are not many Bills

that are reserved for that purpose, but the Commonwealth Government would certainly have power to advise the King, if they wished to do so, to veto such Bills. The only Bill that could affect us in that regard would be a Bill to amend the Constitution. If His Majesty refused to accept the advice of his advisers, the only correct course for his advisers to adopt would be to resign. Hence it would be in extreme cases only that such advice would not be accepted. To illustrate my point: The day may come when the Legislative Council may decide to liberalise the franchise of this Chamber. If a Bill to that effect were passed, the Bill would go to the Commonwealth Government, irrespective of who might be in power, and they could advise the King to veto it. There might be an extremely Conservative Government in power in the Commonwealth Parliament, who would object to any such extension of the franchise, and consequently our Bill could be vetoed.

Hon. H. Seddon: They might advise the King the other way.

Hon. J. M. DREW: They might; I am not arguing from that standpoint. I am just illustrating a possibility. I do not think that such a happening is at all likely, no matter what party may be in power. I think it would be futile for this Parliament to attempt to dictate to the Motherland the extent of political liberty she should grant to her Dominions, and I do not think that is the object of the motion. But we have a right and a duty to protect our interests and to ask that the statute be so amended as to preserve long-enjoyed privileges. This could be done without in any way affecting the status which it is proposed to confer on the Dominions. If my judgment is correct, our rights would be seriously affected in the event of the Colonial Laws Validity Act being repealed as suggested. We have enjoyed the benefit of that Act since 1865, and it gave us power that we did not previously enjoy. If the Act be repealed, this State will not be able to pass any legislation that clashes with English law. The power was given to us in 1865, and evidently it is now to be taken away. The situation thus created would be intolerable. The conditions in Western Australia and England are, in some respects, totally different, and it has been necessary, and it may again be necessary, to make laws that are repugnant to the

laws of England. Such a restriction could prevent our amending the Criminal Code unless we adopted the Code of the Old Country as a model. It would not be a question of submitting the Bill for veto or no veto. Apparently, in future, our only channel of communication with the Crown will be the Commonwealth Government. There should be some provision in the statute that, when the subject of the communication is a dispute between a State and the Commonwealth, the channel of communication should be the British Government. For those reasons I intend to support the motion.

**HON. J. NICHOLSON** (Metropolitan) [4.49]: I think we can all share in the complaint expressed by Mr. Drew that no formal notice was given to us by the Imperial authorities regarding the proposal to bring forward this statute. The Statute of Westminster has lately received great prominence, which is only right. It has aroused us to a recognition of the great changes that would be brought about if the statute actually became law. It is a healthy sign when the public show a determination to resist encroachment on their rights. We, as a sovereign State, have undoubted rights and it is our duty to preserve them. The determination of the people to preserve them indicates a vigour and lustiness which, if it is displayed in coping with the financial depression, may lead to a successful emergence from our present unhappy conditions. When the people of Western Australia were granted a Constitution, they secured an inheritance which it becomes our undoubted duty to protect. The facts leading to the tabling of the motion have been fully explained by the Leader of the House, ventilated in the Press and discussed in another place. But the question might be asked whether we in this Chamber are not too late in dealing with the matter. According to the Press, Mr. Thomas, in the Imperial Parliament, mentioned that assents had been received from the whole of the overseas Dominions.

Hon. G. W. Miles: Are not we too late?

Hon. J. NICHOLSON: That is a question I am putting to the Leader of the House.

Hon. J. Cornell: Western Australia is not a Dominion.

Hon. J. NICHOLSON: Quite so, but if the statute has received the consideration of

the Home Parliament, the question arises whether we in this Chamber are not too late.

The Minister for Country Water Supplies: We are not too late.

Hon. J. NICHOLSON: I am glad to know that. No further time should be lost in passing such a motion as the House deems advisable. The object of the statute is to confer on overseas Dominions, as distinct from the States forming the Commonwealth Dominion, what may be termed the rights of full partners in the Commonwealth of Nations. The States would be relegated to a position of being more or less junior partners—a more subservient position than they have occupied hitherto. The overseas Dominions suffer a disadvantage that necessarily follows from the authority derived from the Crown through the Imperial Parliament. The fact of the passing of the statute by the Imperial Parliament would remove certain disabilities that exist as regards the passing of legislation by overseas Dominions, say, on the ground of repugnancy to laws passed by the Imperial Parliament and affecting the Dominions. Information regarding the resolutions passed at the Imperial Conference last year has been circulated amongst members. Paragraph 3 reads—

In accordance with the recommendation in paragraph 55, a clause as follows:—“No Act of Parliament of the United Kingdom passed after the commencement of this Act shall extend, or be deemed to extend, to a Dominion as part of the law of that Dominion unless it is expressly declared in that Act that that Dominion has requested and consented to the enactment thereof.”

The motion submitted by the Minister protests, in particular, against “the provision that no Act of Parliament of the United Kingdom passed after the commencement of the said statute shall extend or be deemed to extend to the Dominion of Australia as part of the law of that Dominion unless it is expressly declared in that statute that the Dominion of Australia has requested and consented to the enactment thereof.” Paragraph 5 reads—

In accordance with the recommendation in paragraph 51, a clause as follows:—“Notwithstanding anything in the Interpretation Act, 1889, the expression ‘colony’ shall not, in any Act of the Parliament of the United Kingdom passed after the commencement of this Act, include a Dominion or any Province or State forming part of a Dominion.”

That shows we have been relegated to a more subservient position. Reading paragraph 5 in conjunction with paragraph 3, it is clear that any enactments passed will require to go through the channel of the Commonwealth. We would have no direct communication with the Home authorities, although we are a sovereign State. We can realise what that would mean if certain questions arose relative to the rights of this State and the Commonwealth. That being so, it is almost unnecessary to consider the matter from any other standpoint. Regarding it in that light alone, we should resolve in favour of the motion. Of itself the ground is sufficient, because we should be losing the privileges and rights which we have enjoyed, and which it is our duty to preserve. I hope members will view the matter from the standpoint of safeguarding the rights of the State, and will record an emphatic protest.

Hon. Sir Edward Wittenoom: Has any other State objected?

Hon. J. NICHOLSON: I believe other States have objected, but I cannot name those that have. I also understand that quite a number of Canadian provinces, whose position is not as strong as ours, have objected.

Hon. J. Cornell: They are not sovereign States.

Hon. J. NICHOLSON: No, they do not stand in the same position as we do, but quite a number, if not all of them, have recorded their protest. What has also been referred to by Mr. Drew with regard to the Colonial Laws Validity Act, 1865, is quite correct. It would be a most serious thing for us if that Act were repealed; because it would mean a return to the conditions prevailing before 1865 and would involve a scrutiny of all Acts of Parliament and the ascertainment whether those Acts are repugnant to the English law. This would be a difficult task. It might lead to many laws being questioned and people being dragged into needless litigation. Having regard to the position as I have described it, and from the welfare and preservation of the rights and privileges of the State, I intend to support the motion. At the same time I consider the motion could have gone further by referring particularly to the repeal of the Colonial Laws Validity Act. It might have been made another ground of protest, in addition to those that have been

particularly emphasised. Still, I have no wish to propose an amendment, seeing that the motion in the form in which it has been presented has already passed another place, and I consider that whatever we agree upon should be uniform. I shall support the motion.

**HON. V. HAMERSLEY** (East) [5.3]: I drew attention to this matter on the 3rd June by asking several questions of the Minister as to the attitude the Government were adopting, and I concluded that a protest had been lodged with the Home authorities on behalf of the State Government. I gather that a protest has also been made by the South Australian and Tasmania Governments, and I am pleased we are being given the opportunity to lodge a protest from the Parliament of Western Australia. It is very necessary that we should leave no stone unturned to try to prevent the passing of legislation such as this, which, I understand, has been put forward by the Commonwealth Government, legislation which will have the effect of whittling away some of the powers the States at present enjoy. When the Commonwealth was created it was never anticipated that the Commonwealth would turn round and try to rob the States from time to time of many of the powers they possess. I view very seriously the proposal that we should be obliged to approach the Crown through the Commonwealth Government. From the original foundation of the State, through the Crown Colony days and after responsible government was granted, the State retained the right of direct representation through the Governor. Any grievances that we felt we might have were represented to the Crown directly through the representative of the King. That right will disappear under the Statute of Westminster if we do not make this emphatic protest now. It is improper that that privilege should be taken from us, and I am glad to know that resolutions of protest have been passed in various parts of the State. I sincerely hope that the Government will not let us down at this stage, but that they will put up a protest on behalf of the people in the hope of being able to retain the rights that we have enjoyed for so long and which we have always considered belonged to the State. On behalf of many of those who are deeply interested I am glad to be able to join in the protest against action of the kind proposed.

**HON. H. SEDDON** (North-East) [5.6]: It appears to me that the conditions leading up to the subject matter of the motion have not been fully taken into consideration. The Statute of Westminster is the outcome of the deliberations of Imperial Conferences. Those conferences have been held for a number of years, and they have been attended by representatives from the Dominions of Canada, New Zealand, South Africa, the Commonwealth of Australia and the Irish Free State. The object of the conferences appears to have been to endeavour to keep more or less open, yet binding, the liaison between various parts of the Empire. At the same time, it has gradually developed until now we find that the Dominions are more or less entirely self-governing and the tendency seems to have been, and to be still, to make the Dominions more and more self-contained and self-dependent. We find that one of the difficulties the Imperial Conferences have had to deal with has been the divergence of laws in the various parts of the Empire. Local feeling has arisen to such an extent that we find there are very serious conflicts between the interests in the various parts of the Empire, and it is with a view to making the position one of direct responsibility on the part of each Dominion that the Statute of Westminster was promulgated in the way it has been put up. Just as an illustration: in South Africa they have a serious problem in the way in which the Hindu population has increased and has obtained power. We in Australia have our White Australia policy which undoubtedly is directly repugnant to the coloured subjects of the British Empire. Yet we are maintaining that policy to the exclusion of those races.

**Hon. C. B. Williams:** Do you find anything wrong with that?

**Hon. H. SEDDON:** I am not discussing the desirability or otherwise of that policy, but definitely conflicting interests have arisen and it is because of those conflicting interests that the Statute of Westminster has been introduced, with a view to making the responsibility entirely the responsibility of the Dominions, and not involving the Imperial Government in any way in a dispute. I take it, however, that the responsibility carries others with it. It appears to me, as a result of this statute, we

may go so far as to say that when legislation conflicts with and is objectionable to other countries, the Dominion itself may be so left to its own resources as to have to take the necessary steps to enforce decisions without expecting that assistance to which it is at present entitled from the Imperial Government. The way in which this statute will affect Western Australia in its relationship with the Commonwealth seems to have been already affected by the passing of the Federal Constitution, because there are certain laws included in that Constitution which I think definitely control any laws passed by the State Governments. I refer members to Section 109 of the Federal Constitution, which says—

Where the law of a State is inconsistent with the law of the Commonwealth, the latter shall prevail and the former, to the extent of the inconsistency, shall be invalid.

Therefore, whatever objection we may have to the Commonwealth Government taking certain powers, seems to be controlled entirely by that section of the Constitution. From that standpoint I do not know that the protest we are discussing now will do very much good. There is not, I think, any way in which we can interfere with the decisions of the Imperial Conference and at which Australia was represented by the Federal Government. Those conferences have been held from year to year for a number of years past and they have never been attended by other than representatives of the Federal Government; there has never been present a representative of any of the Australian States. Any decisions made have been made by the Federal Government on behalf of Australia as a whole. So I do not consider that the passing of the motion will have very much effect.

Question put and passed.

### **BILLS (3)—FIRST READING.**

- 1, Finance and Development Board Act Amendment.
  - 2, Trustees' Protection.
  - 3, Federal Aid Roads Agreement.
- Received from the Assembly.

### **BILL—FINANCIAL EMERGENCY.**

#### *Second Reading.*

Debate resumed from the 30th July.

**HON. J. M. DREW** (Central) [5.17]: This Bill is supposed to represent the Plan adopted by the Premiers' Conference for the restoration of Australian financial stability. But it goes beyond the Plan and introduces the policy of the parties who are keeping the present Government in power in Western Australia. No legislation so far introduced either in the Commonwealth or the States in relation to the Plan bears such an impress of political partisanship as does this Bill. There has been an incessant agitation amongst different bodies representing the employers for the suspension of the Arbitration Act. This Bill goes a long way in that direction. It interferes with the basis on which the wages of workmen are fixed by the court; it makes inroads on the salaries and wages of Government employees without any regard whatever to the tribunals appointed for that specific purpose. It treats those employees with injustice. It stipulates that if the basic wage is reduced by 20 per cent. from what it was on the 20th June, 1930, they shall be reduced, but if the cost of living rises the employer will get the benefit while the employee will get no result. Moreover power is taken for the Governor—in other words the Cabinet—to vary the rate of pay of any of its employees at its own sweet will; and more than that, in defiance of the tribunal established by law for the purpose of reviewing such action. It extends itself beyond that, extends itself and attacks workmen engaged in private industry—something that has not even been suggested by any other Government.

**Hon. J. M. Macfarlane:** Why?

**Hon. J. M. DREW:** The hon. member will be able to reply to his own question when he speaks. The Schedule to the Bill places the great burden of sacrifice on the shoulders of the small wage and salary earners of Western Australia. I have said the Bill interferes with the basis on which the wages of workmen are determined by the Arbitration Court. The reasonable comfort of a man, his wife and two children is no longer to be the basis. The Arbitration Court is to be told that a national emergency is the ground on which a reduction of wages and salaries is sought, that Parliament has said so; and it must be done

within the limits set by the Bill. The court has no alternative, but must reduce the wages in accordance with the Schedule; it must carry out the policy of the Government or, rather, of the parties behind the Government. If the court has any doubt as to whether there is existing a state of financial emergency warranting the suspension of industrial laws, it need only refer to the preamble of the Bill. In that preamble Parliament declares there is a grave financial emergency existing in Australia, and naturally the court must accept the declaration of Parliament. Hence the court becomes the registering machine of Parliament, and the reasonable comfort of a man, his wife and two children, goes by the board. This would be bad enough if it applied only to workmen employed by the Government. But the Ministry catch all in their net. They invade private industry, they seek to lower wages all round. No other Government in Australia have gone so far; no other Government have interfered with the basic wage existing within their jurisdiction. It is no part of the Plan that private employees should be brought under a measure such as this. Mr. Curtin, M.H.R., asked a number of questions bearing on this point in the House of Representatives on the 23rd July of this year. He asked: Was it a feature of the rehabilitation Plan that the reduction of private employees' wages should be affected by State legislation, and whether the Prime Minister (Mr. Scullin) was aware that the Government of Western Australia had repudiated the State Arbitration Court and by legislative enactment were reducing the wages of private employees? Mr. Scullin replied that the rehabilitation Plan did not deal with wages and conditions of private employment. Consideration of the Plan, he said, had begun with a knowledge that there had already been a reduction in private employees' wages. Mr. Scullin's reply to Mr. Curtin's question gives the correct interpretation of the Plan. That interpretation is supported by the action of every other Government in Australia. No other Government have entered the domain of private employment; no other Government have interfered with the wages and salaries of private employees. At the Premiers' Conference the Attorney General of Western Australia expressed the view that the foundation of the Plan was the reduction of wages. Sir James Mitchell held that the wages would be reviewed in

July and that the court could then do all that was necessary. Sir James did not want to tamper with the Arbitration Court, but he has been forced to do what he did not wish to do, evidently by a majority of the Cabinet. In order to give a clear interpretation of the Plan in this regard, I will quote from the proceedings and decisions of the Conference of Commonwealth and State Ministers held at Melbourne from the 25th May to the 7th June, 1931, as follows:—

Mr. Davy: People have often gone out of the Commonwealth Arbitration Court into the State Arbitration Court, but I know of no instance in which they have got out of the State Arbitration Court into the Commonwealth Arbitration Court.

Sir James Mitchell: I think our court can adjust wages in July. I am of opinion we ought not to bother about outside matters, but stick to our job.

Mr. Jones: The whole question is whether the proposal is to be part of the Plan. If the conference decides it should not be part of the Plan, all that we need do is to tell the legal sub-committee so.

Mr. Davy: It is easy to prepare legislation, but it would be difficult to pass it except as part of the Plan adopted by the Conference.

Sir James Mitchell: I do not think we want legislation prepared on this matter.

Then the Conference resolved "That the legal sub-committee be not asked to prepare legislation as to wages in private employment." That was the decision of the Conference. Conference decided to leave private employment alone, and Sir James Mitchell took up a similar stand. Now we have this legislation, which is no part of the Plan. I can add to that by quoting a telegram received by Mr. McCallum, M.L.A., from Mr. Hill, the Premier of South Australia, in reply to an inquiry. Mr. Hill's telegram reads as follows:—

Financial Emergency Bill has now been introduced. It provides for a reduction in Ministers' salaries of 20 per cent. and in members' salaries of 10 per cent., reduction salaries certain public officers fixed by statute, reduction of 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 the Government is arbitration and we do not propose interference with tribunals charged with fixing wages and salaries of Government employees. Am posting copy of Bill and will forward copy of my speech as soon as available.

Government employees are brought into it, but they have the right to go to arbitration, while private employees are not touched.

The National emergency argument is used in defence of the proposed interference by Parliament with the industrial position. The same argument could have been used with much greater force during the war when our liberties were threatened, and when a drought unparalleled in the history of the State struck Western Australia. But during that period of stress, no attempt was made to interfere with the Arbitration Court, no proposal was advanced to manacle it as set out in the Bill. I shall be told that the basic wage is fixed by the State court at a higher level than that which is fixed by the Commonwealth court. That is so, but this applies in various other States. In New South Wales it is 9s. 8d. higher than the Federal rate, in South Australia it is 10s. 8d. higher, and in Brisbane it is 13s. 3d. higher. In Victoria, where the industrial conditions are controlled by wages boards, the Federal rate has been adopted, that being the only exception. Each of the other Governments respects the basic wage operating within its jurisdiction.

Hon. Sir Edward Wittenoom: Is that any justification for ours being so excessive?

Hon. J. M. DREW: It is based on legislation passed by this House.

Hon. G. W. Miles: Does that not require amending?

Hon. J. M. DREW: If the Act is amended, it should be done in the proper constitutional manner. I do not say it should be done, but that is the correct course to pursue if it is done.

Hon. Sir Edward Wittenoom: Because the other States have done all that, is that any justification for this State doing it?

Hon. J. M. DREW: There is wisdom in the majority.

Hon. Sir Edward Wittenoom: You do not seem to think so now.

Hon. J. M. DREW: I can only repeat what I have already said, that the proper medium by which to secure the conditions which members desire is through an amendment to the Industrial Arbitration Act, not that I should support such a thing.

Hon. J. J. Holmes: By the abolition of the court.

Hon. J. M. DREW: The action of members in that direction would not be widely appreciated, but it would be the constitutional course to take. It is stated from time to time, even by members of this Chamber, that the principles governing the fixing of our basic wage are wrong. That pro-

posal is not supported by any proof. Members do not even attempt to prove that there is any injustice in the present system by which the Arbitration Court is guided, but they simply say that industry cannot stand it.

Hon. J. Nicholson: Is that not the test?

Hon. J. M. DREW: If industry cannot stand it, and the majority of the people has come to that conclusion, let members adopt the course of attempting to make the necessary amendments to the arbitration laws. I believe, even if that attempt were made, a majority of the House would not be found to sanction such a backward step.

Hon. G. W. Miles: Give us a chance.

Hon. J. M. DREW: There is a clause to which I referred in my opening remarks.

Hon. G. W. Miles: You mean the Government have not the courage to ask Parliament to do that.

Hon. J. M. DREW: I referred to paragraph 6 of Clause 6, which says that no variation of the basic wage shall affect the rate of salary of an officer unless such variation reduces the basic wage by an amount exceeding 20 per centum of the amount of the basic wage declared as at the 30th day of June, 1930. This paragraph, which refers to Government employees alone, means that unless the variation reduces wages and salaries, it will not apply. If the cost of living drops, the wage of the employee drops with it, but if the cost of living goes up, the employee gets no benefit. That is manifestly unfair and cannot be justified. I hope the Leader of the House will, in his reply, attempt to justify it.

Hon. G. W. Miles: Is there any justification for fixing the minimum at £180?

Hon. J. M. DREW: It should be fixed according to the State basic wage.

Hon. G. W. Miles: Not the Commonwealth?

Hon. J. M. DREW: Rationing is to carry the full force of the 18 per cent. cut. If a man working receives pay at the rate of £185 a year, as stated by Mr. Miles, even if he works only half time, he has to suffer.

Hon. G. W. Miles: Why should Parliament put in that amount? Why not leave it to the court?

Hon. J. M. DREW: The hon. member ought to know. This man may earn only £60 in a year. He will, however, be penalised just the same, and will have to pay 18 per cent. on that £60. No doubt this will put an end to rationing and increase



the number of persons on the dole. It was never intended that rationing should be penalised under the Plan. I have here the report of the conference proceedings in Melbourne. The question was raised as to rationing and on page 31 appears the remarks I am going to read. Mr. Scullin said—

We shall have to take rationing into consideration. If we make a cut against the man who is already rationed he will face starvation.

Mr. Hogan: There is no question of doing that. The reductions effected by rationing are apart from the 20 per cent. reduction.

No member of the Conference disputed Mr. Scullin's interpretation of these particular proposals.

Hon. H. Seddon: Did you read Mr. Scullin's subsequent remarks?

Hon. J. M. DREW: I have not read all through the volume. He was dealing with rationing, and said that many who were rationed were bordering on starvation, and that they should not come under the Plan.

Hon. E. H. Harris: Like you, he differed from Mr. Hogan.

Hon. J. M. DREW: All workers under 21 years of age, no matter how low their wages may be, must come under the Bill. I am told that in many instances boys and girls are the main support of their families in these times. That is especially so in the case of girls, many of whom are employed in business houses. They will all be reduced 3s. 7d. in the pound, although their wages are already low enough. I recently investigated this matter myself, and I do not think wages have since gone up; they are more likely to have come down.

Hon. J. Nicholson: What about some of the farmers?

Hon. J. M. DREW: From what I have heard I gather that many farmers are not doing badly.

Hon. J. J. Holmes: That is something new.

Hon. J. Nicholson: It is cheering news.

Hon. J. M. DREW: Deputations from the farming districts have waited upon me. Unless the cases are exceptional, farmers are getting sustenance from the private banks and the Agricultural Bank. They approached me with the object of using my influence with the private banks to get an increase in the amount of sustenance granted to them. A

few cases were submitted to me. In those instances there were no dependants. The people had a home and a good farm, and were getting sustenance at the rate of £2 15s. a week.

Hon. E. H. Hall: They were jolly lucky; but they represent a big minority.

Hon. J. M. DREW: I took no action. There may be cases where farmers are not generously treated, but if they had been harshly dealt with either by a private bank or the Agricultural Bank, we should have heard many more complaints. Under the Commonwealth scheme, boys and girls in the Government service are not reduced in wages and salary unless these reach £83 a year. Under this Bill there is a reduction even if the wages reach only £20. Even in the case of the Commonwealth, when the pay reaches £83 the reduction is only £1 a year. Under this Bill there is no exemption for minors, for even the most miserable pittance is attacked. We are told there must be sacrifice. The Schedule, read in conjunction with the body of the Bill, shows on whose shoulders the sacrifice is laid. It has been so prepared that it shows no regard at all for the poorer sections of the people.

Hon. J. Cornell: They are the infantry.

Hon. J. M. DREW: There are only three gradations; the person on the lowest rate, the man on the basic wage and the girl on 10s. a week. These forfeit a percentage that is only  $4\frac{1}{2}$  per cent. less than in the case of the cosy gentlemen who are drawing £2,000 a year.

Hon. V. Hamersley: Are there many getting £2,000?

Hon. J. M. DREW: That is not the point. They should be called upon to make a fair sacrifice. In my opinion there should be many rungs in the ladder of the schedule, and the space between each pair of rungs should be small. The climb-up should be gradual, and at each step the percentage should increase. That is not done in the Bill. The Victorian measure suits my fancy. In it there is an increase for every £5 or £10—£5 at first, and £10 later. Under the Victorian measure a Government servant on £245 a year suffers a cut of only 2 per cent., or £4 18s. per annum, while under our Bill a similar wage earner since 30th June, 1930, would suffer a reduction of £44 2s. That applies not only to men in Government service, but to those in private employment as

well. If a man is working part time and earning £2 a week, or £104 in a year, he is to be docked to the extent of £18 14s. under this measure. That does not seem to me to be fair. In the Bill there is no attempt to fit the burden to the back. The result must be that the load on the backs of the weak will be a staggering one. The higher-paid man, the man who need not concern himself about the basic wage—and there are many such in the community—the man who receives and handles and makes hundreds of pounds over and above the cost of living, will not feel the effect of the 22½ per cent. reduction proposed, or at any rate not feel it to anything like the same extent as people who have to struggle in order to make ends meet will feel the 18 per cent. reduction. In the one case, that of the well-paid man, there would not be in many instances the ability to engage in investments as freely as heretofore; but apart from that he is living in comfortable circumstances, while the other man is on the breadline. Consequently the Schedule to the Bill should have been differently framed. There is a point beyond which we should not go in economising: there should be no departure from our basic wage. The Commonwealth Government, as I have already said, leave their basic wage untouched. The Commonwealth tax moves up something like the Victorian measure, though not so satisfactorily. It moves up by easy stages, 15 in all. The percentage rate starts at 3.11 for adults, and ends at 24.36—only a little above the maximum figure in our Bill, 22½ per cent. It moves up gradually, and does not throw so heavy a burden on the poor man.

Hon. E. H. Harris: Do you suggest that that makes for equality of sacrifice?

Hon. J. M. DREW: That is my argument. It makes for scientific adjustment.

Hon. G. W. Miles: And what is the minimum of the scale?

Hon. J. M. DREW: The Commonwealth scale starts with the Commonwealth basic wage, at 3.11 per cent. No matter how high the salary or wage may be, the rate does not go beyond 24.36 per cent.

Hon. G. W. Miles: Do the Federal Government expect to get by that means the whole of the money they require?

Hon. J. M. DREW: They seem to be satisfied. Last week our Attorney General supplied to the Press some information bearing

upon the Bill. It appeared under the headlines, "Salaries Cut, Some Illuminating Figures." The figures were very illuminating. What does the information show? It shows who is to carry the weight of the sacrifice. On an analysis it appears that persons on wages or salaries of under £250 a year are to lose £1,733,408 out of a total reduction of £4,176,999.

Hon. G. W. Miles: How many people are included in the total?

Hon. J. M. DREW: Those people are to lose a little over 42 per cent. of what they were getting last year. The number of people affected is large. I have not made a calculation, but I have come to the conclusion that about 75 per cent. of the low-wage workers of Western Australia will have to bear the sacrifice.

Hon. V. Hamersley: The higher salaries will be paying taxation, though.

Hon. J. M. DREW: Can such a scheme be regarded as fair and just? It is not a scheme which, I think, will meet with the approval of members of the Legislative Council even in these times, unless there is a necessity to pass the Bill speedily. The Government say they cannot get what they want if they adopt other means. There has been an attempt to secure an amendment of the Schedule, and that attempt was met with some such reply. It seems to me that what the Government really want is to suspend the normal functioning of the Arbitration Court, and they do so effectively by this Bill. As part of the Plan there is a provision in the Bill for the reduction of interest on mortgages, and the rate of reduction corresponds with the rate of reduction on higher salaries in the Schedule. The provision is highly necessary, and should have a beneficial effect on industry. It should also, as I indicated on the second reading of the Bill relating to conversion of debts, prevent unfair competition with the Government when they are raising internal loans. It is to be hoped that the private banks will soon fall into line. No doubt they have some money at fixed deposit on which they are paying the rates of interest previously offered by them, rates in excess of those offered now: but at present they are getting the benefit of the lower rates on their new deposits, and unless they reduce overdraft rates within a reasonable time, one of the great objects of the Bill will certainly be defeated. The Commonwealth Bank have

already reduced overdraft rates, and there will be a public outcry which will not be to the advantage of the private banks unless they speedily fall into line by taking a dose of their own medicine.

Hon. G. W. Miles: Do not you think we ought to give them power to reduce their rates for fixed deposits?

Hon. J. M. DREW: That is exactly what should be done.

Hon. Sir Edward Wittenoom: They have the situation in hand already, if you do not worry them.

Hon. J. M. DREW: In my opinion this Bill will not relieve unemployment, but will have a directly opposite effect. By decreasing the spending power of the earning section of the community, it will adversely affect all the business houses in the State and lead to further reduction of their staffs. Unemployment begets unemployment by lessening the amount which, week by week, pours into the ordinary channels of trade. It will be seen that reduction of wages will lead to more men being absorbed in industries. What industries, I would ask? Not in our greatest industry, the agricultural industry. It is undeniable that that industry has not been called upon to pay high wages in the past.

Hon. G. W. Miles: Not directly, but indirectly.

Hon. J. M. DREW: In fact, from my experience in connection with the Labour Bureau, even in prosperous times the maximum rate of pay in the agricultural industry was 30s. per week and keep, and in odd cases 35s.

Hon. C. B. Williams: What would the keep be valued at?

Hon. J. M. DREW: I do not think there has been anything to complain about as regards the keep. Abundant proof of my statement as to wages in the agricultural industry is to be found at the Labour Bureau. The farmer has had a free hand to bargain with his employees, without any interference whatever. The same remarks apply to the pastoral industry, except as regards shearing and the men who assist in that work. Apart from shearing, the pastoralist has had a free hand. The shearing industry itself is governed by the Commonwealth Arbitration Act.

Hon. J. J. Holmes: The pastoralist has no say in the cost of transport.

Hon. J. M. DREW: There is the wharf labourer who handles the farmer's wheat,

and who is not touched by the Commonwealth Plan, which does not interfere with private employment. It may be said that high wages paid to the wharf lumper are a heavy burden on the agricultural and pastoral industries.

Hon. V. Hamersley: So they are.

Hon. J. M. DREW: The wages of the wharf lumper are governed by a Federal award, and there has been a substantial reduction made in them by the Commonwealth Arbitration Court. Then how is this Bill going to improve industry? What industry of any dimensions could it possibly improve at the present time?

Hon. G. W. Miles: The timber industry.

Hon. C. B. Williams: What rot! The timber industry has nobody employed now.

Hon. V. Hamersley: There are plenty of markets for the timber.

Hon. C. B. Williams: The timber companies are asking too much.

Hon. J. M. DREW: I must confess that I see no prospect of unemployment being relieved by the old-time method of raising large loans for the purpose of carrying out public works. For some years prior to 1929 we were spending over £4,000,000 of borrowed money on such works annually. In my opinion it would require over £5,000,000 a year for three years to get the unemployed back to work.

Hon. G. W. Miles: You do not recommend that, do you?

Hon. J. M. DREW: Whether I do or not, that loan money will not be available, and some other means must be adopted in order to meet the difficulty. The city has prospered through the distribution of those loan funds, and also through the creation of wealth for which the expenditure of the funds was responsible. There has been a continuous drift to the city since 1911. The Commonwealth Year Book for 1929 has, on page 890, some interesting information on this point. It says—

During the 10 years between the census of 1911 and that of 1921, the population of the metropolitan areas in the aggregate increased in proportion to the total population of Australia from 38.03 per cent. in 1911 to 43.01 per cent. in 1921. This movement was common to all the States, though in varying degrees. The relative accretion to the metropolitan total was greatest in Western Australia, where it increased from 37.85 per cent. to 42.80 per cent.

Some later figures were published recently, but I have not been able to get hold of them.

Hon. G. W. Miles: The latest figures showed it as over 49 per cent.

Hon. J. M. DREW: By 1928 the percentage had increased to 48.35 per cent., and now Mr. Miles says it is over 49 per cent. That is an immensely greater percentage increase than is apparent in any part of the world outside Australia, except New York State, where the percentage is 52.10.

Hon. G. W. Miles: That proves what I have said all through; there are too many city dwellers carried by the man on the land.

Hon. J. M. DREW: The financial stability of Western Australia can never be improved under such conditions. Almost half the population of the State live in the metropolitan area, where our secondary industries are few and far between as compared with the city and suburbs in the Eastern States. It is an artificial development that cannot last, and must be treated without delay, otherwise it will burst with disastrous results. The Bill will not meet that situation. In the absence of further stimulants in the form of loan moneys of unprecedented volume to enable the unemployed to engage in reproductive work, the only sound alternative I can see, when funds are available, is to settle all suitable married men on the land. I do not refer to the settlement of the type we have been accustomed to during the last 15 years—not as wheatgrowers pure and simple, building up big estates, as they have been doing, estates that are too big for the holders to handle successfully. I have in mind closer settlement on old-time lines. We must follow the example of the pioneers. We must ask many of our men to do what the old colonists did.

Hon. G. W. Miles: And not depend upon the Government so much.

Hon. W. J. Mann: You would not get some of them into the country with a team of bullocks.

Hon. J. M. DREW: We must ask them to do what the old colonists had to do at a time where there was no Government aid available as with the Agricultural Bank at present, and when there was only a small local market offering. There was no export trade at all for their agricultural produce. The old colonists went on small blocks of 100 acres and produced almost everything necessary for themselves, except tea, sugar and clothing. They grew wheat sufficient for themselves, fruit and vegetables of all

kinds; they bred pigs, and always had a few sheep and cows; they had an abundance of poultry of all kinds. They produced their own meat, flour, butter, eggs, jams, pickles and other preserves. They always had something to sell.

Hon. G. W. Miles: They did not have so many men to carry on their backs in those days.

Hon. V. Hamersley: And they had no duty on sugar.

Hon. J. M. DREW: I know I will be told it cannot be done. I have seen it done in hundreds of instances. I have travelled throughout Western Australia, and I found that what was occurring in my own district was prevalent everywhere else. I have seen large families brought up on holdings of not more than 100 acres, and in some instances the areas were even smaller. At Greenough the blocks were of 40 acres only.

Hon. Sir William Lathlain: It must have been good land.

Hon. J. M. DREW: It was first-class land, the best in the State, but 40 acres only were necessary. Of course, the land was rich, but many large families were reared on those blocks.

Hon. C. B. Williams: They did not look for profits in those days, like the present generation.

Hon. J. M. DREW: The late Lord Forrest had in view mixed farming on small blocks when, in the first Agricultural Bank Bill introduced, he limited the amount to be advanced to £400. I have not had time to look up the particulars, but if my memory serves me aright, that was the maximum advance under that measure. The late Mr. George Throssell, a man in every way qualified to recognise the utility of the small block, and who always preached mixed farming, made provision through Parliament, when he was Minister for Lands, for the 160-acre free homestead farms, with that specific object in view. Later, Sir James Mitchell, when he was Minister for Lands about 22 years ago, proposed 300-acre farms, but he was laughed to scorn. The idea was that at the start a man would have 300 acres to farm.

Hon. V. Hamersley: I think Sir James Mitchell had in mind then that a man should farm and crop 300 acres each year.

Hon. J. M. DREW: Sir James had in mind something more than a wheat producer. He was anxious to see at least a

proportion of settlement on the same lines as he had known, from his banking experience, to have proved in every way successful in the earlier days when no wheat was exported from this State. In my opinion, financial stability would be assisted by the establishment of some such scheme now. It would be necessary, in the first place, to have good garden land for the most part and an average rainfall of not less than 15 inches. The land should be suitable for fruit-growing and dairying purposes, and also for the growing of wheat in small quantities.

Hon. J. Nicholson: There is plenty of land like that in the South-West.

Hon. W. J. Mann: Thousands and thousands of acres of it.

Hon. J. M. DREW: With a comparatively small acreage of such land under the conditions I have indicated, then I think everything would be right. Where can we get that land?

Hon. C. H. Wittenoom: There is plenty of it down towards Albany.

Hon. J. M. DREW: That is a matter for the Lands Department, and perhaps the Managing Trustee of the Agricultural Bank, Mr. McLarty, could render valuable assistance. Some weeks ago Mr. McLarty gave evidence before the Royal Commission on Farmers' Disabilities. He said that the total area of land alienated in the State was 14,670,000 acres, while that in process of alienation represented 21,275,000 acres, or a total of about 40,000,000 acres. He also told the Commission that of that total, about 13,750,000 acres only were improved. That is a matter for investigation. This is a time when in districts with a good rainfall farmers, who are heavily indebted to the Agricultural Bank and are occupying holdings far beyond their capacity to utilise, should be asked to sell some of their holdings back to the Government for the purposes of genuine closer settlement.

Hon. E. H. Harris: We passed a Closer Settlement Act some time ago. What happened to it?

Hon. J. M. DREW: Some such legislation was passed.

Hon. E. H. Harris: You were a member of the Government at the time; what was the result?

Hon. J. M. DREW: They wanted fancy prices. As a result of the passing of that

legislation, the price of land went up 50 per cent.

Hon. W. J. Mann: It has gone down since.

Hon. J. M. DREW: If what I suggest were done, and some of the land were resumed, land that is not being made use of to the extent it should be to-day—that is apparent in view of the evidence that out of 40,000,000 acres, 13,750,000 acres only are improved—it would afford the Government a splendid opportunity to settle a large number of suitable married men, who are now unemployed, and it could be done in a short time without much expense to the State. They would not require anything like the assistance necessary to establish a big wheat producer. It will be said it cannot be done. All Western Australians know that it was done for many years, and that is how Western Australia was established.

Hon. C. B. Williams: We have become commercialised since then.

Hon. J. M. DREW: The regrading of our heavy freight-carrying railways would mean an immediate and substantial gain to the revenue by enabling greater loads to be carried without any increase of haulage power. The Collier Government went into that question and it was obvious that a substantial saving could be effected in that direction, but, of course, there is no prospect of being able to raise money for that purpose now. That is a phase that should be considered when money becomes available again. If attention were given to the regrading I have indicated, it would enable trains to carry much heavier loads than is possible to-day.

Hon. G. W. Miles: Are you in favour of Mr. Curtin's fiduciary issue to finance these schemes?

Hon. J. M. DREW: I do not know that that has anything to do with this question.

Hon. C. B. Williams: Every sensible person would be in favour of it.

Hon. J. M. DREW: If money were available in that way, I dare say that the proposals I have made would assist in the material prosperity of the State if the fiduciary issue were for closer settlement of the land, as I have indicated, and the settlers succeeded, as they should succeed.

Hon. V. Hamersley: At growing wheat at 1s. 6d. a bushel!

Hon. J. M. DREW: I have not spoken about growing wheat for export, but for the

settler's own consumption. Although it may not seem so, all I have just been saying is relevant to the Bill. It has reference to that end which the Bill professes to have in view—the restoration of prosperity to the State. In my opinion, it will fail to accomplish that end unless it be supported by organised schemes for enabling men who are now idle and a tax on the community, to engage in some form of wealth production. I regret that the Bill has not been framed on such lines as would justify me in giving it warm-hearted support. It has not been so framed. It has gone outside the Plan agreed upon at the Premiers' Conference, and it proposes to do what not one of the other Premiers' Bills has done, or intends to do. It goes over the head of the Arbitration Court and, besides penalising men in the Government service, goes out of its way to deal a blow at men and women, boys and girls, in private employment. There are other defects that I have pointed out at some length. I must register my protest against such legislation by recording my vote against the second reading of the Bill. If the Bill passes that stage, I shall move a number of amendments that I trust will be given serious and favourable consideration by hon. members.

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

**HON. J. NICHOLSON** (Metropolitan) [7.30]: This Bill has evoked lengthy discussion in another place and a good deal of criticism through the Press. But I think it will be conceded that the need for a measure such as this has been made manifest by our financial position. Also, it will be agreed by all that it is our duty to co-operate as far as we can in order to carry out the objects of the Bill.

Hon. C. B. Williams: I question that.

Hon. J. NICHOLSON: The hon. member questions that. Also, I recognise by the speech delivered by Mr. Drew that even he questions the Bill. So it is obvious that it is not going to escape some meed of criticism even in this House.

Hon. C. B. Williams: I was hoping that it would be turned out here, that the House would show its independence and reject the measure.

Hon. J. NICHOLSON: This House may perhaps be able to show, not its independence but its wisdom in putting the Bill into such a shape as will make it a workable measure.

Hon. C. B. Williams: I said I hoped we would show our independence by rejecting it.

Hon. J. NICHOLSON: The hon. member cannot be serious. To reject it would scarcely be in keeping with the statement I made a minute ago, namely that it is our duty to co-operate in an endeavour to arrive at a solution of our difficulties. The Premiers' Conference agreed upon a basis of reduction of 20 per cent., based on the expenditure for the year ended the 30th June, 1929. Mr. Drew in his criticism has questioned the methods of reduction suggested in the Bill, and particularly does he object to the interference which the Bill proposes with the Arbitration Court and the basic wage. But it should be recognised that the Government have an important duty to perform in the balancing of the Budget.

Hon. C. B. Williams: How much shall we be behind this year?

Hon. J. NICHOLSON: We had an authoritative statement the other day. If we get into the regions of a million and a half, we shall begin to wonder where we are. The Government have told us the adoption of other methods would not assist them to the extent desired. Assuming, however, that the methods suggested in the Bill are not adopted, I should like to ask what is to take their place. That is the crucial question.

Hon. C. B. Williams: Have you no other suggestion to make?

The PRESIDENT: Order!

Hon. J. NICHOLSON: There seems only one thing to expect if we do not co-operate in this matter, namely that we drift hopelessly and helplessly on to the rocks.

Hon. C. B. Williams: In other words——

The PRESIDENT: I must ask the hon. member to allow Mr. Nicholson to proceed.

Hon. J. NICHOLSON: There is only one alternative to the methods proposed, and that is the policy of drifting hopelessly and helplessly on to the rocks. Having regard to the fact that this House was so unanimous in passing the resolution dealing with the Statute of Westminster, I do not think it is likely to display any such despairing spirit. I believe it is the earnest endeavour of the House to do what it can to assist the Government out of the difficult position into which unfortunately the State has been plunged. At the Premiers' Conference certain discretion was left to each State to adopt its own method of reduction,

and Western Australia has thought to adopt this method which is before us in the Bill. Therefore, there is bound to be some difference between this State and other States, and in this respect I think there are few persons in Western Australia who will approve of the methods which are reported to have been adopted by the State of New South Wales.

Hon. Sir William Lathlain: Mr. Drew did not quote them.

Hon. J. Cornell: Mr. Drew does not quote hearsay.

Hon. J. NICHOLSON: The underlying idea of the Premiers' Conference was to arrive at an equitable distribution of the burden as far as was reasonably possible. Therefore, one realises the difficulties which must have confronted the various Governments; because, as even Mr. Drew pointed out, there are many sections of the community that have claims for consideration. Where the difficulty arises is in meeting individual cases. Consequently the salvation which is being attempted of our financial position can only be dealt with more or less on general lines by all sharing the burden.

Hon. G. Fraser: They are not doing that in the Bill.

Hon. J. NICHOLSON: I think I can show there has been an earnest effort on the part of the Government to make all share the burden. Even if all persons are reduced on an equal basis of 20 per cent., as has been pointed out inequalities must arise; accordingly, following somewhat on the lines adopted in some other places, we have in the Bill variations from 18 per cent. to 22½ per cent. There has been an effort, therefore, to meet the conditions of the various sections of the community. For example, in Part II. of the Bill and Part I. of the Schedule, we find reductions of salaries of officers varying from 18 per cent. to 22½ per cent.

Hon. J. Cornell: In a salary range of from £65 to £1,600.

Hon. J. NICHOLSON: The term "officer," as defined by the Bill, includes members of Parliament. In respect of members of Parliament the reduction will be based on 20 per cent. as at the 30th June, 1930. One thing which did occur to me was that each Government would have done something more than has been done regarding the reduction of payment to members.

Hon. J. Cornell: Do not be too hot.

Hon. J. NICHOLSON: I thought the Federal Government would have given a lead in that direction, and so might have induced the State Governments to follow suit. It is a time of national emergency or sacrifice, and much can be done by those responsible for enacting legislation by setting a good example. In the Federal Parliament the payment to private members is £1,000 per annum.

Hon. C. B. Williams: And they are not overpaid, either.

Hon. J. NICHOLSON: The hon. member may think not. In our own Parliament when payment was first introduced it was at the moderate sum of £200. Later it was increased to £400 and still later to £600. As I have pointed out, members of Parliament come under the definition of "officers" in the Bill, but they will only be subject to the 20 per cent. reduction in accordance with the scale in Part I. of the Schedule. We have been given a very good lead by the banks in their making of a reduction of 33 1/3rd per cent. in rates of interest on renewal of Treasury bills, which has resulted in a saving to the Commonwealth of about £434,000. If members of Parliament were to follow this lead, a one-third reduction would be made in the salaries or payments to members.

Hon. J. Cornell: There is no obligation on a member of Parliament to draw anything.

Hon. J. NICHOLSON: Except that he would have to pay income tax on it.

Hon. C. B. Williams: There is nothing to prevent a member of Parliament from spending the whole of his salary on charities.

Hon. J. NICHOLSON: It is not a matter of his drawing his salary, but a matter of fixing the payment to members.

Hon. Sir William Lathlain: Whether they draw it or not.

Hon. J. NICHOLSON: Whether they draw it or not. It is not a matter of drawing it, but a matter of those who are responsible for legislation seeking to set a good example to the rest of the community.

Hon. J. Cornell: Why discriminate?

Hon. J. NICHOLSON: Because the responsibility devolves upon members of Parliament and it is in their hands to set either a good example or a bad one. I am suggesting that they set a good example.

Hon. C. B. Williams: Why not ask them to surrender the lot?

Hon. J. NICHOLSON: I am not asking the hon. member to surrender the lot. The matter must be considered from the standpoint of the financial position, and our first aim should be to put our house in order. If a one-third reduction were made in the payment to members of Parliament, it would mean reverting to £400 a year. That would simply bring us back to the amount we received prior to the increase which we last voted ourselves. If the Government would adopt that course, I would be prepared to support it. Mr. Miles said the other night he would support it, and I feel sure other members of the House would do likewise.

Hon. J. Cornell interjected.

Hon. J. NICHOLSON: I hope the hon. member will recognise the obligations that fall on metropolitan members also.

Hon. C. B. Williams: The saving you suggest could be made by reducing the strength of this House by six members.

Hon. J. NICHOLSON: While I recognise that the saving to be effected from this course would be comparatively small, I have urged it on the ground of example. There are many sections of the Civil Service, including the police, and other members of the community upon whom the proposed reduction will fall inequitably and harshly. Whatever savings can be effected by reducing the payment to members, or in other directions, would enable adjustments to be made where they are most needed. I have a letter from the Council of the Civil Service Association reading—

At a meeting of my council held on Thursday evening last, I was directed to approach members of the Legislative Council by letter stressing the hardship imposed on the lower-paid officers of the public service as compared with the higher grades by the percentage scale of reductions passed by the Assembly under the Financial Emergency Bill, and to urge that even at this eleventh hour the scale might be modified and brought more into line with that adopted under the Salaries Tax Act.

We are aware of the reasons advanced for the small difference in the percentage cut, namely, the predominating number of employees on low salaries making it impossible to realise the aggregate 20 per cent. reduction required, except through this section of the service, but we submit that even though some concession has to be made in the total saving, the Act would be a more just measure if the burden on the man on the breadline were lightened.

I think every member will recognise that.

We also submit that, in aiming at this relief, the very considerable savings already effected by retrenchments and otherwise since June, 1930, should be taken into account.

I also received a letter from the Western Australian Police Union requesting consideration for members of that body. The letter contains the following statements:—

Part VII., Salaries. Part II., page 7, should be amended by adding to the first line after the word "officers" the words "or body of officers," thus enabling our special circumstances to be dealt with by special representations under the scope of the Act.

The Bill, during its currency, precludes all increases in the basic wage being given effect in so far as future declarations of the court are concerned. It is urged that this section be altered in order that our members shall receive the benefit of any upward trend in the cost of living.

The proposed Act, however, provides that all reductions in the basic wage below the 20 per cent. decrease shall be given effect to. This is grossly unfair. Our members are deprived of the legitimate increases, but are compelled to suffer the decreases.

Those are matters to which I wish the Minister to give attention. If the Government can see their way to adopt some of those suggestions, they will be welcomed by the civil service and the police.

The Minister for Country Water Supplies: Every different section has suggestions of that kind.

Hon. J. NICHOLSON: No doubt. I recognise the difficulties with which the Government of this State, as well as the Governments of other States, are confronted in their efforts to equalise the burden. Theirs is a most difficult task. If there is any way in which adjustments can be made to lighten the burden to those upon whom the proposed reductions will press most harshly, it is our duty to adopt it.

Hon. G. Fraser: The Governments of other States have dealt with it in a manner different from this.

Hon. J. NICHOLSON: The first part of the Bill deals principally with public servants. Under Part V., Division 2, provision is made to impose reductions under awards and agreements. Since the Bill was introduced in another place, Part V. has been considerably altered. Originally it was intended to give the private employer power to notify the union of the proposed reduction, and if it was not accepted, the union had the right to apply to the president of



the Arbitration Court and ask whether the reduction should be carried into effect. Now, however, instead of the union taking the initiative and applying to the president, the private employer must move the Arbitration Court. From time to time we have had reports of Arbitration Court hearings having been delayed for many months through pressure of work and other circumstances. If an employer was desirous of effecting economies under the measure for the preservation and maintenance of his business, and was handicapped by prolonged delays before he could get a hearing in the court—there will be many applications before the court—his business might come to an end.

Hon. J. Cornell: Would not the same thing apply if the position were reversed?

Hon. J. NICHOLSON: No, because the reduction would have been made. We do not want to starve industries out. If we are going to rehabilitate our affairs, we must keep the wheels of industry going. In view of the numerous applications that are bound to be made to the court, there must be prolonged delays. Many employers are at present working on the narrowest of margins, possibly on the breadline, and if they cannot effect a reduction quickly, their businesses must be closed down through sheer inability to carry on.

Hon. G. W. Miles: Some of them have closed down already.

Hon. J. NICHOLSON: That is quite true. Even the unions should realise that it is in the interests of the workers to keep industries going. If an employer has not the capital, how can he keep his business going? I suggest the restoration of those clauses as they appeared in the Bill when first presented to another place.

Hon. G. W. Miles: Hear, hear!

Hon. J. NICHOLSON: It would tend to the maintenance of industry and to the rehabilitation of the State's affairs. I make that suggestion seriously to those members who claim to represent the workers. I claim to represent the workers, and I claim to be considering the interests of the workers.

Hon. G. Fraser: You are prepared to throw all the laws of the country aside where they relate to wages.

Hon. J. NICHOLSON: I should like to know in what way I am throwing the laws of the country aside. I am afraid I must be a little obtuse.

Hon. G. Fraser: In your suggestion that the employer should be able to reduce wages without reference to the court.

Hon. J. NICHOLSON: Does the hon. member mean that I would be interfering with arbitration awards?

Hon. G. Fraser: Of course you would.

Hon. J. NICHOLSON: I ask the hon. member this question—is it not better in the interests of the State, and particularly of the workers—

Hon. G. W. Miles: And the unemployed, too.

Hon. J. NICHOLSON: That the industry should be kept going instead of being closed up?

The PRESIDENT: The hon. member should not provoke interjections. The Hon. Mr. Fraser will have an opportunity to reply later on.

Hon. J. NICHOLSON: I was anxious to convert Mr. Fraser.

The PRESIDENT: That hon. member will have an opportunity later on to answer you.

Hon. J. NICHOLSON: I do not want to provoke interjections, and I was endeavouring only to pursue a course of conversion.

Hon. J. J. Holmes: Were you going to reinstate that clause?

Hon. J. NICHOLSON: It should be reinstated. I suggest to Mr. Fraser and his colleagues that they should seriously consider whether it is not better to do that than to adopt the clause as now amended. Suppose we leave it as it is. We should have to go through long delays in getting applications before the court, by which time the matter will settle itself, unemployment will be more in evidence, and the day of rehabilitation will be further off than ever. As an alternative I suggest that in place of the Arbitration Court we simply have the president of that tribunal as the determining authority in all such applications. The president by himself would be more free than would be the court as a whole. The other members of the court could carry on with certain applications.

Hon. J. Cornell: They could not. You have not read the Bill.

Hon. J. NICHOLSON: Provision could be made to enable the president to deal more expeditiously with applications as they came up, and this would help to save industry. If the suggestions are adopted the Bill will require to be amended. I understand the Leader of the House is anxious to get it

through as rapidly as possible. I want to hear the views of other members before framing my amendment. If Mr. Fraser would indicate that he was in favour of the restoration of the clause to its original state, I would know exactly what support to expect from that quarter and what amendments to put forward.

Hon. G. Fraser: You put them up and see what will happen.

Hon. J. NICHOLSON: The amendments would require to be placed on the Notice Paper so that members might follow them. I am prepared to put forward certain amendments, just as Mr. Drew indicated he would do. Another part of the Bill deals with a reduction in interest charged to mortgagors.

Hon. J. Cornell: You want to turn that around, too.

Hon. J. NICHOLSON: The Bill provides that the application shall be made by the mortgagee to the commissioner, and the mortgagee shall prove the circumstances of the mortgagor. That is rather opposed to the usual method of procedure.

Hon. J. Cornell: But we are living in unusual times.

Hon. J. NICHOLSON: The times do not affect that aspect of the case. The necessity of proof lies on the side of the party who affirms a certain state of affairs. The party which would affirm a certain condition of affairs in this case would be the mortgagor. He would say, "I am not able to pay the interest."

Hon. J. Cornell: You would give him no assessment until he could prove that?

The PRESIDENT: I must ask the hon. member to assist me in keeping order.

Hon. J. NICHOLSON: The Bill provides that commissioners will be appointed to deal with these applications. A commissioner may be a judge of the Supreme Court or a magistrate. There need be no delay in the hearing of these applications, because a multitude of commissioners could be appointed from amongst the various judges and magistrates we now have. All the applications could be heard with the utmost expedition, and ready relief afforded where it was proved to the satisfaction of the commissioner that it was deserved. No doubt mortgagors must come within the scope of the Bill, just as any other person must do. I hope consideration of that phase of the position will be borne in mind. It is my intention to listen very earnestly to what other

members may have to say on this Bill, and in the meantime I will conclude by giving my support to it.

**HON. SIR WILLIAM LATHLAIN** (Metropolitan - Suburban) [8.9]: Every member of the House must regret the necessity for this and other Bills which are to follow, the object of which is to comply with the terms of the Premiers' Plan. We have heard from Mr. Drew, and by interjection from Mr. Fraser, their opposition to this measure. What would they put in its place? Probably no question has been discussed more earnestly and with greater ability throughout Australia than that which is involved in the Bills designed to carry out this national emergency plan. I am sure Mr. Drew has not lived through a similar crisis to this. The crisis is even worse than that which faced us in Victoria in the nineties.

Hon. H. Seddon: Not yet.

Hon. Sir WILLIAM LATHLAIN: I am very much afraid everything trends towards the position becoming worse.

Hon. V. Hamersley: It will be worse.

Hon. Sir WILLIAM LATHLAIN: I ask Mr. Drew what then will become of the fallen gods, the basic wage and the Arbitration Court?

Hon. C. B. Williams: What will become of your business?

Hon. Sir WILLIAM LATHLAIN: It will go down the same as other people's businesses will do. I shall, however, be able to live where others may not, because I am prepared to work for anything I can get.

Hon. C. B. Williams: Because you have been living above the basic wage for a long time.

Hon. Sir WILLIAM LATHLAIN: For many years I lived under the basic wage. I have worked as hard as the hon. member has.

Hon. C. B. Williams: I do not deny that, but I suggest you have prepared for the rainy day, while the man on the basic wage could not do so.

The PRESIDENT: Order!

Hon. Sir WILLIAM LATHLAIN: There are other members of the community who have to be considered just as much as the man on the basic wage. Many businesses in the State are in a very parlous condition because their expenses are higher than any profits they can make. I speak feelingly

on the matter. I do not mind telling the House that during the last two years I have lost money in each of my four half-years. I have definitely lost my capital. There are other businesses in a similar position. The Government are to be congratulated on bringing forward this measure. One of the reasons why Mr. Drew opposes it is that it includes private employees as well as those in the Government service. It is interesting to note the sympathy that hon. member has for private employees. I remember when the Bill for the salaries tax was before the House, and when I pointed out that the salaries of private employees had been considerably reduced, Mr. Drew had no sympathy for them, but showed a great sympathy for those in the Government service. This is a state of national emergency, and one which calls upon each of us to make a sacrifice. People in business, as well as those who are being employed by the people in business, are making great sacrifices. Mr. Nicholson touched upon a question of paramount importance when he stated that the Bill, as introduced in another place, gave the employer power to make reductions, and the onus was on the employee to appeal to the Arbitration Court.

Hon. G. Fraser: That is not right; appeal to the president of the court.

Hon. Sir WILLIAM LATHLAIN: That is better still. If the appeal was allowed, the employer was to be compelled to pay the particular amount which had been disallowed to the employee. The position is now reversed, as pointed out by Mr. Nicholson. The employer will be the first one to appeal to the court for redress. I do not know how the court is going to deal, as the Bill says, within 15 days, with all these cases. There is likely to be such an accumulation of applications that it will be nearer 15 weeks or 15 months before cases can come before the court. Since I have been Lord Mayor of the city, I have had some grievous experiences in matters of this sort. Mr. Franklin will bear me out in saying that in October last eight senior members of the staff of the Perth City Council were reduced to the extent of about £1,100 in all. On the 1st November an award of the Arbitration Court granted increases, payable in six months' time, to 48 employees. We were then in the middle of a grave crisis, and the council in its wisdom had decided to approach the Arbitration Court.

That was done on the 23rd October. It was then pointed out that certain amendments would have to be drafted. These were submitted to the council and approved on the 18th November. On the 18th December further amendments were considered, and on the 22nd December we notified that we were ready with our case. An application was filed in the Arbitration Court on the 3rd February. In March last application for leave to apply to the court was granted. Then a reduction took place in the basic wage, and the council received a letter, I think from the President of the Arbitration Court, asking whether, in view of the reduction of 8s. in the basic wage, we purposed proceeding with the application. As the reduction of 8s. applied to men receiving up to £7 and £8 per week, it did not amount to much. The President of the Arbitration Court asked that the council's approval should be obtained. On the 16th March the council reconsidered and reaffirmed its previous decision, and the court was notified accordingly on the 17th March. In the middle of last month we received a notification that our case had been listed by the court. Thus it has practically taken us seven months to get our case on the list. If the same conditions are to apply under this Bill, there is a sorry time ahead for employers of all descriptions. I wish to record my emphatic opinion that every member of this Chamber regrets the necessity for the proposed reductions. To men in business the reduction of the spending capacity of the people represents a serious problem. Nevertheless I feel that a grave crisis such as this calls upon us to face the position, and to face it with courage and patience. Only by united effort on the part of all the people, with every section of the community bearing its fair share of the burden, can we hope to succeed in the rehabilitation of our financial position.

**HON. C. B. WILLIAMS** (South) [8.19]: I must enter my protest against the Bill. I do not know whether my protest will cut any ice, and I do not care much whether it does or not. I have previously protested against the advocacy of low wages in this House and in the majority of Australian Legislative Chambers. I do not wish to be personal, otherwise I would express the hope that all advocates of low wages might be in

the insolvency court, and the sooner the better, for their own stupidity. That is my compliment to them. When I look around and see hon. members who own flocks of sheep and thousands of acres of land—

Hon. V. Hamersley: And bank overdrafts.

Hon. C. B. WILLIAMS: I would like to have an overdraft too. One must be in a highly financial position to have an overdraft at all nowadays. I realise that our financial position to-day is one of great difficulty. We now have over 12,000 unemployed. Bills to reduce salaries have been introduced here previously. Wages have been reduced all round, and our own salaries have been cut by 10 per cent. In this connection I think you, Mr. President, called me to order for objecting to certain remarks of an hon. member previously. Hon. members talk of nothing but reduced wages as the cure for the financial depression. If everybody in Western Australia were working for nothing, the farmer would not be able to get a feed out of the price of his wheat, nor would he be able to meet any of his obligations. Why do we not face the facts of the situation? We are all here to get the workers to work for less money, and incidentally we have to do that ourselves. As I interjected to Mr. Nicholson, I know of not one patriotic member of Parliament in this State or in the Commonwealth who, in this financial stress, or alleged financial stress, has offered to give back to the Government even £1 out of his £600 or £1,000 to help the community along the road to prosperity. Then why be so hypocritical as to advocate a cut of another £100, which represents only a fleabite? If £200 were taken off the salary of every member of this Chamber, it would not amount to much. Eight or ten patriotic and wealthy members of this House could surrender their salaries for the rest of the year to achieve that reduction, and let my poor salary alone. I find it difficult enough to carry on and meet my obligations, as a member of Parliament, to certain parts of my constituency. It is all very well for metropolitan members to talk of reduction of Parliamentary salaries. They have available free transport, and need not walk a hundred yards in their constituencies. If I were to continue, perhaps I would be insulting some hon. members. However, there is nothing to stop any member of this Chamber from relinquishing his salary for the rest of his term in Parlia-

ment, if he wishes to aid the State on its way to prosperity. Not one of them has yet offered to surrender even £1, so far as I know. We have had Bills to reduce salaries, and we have reduced our own salaries and those of the public servants, thereby reducing the spending power of the people. Meantime the unemployed in this State have increased, not decreased. Now we are asked to submit to another 10 per cent. reduction in pay, making 20 per cent. in all. The Bill does not ask for a reduction in the rents paid by people who now have to accept lower remuneration. The Minister said it was not proper that that should be included in the measure, because it was not included in the corresponding measures of the other States. When the same argument was put up to the Minister as regards the Bill which dealt with private employees, he considered the matter as quite in order. I always will agree that what is done elsewhere need not worry us. We should be competent to do for this State that which we are required to do. To-day we are faced with the fact that the Federal Government have gone back on the principles and pledges upon which they were elected, and have accepted the Federal Opposition's plan for saving Australia. They have accepted it *holus bolus*. The Government of this State, however, have gone one step further. May I be permitted to read an extract from a newspaper which shows what the Attorney General of this State, representing Western Australia, said at the Melbourne Conference—

Early in the proceedings Mr. Davy made it clear that he was in favour of cutting down all wages irrespective of whether they were regulated by arbitration, basic wage fixing boards, or otherwise intended to be honourably observed during their tenure. On pages 48 and 49 of the Conference report we find the following:—

Mr. Hogan: This Conference has not constituted itself a wage-fixing tribunal for outside employees. That is outside the scope of our work. There are tribunals which deal with the private employees. We have enough problems of our own without dealing with those that other bodies deal with.

Mr. Davy: I must say that I was firmly of the opinion that, when we talked of equality of sacrifice, we talked of everybody making a sacrifice—not merely the Government employees. . . . How can the Government of Western Australia, for instance, possibly apply the 20 per cent. reduction to its employees and not have it applied to outside employees?

Mr. Theodore: Is that not the responsibility of your Arbitration Court?

Mr. Davy: Our Arbitration Court has made a reduction of 10 per cent. to bring the rate into line with the cost of living. To achieve the 20 per cent. reduction in Government salaries and wages there must be interference with the Arbitration Court in Western Australia.

Mr. Lang: This Conference is not going in for scrapping arbitration.

The Bruce Government lost office for their attempt to interfere with industrial arbitration; and so will the Government of this State at the first opportunity given to the people.

Hon. J. J. Holmes: Are you supporting Curtin or Green?

The PRESIDENT: Order!

Hon. C. B. WILLIAMS: Whilst I fully appreciate, Mr. President, that interjections are disorderly, I must reply that I am supporting Mr. Green. With reference to Mr. Lang of New South Wales, I believe that he will be remembered and respected when some of the present Federal politicians, and some members of this House, are utterly forgotten politically.

The PRESIDENT: Order!

Hon. C. B. WILLIAMS: Mr. Lang will not be forgotten because, when all is said and done, he has achieved more for the workers than have the Labour Party from whom these proposals emanated. I will continue my quotation—

Later, Mr. Davy said: Those who prepared the list of legislation were merely given the economists' report and the result of the conference with the banks. Their impression was that involved in the whole scheme was the bringing down of wages and salaries in conformity with the Commonwealth Arbitration Court's decision.

Mr. Hogan: That is not the intention of the Conference at all.

On page 78, in the course of a fairly lengthy general explanation Mr. Davy said: "I do not think it is properly appreciated that the Commonwealth Arbitration Court plays a very unimportant part in Western Australia. Not 10 per cent. of our workers are covered by Federal awards. That means that 90 per cent. of the people who are covered by awards are under the State Arbitration Court, which has fixed a basic wage very much higher than that fixed by the Federal Court. The State basic wage was adjusted about a month or so ago in accordance with the cost of living. It is now £3 18s., compared with the Federal basic wage, which, I understand, is about £3 8s. or £3 9s. . . . It seems to me that outside wages have got to be touched in the same way as inside wages. It is argued that that is our private concern. Perhaps it is. But I am convinced that our

Parliaments would not let us do that unless as part of a plan which is accepted as necessary for the salvation of Australia."

I do not intend to read any more. The report shows that the Attorney General of this State, at that conference, set out to go further than the representative of any other State or of the Commonwealth in regard to reducing wages outside the Public Service.

Hon. E. H. Harris: Did you read the whole of the report?

Hon. C. B. WILLIAMS: Not the whole of it, but enough to suit me. I will read the rest now if the hon. member wishes it. However, there is the position. The Attorney General of this State sought to go further than the Prime Minister or the Premier of any other State wanted to go—for what reason, I cannot tell. In other words, we are now asked to do away with the Arbitration Court altogether; or at least we shall be if Mr. Nicholson gets his way and restores to its original form a clause which another place thought fit to amend. Sir William Lathlain puts the position from his point of view as a business man. He tells us how he has been blocked from getting into the Arbitration Court with an application for reduction of wages. He should bless the Arbitration Court that he has been blocked. It means that he still has to pay, in common with other employers, a little more money to the workers, and that represents so much more circulation of funds.

Hon. G. W. Miles: But Sir William Lathlain was referring to the City Council.

Hon. C. B. WILLIAMS: That does not matter; it applies to his business as well. Anyone who would advocate that in one way, would advocate it in all ways. The workers of the State will be forced into the position of having to approach the Arbitration Court to get a direction that their employers shall not reduce their wages. I have followed the actions of the President of the Arbitration Court, as well as those of the lay members themselves, in dealing with various cases. It has to be borne in mind that, although the Arbitration Court consists of three members, it really consists of one person, and the President is the man. The two lay members are biased from one or other viewpoint and agree with the President only to the extent that the decisions he gives accord with their respective opinions. When it comes to dealing with matters, the court will be in a position of having to say that what they do, is

not what they wish, but what Parliament says they must. The court will say there is no option but to do as Parliament directs. In such circumstances, what chance would any worker have, if he applied to the Arbitration Court under the provisions of this legislation, of the restoration of any wages of which he had been deprived? He would have no chance in life. Reference has been made to the congestion of the court. What does that amount to? There was a strike at Kalgoorlie a little while ago; the men are at work to-day. There was no congestion indicated then. That shows all this talk of congestion amounts to so much imagination. Those men at Kalgoorlie are working under a new award to-day or what amounts to practically a new award and they have secured it after a matter of a few weeks. How quickly does Parliament deal with any measure that makes for a reduction of wages! It takes hardly any time for Parliament to deal with a measure that has that end in view. I would be sorry to see this Chamber reinstate the clause the Legislative Assembly saw fit to delete. I hope the hon. member who has indicated his intention to move an amendment that will have that effect, will be fair to all parties and will also move to incorporate another amendment. I refer to the clause that the Assembly deleted, which set out that traders who received the benefit of a reduction in the wages paid to their employees would be required to pass on the saving to the public in the shape of reduced charges, failing which the reduced wages were not to operate. I will await the hon. member's attitude in that regard with interest. I shall wait to see how fair he will be.

Hon. J. Nicholson: That is to be dealt with by other means.

Hon. C. B. WILLIAMS: There you are, Mr. President! I expected a wriggle. I will await the hon. member's attitude regarding that particular clause.

Hon. E. H. Harris: If he fails to secure the reinstatement of that clause, will you endeavour to have it restored to the Bill?

Hon. C. B. WILLIAMS: You can bet, Mr. President, I will do my best just to test the sincerity of hon. members in this Chamber. I undersand we represent all the people, not a section. We are democratic.

Hon. J. Nicholson: The Attorney General stated definitely that he would have that attended to.

Hon. C. B. WILLIAMS: I will not trust the Attorney General any more than I trust the hon. member, although I trust him fairly. If the Bill be passed and it is amended as the hon. member desires, we will have to wait a long time for the other measure. If that measure were put through in conjunction with the one we are now discussing, it would be interesting to see how hon. members here would act. If they intend to agree to the one, they should agree to the other. I wish to draw attention to a body of workers in this city. Some of their members are working for the time being in part of my electorate. I refer to the tramway employees. I would remind hon. members that there are four syndicates comprising tramway employees, who are operating at Widgeemooltha and St. Ives. Each syndicate represents 72 members of the Perth Tramway Union, 64 members financing each syndicate and eight members working as prospectors. Each financing member makes a payment of 10s. weekly, which is deducted by the department from his wages. There are 256 motormen and conductors financing the scheme. This number of men are working full time, the 10s. paid weekly representing the amount of money earned by them, spread over the period of weeks intervening between the week when they would stand down under the system of rationed work. The scheme, in effect, means that these 256 men are working the time that would be worked by the men who are away prospecting and contributing the earnings received to finance the scheme. The amount of wages paid to the 32 motormen and conductors, who are away working as prospectors, amounts to £123 4s. per week. Since the inception of the scheme, which commenced on the 2nd March, 1931, £2,490 received from the financing members has been expended.

Hon. E. H. Harris: What are you quoting from?

Hon. C. B. WILLIAMS: I am taking the details from a report furnished to me by the president of the Tramway Union. Had not this scheme been inaugurated, it would have meant that the whole of the motormen and conductors would have been stood down from duty one week in every nine, and the whole of the amount expended to date would have been withheld from circulation. The scheme has the immediate effect of endeavouring to prevent economic waste and is in the best interests of the State by reason of

the activities being in the direction of gold production. To date considerable work has been done and the operations are looking very satisfactory. In fact, at the moment three of the parties are putting through a 400-ton crushing, and the reports indicate the results will be satisfactory. In the Financial Emergency Bill it is not intended to make provision for the losses sustained by workers due to the system of rationed work. If this policy is determined upon, it will have the effect of bringing about the discontinuance of the tramway prospecting scheme, and will have the direct effect of placing approximately 50 or 60 tramway workers on the unemployment market. This, in turn, will have the effect of causing the State to meet added payments through the Charities Department, for the relief of persons by means of sustenance. The information has been conveyed to me in the hope that it will have the effect of consideration being given to computing the value of earning capacity lost as the result of rationed work, plus the losses due to basic wage determinations, and that these phases will be borne in mind when computing the 20 per cent. reduction required by the Bill. That information relates to a body of workers for whom no consideration has been extended in the Bill.

Hon. W. J. Mann: They will be millionaires when they find their gold mines, and get their crushings through.

Hon. C. B. WILLIAMS: Basic wage workers will always be millionaires! That is why 12,000 of our fellow citizens are out of work and are living on the dole. That is why I oppose the Bill. There are other methods by which Australian finance can be better managed.

Hon. E. H. H. Hall: Tell us some of them.

Hon. C. B. WILLIAMS: Members of Parliament who endorse the Bill before us will have to accept the responsibility for throwing further men out of work.

Hon. E. H. H. Hall: What are some of the methods you have in mind?

Hon. C. B. WILLIAMS: I do not want to tell the hon. member anything. In the first place, the President would not let me do so, and then I realise Mr. Hall represents those who are in the poorest financial position to-day. They are offered no measure of assistance in the Bill, and they are not even getting anything like the dole. At the same time, those people are asked to stay on the land and produce that which is

required by the people in order that they may live. The farmers are asked to do that without even the offer of £2 8s. a week as sustenance. I want Mr. Hall to realise that fact, and if he, in common with others besides myself, have brains enough, sense enough and courage enough to vote against the Bill, we will secure its defeat, and then we may have some better proposals placed before us with a view to helping Australia back to her prosperous state of a few years ago.

Hon. Sir William Lathlain: Tell us how.

Hon. C. B. WILLIAMS: I am not one of the brainy men of this House. I have not thousands of pounds invested in this State. I have not been lucky enough to be in that position. At the same time, I do not go about with my head down like so many members, merely because my salary is to be curtailed by 25s a week. I would rather be in my present position and own nothing. Like Sir William Lathlain, I would be prepared to remain poor and work all my life, rather than worry about losing a few shillings. There are some members of this House who seem to be principally worried because they will lose a little interest. Surely they should not worry about that, seeing that there are 12,000 of their fellow citizens without food or beds, and certainly without decent clothes for their wives and children. Rather than permit such a condition of affairs in this State, those patriotic citizens who own the wealth that is apparent in our midst, should consider themselves lucky if they are able to retain their capital, quite apart from the loss of some of their interest, or the whole of their interest. They should be thankful that they are allowed to retain anything. The Bill is introduced with the object of securing the financial position, but it will end in nothing. The Bill will tend to drive the workers towards Communism, and then those of our people who have lent money with the object of securing profit will be lucky if they do not find themselves strung up by their necks.

Hon. J. Cornell: There will not be enough lamp posts.

Hon. C. B. WILLIAMS: If the 12,000 unemployed workers in this city had the courage necessary, there are not sufficient law abiding citizens capable of withholding them from wreaking vengeance on the section I have referred to. If the patriotic people in our midst are not prepared in these times to come to the aid of the State

with their wealth, then, if prosperity does not return, they will lose, as Sir William Lathlain predicted, their all. That will be the end of their prosperity; they will be ruined. We are not asked to require the wealthy people to make a sacrifice under the provisions of the Bill now before us. We are to ask them to sacrifice very little. A mere one per cent. of their interest! On the other hand, we are to ask the worker in receipt of the basic wage to agree to a decrease of 8s. in his earnings. What for? To bolster up the basic wage in order to keep the worker in his humble home, for which he probably pays 20s. to 30s. a week in rent to the landlord? No! We are forcing the workers to accept wage reduction to bolster up the interests of people who are asked to be deprived of one per cent. only. And yet those people are faced with the possibility of losing their all! I believe that those citizens who own the wealth of the State and are not prepared to come to the assistance of the country during the present crisis are not worthy of consideration. We are told that some of the people have been thrifty, while others have been spending their money. If all the people were thrifty, we would be living in rabbit holes. There would be no wealth. We would all be poor. I intend to vote against the Bill. I am pleased to think that it has been opposed by Mr. Drew from the Labour benches, and that it was opposed by the Labour Party in the Legislative Assembly. As I stated before, and repeat again, I am utterly disgusted that it emanated from the Federal Labour Party. It is useless for me to continue my arguments, because I know hon. members have made up their minds. Finally I would draw attention to the fact that for some there is no need to talk about reduced salaries. In these days, they should be prepared to accept a reduction in profits and not look for interest, because there are thousands of their own kith and kin who are not looking for interest, but who have around their necks the bugbear of debt. And the people who have been kind enough to stick to them and help them I trust are not, like the money-lenders, looking for interest on that debt. I understand the farmers are weighed down with a load of debt. There is another Bill to come before us to which I hope every attention will be given in the interest of the farmers, who to-day have

no hope. Although this Bill has been put forward by a Government consisting of a combination of Nationalists and farmers' representatives, it contains nothing for the farmer or the woolgrower who may be in a poor way. Before the farmers' representatives in this House vote for the Bill they should do as the Kurrawang workers did the other day, strike, this time against the Government. I do not know whether a strike in Parliament would be legal, but at all events it is worth trying. If the farmers' representatives in this House determined to vote against the Bill they might be able to bring pressure to bear on the Government of this State and probably on the Commonwealth Government to offer something to the down-and-out man on the land, who to-day does not get even the equivalent of the dole. I will join the farmers' representatives in this House in voting against the Bill, and probably we can cajole my Labour fellow members to do the same. If so, we could hang up Australia and get something better for the farmers, something better than growing wheat for nothing, with no such inducement as that they will get a better price for their wheat next year than they have got this year. Those farmers are asked not to come into the towns, but to stay in the country and starve. I say we are quite entitled to hold a gun at the Government of this State and the Governments of the other States. On previous occasions members here have declared their independence. It seems to me they should be independent in this instance also. We are asked to pass the Bill in the interests of the banks: nothing more nor less. If the people of Australia, including Western Australia, did what has been done in New South Wales, there would be no need for the Bill. If the people of Western Australia who have money in the banks decided it was time they saw gold for it, all the banks would close to-morrow, just as the savings bank in New South Wales did; for we cannot realise on bricks and mortar, any more than we can on sheep stations to-day. In effect we are asked in the Bill to say that the workers shall sit quietly while we ask the banks to reduce their interest by 1 per cent., ask the lenders of money to reduce interest by 1 per cent., and ask the basic wage man to accept 8s. per week less. If the Bill be passed, it



will only add to the burdens of Australia and to the debt of Australia by some £3,000,000, according to the advice of the experts; £3,000,000 more to be paid out in Australia by way of a dole. Where is that going to get us? It seems to me that what is required in this country is some man to rise up and take control of the country, dissolve all the Parliaments and all the banks, and run the country in the interests of the people of the country, not in the interests of the privileged few. I will oppose the Bill.

**HON. E. H. H. HALL** (Central) [8.50]: I support the Bill with very great regret. Whilst the words are fresh in my mind, I cannot understand Mr. Williams when he makes the astounding assertion that we are asked to pass the Bill in the interests of the banks. The hon. member is always ready to make a lot of wild statements, but he fails when requested to show any substance for them. Perhaps the best and kindest thing for me to do is to pass on and try to explain my reasons for supporting the Bill and my great regret that the proposed salary reductions have not been drawn up on a much fairer percentage basis. Mr. Drew, during the course of his remarks, spoke of reasonable comfort for a man, his wife, and two children, and gave us to understand that the position of the farmers, so far as his knowledge went, was not too bad. We both come from the Central Province, and I am only too sorry to say that perhaps because Mr. Drew has not been out very much of late he has not come into personal contact with the farmers, as other members have. I can assure him that if he were to travel through some of the agricultural areas in the Central Province, he would be very sorry to find that many of the farmers were not receiving sufficient income to enable a man, his wife and two children to live in anything like decent comfort. Those of us who have been worrying about the condition of the farmers have regretted exceedingly that the Government did not bring down a measure providing for a wage and salary tax at least 12 months ago. Now that this Bill has come along, it is only consistent that those of us who have quarrelled with the Government for not having brought down such legislation earlier should support the measure. A critic at first blush might say, "You have asked the Government to bring down a Bill of this sort,

and now that it is here you are finding fault with it. You say the farmers are in a bad way and that therefore other people should be asked to come to their assistance." But this is what strikes me: Those of the farmers who are in an extremely bad way have been placed in that position by circumstances over which they had no control. I, for one, am going to refuse to be a party to according support to the Bill in its present shape, for its percentage reductions are most inequitable.

Hon. H. Seddon: Yet we shall want more money than the Bill promises.

Hon. E. H. H. HALL: I agree that it will be necessary to raise even more money. The Bill is no part of the Plan agreed upon at the Premiers' Conference. Still, we shall require all the money we can possibly get if we are to keep the settlers on the land. The Attorney General was asked by members of another place to submit a statement justifying the percentage reductions. He did submit a statement, and for the information of those who have not totalled up the numbers and what the reductions are to yield, I have run out the figures. For instance, we find that the wage and salary men up to £250 per annum number 12,037 and receive in the aggregate £1,733,408. I have checked my figures with those contained in the statement given by the Attorney General, and I find they are correct.

The Minister for Country Water Supplies: Why, I gave you all those figures on the second reading in this House!

Hon. E. H. HALL: Those people are to be subject to a reduction of 18 per cent. Then those earning from £251 to £500 number 6,763 and draw a total amount of £2,166,974. Those people are to be subject only to an additional 2 per cent. For the life of me I cannot understand why there should be only a 2 per cent. margin. Those responsible for the Bill have declared for months past that sacrifices must be made and must be equally shared by all. I would remind them that an ounce of practice is worth a ton of theory. We should not be satisfied till the sacrifices are equally shared. If Mr. Drew sees fit—and I hope he will—to move an amendment to alter the incidence of these reductions, I will gladly give him my support. We all know that the people receiving up to £250 are the people who have the greatest family responsibilities. Men on £700, £800, and £900 a year are men

whose family responsibilities are at an end. Their families have grown up and are earning for themselves, whereas the families of the younger men are not earning anything, notwithstanding which it is those men who are asked to bear the principal part of the taxation. If we cannot ease the burden on the lower-paid men, at least let us endeavour to see that it is spread more equitably by making the man who can afford to pay, pay a little more; because, before we are through this depression we shall want all the funds we can possibly get. I have spoken to three friends of mine who are on salary marks about £500. They say, "Oh yes, but do not forget that the men who are receiving those wages and salaries have put in many years of their lives before attaining those positions." And another said, "Do not forget that men receiving those wages and salaries have a position to keep up." But we are now at a time when that cannot be taken into consideration. We have to remember that there are women and children who have to be fed and clothed, and we must endeavour to ensure that the reduction is borne equally by all sections of the community.

Hon. E. H. Harris: Have you any suggestions to make?

Hon. E. H. H. HALL: I have promised Mr. Drew my support of his proposal.

Hon. H. Seddon: Can you suggest another classification?

Hon. E. H. H. HALL: I cannot see eye to eye with the Leader of the Opposition in another place on all questions, but I am prepared to fall into line with him in endeavouring to do what is fair and right by lower-paid officers. The scale suggested by him is a long way better than the one in the Bill. The objection raised to it has been stated in these words, "We must have the money." I am quite as convinced of that as is any member. We have been driven by sheer necessity to introduce this legislation. Mr. Williams and other members take the view that we have been reducing wages and that conditions have grown worse. If we had tackled this problem earlier, conditions would not have become so bad, and the longer we delay, the worse things will become. To stem the increasing depression many members of the party to which Mr. Williams belongs now feel themselves forced to take this drastic action in order to bring about the rehabilitation of Australia. I support the second reading,

and in Committee I will support Mr. Drew's proposal.

Hon. G. W. MILES: I move—

That the debate be adjourned.

The MINISTER FOR COUNTRY WATER SUPPLIES: I will not oppose the adjournment, but I hope that to-morrow members will assist to get the Bill advanced as far as possible.

Motion passed; debate adjourned.

## BILL—CONSTITUTION ACTS AMENDMENT.

*Second Reading.*

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [9.3] in moving the second reading said: Only a few words are necessary to explain this Bill. It proposes to treat the salaries of those remunerated under the Constitution Acts in a like manner to the salaries dealt with in the Financial Emergency Bill. The reason for embodying such salaries in a separate Bill is that, under Section 73 of the Constitution Act, a Bill to amend the salaries of those mentioned in the Schedule must be reserved for the Royal assent. The measure will affect the salaries of the Governor, the Governor's Private Secretary, the Clerk of the Executive Council, the Judges and Ministers, and it is proposed that they should be reduced in precisely the same manner as employees under the Financial Emergency Bill. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

## BILL—FIREARMS AND GUNS.

*Assembly's Message.*

Message from the Assembly, notifying that it had agreed to the Council's amendments Nos. 2 and 3, and had agreed to Amendment No. 1 subject to amendments, now considered.

*In Committee.*

Hon. J. Cornell in the Chair; the Minister for Country Water Supplies in charge of the Bill.

Council's Amendment—No. 1. Clause 4.  
—Delete this clause and insert the following:—

4. This Act shall have the following application:—

To pistols and air guns generally.

(1.) It shall apply throughout the State to pistols and air guns.

To Asiatic and African aliens generally.

(2.) It shall apply throughout the State to any person who is an Asiatic or African alien, or who is an Asiatic or African alien claiming or deemed to be a British subject.

To municipalities and towns.

(3.) Subject to the provisions of paragraphs (1) and (2), it shall apply to all municipalities and towns and within one mile of the boundaries of any municipality or town.

License for a firearm other than pistol or air gun not necessary in other portions of State, unless the Governor declares by Proclamation.

(4.) Subject to the provisions of paragraph (2) Section 5 of this Act, relating to licenses, shall not apply, so far as regards firearms other than pistols and air guns, in any portion of the State not particularly specified in paragraph (3) of this section, unless the Governor by proclamation from time to time declares it to apply to any portion or portions not so specified.

Assembly's amendments—Strike out the words "and towns" and "or town," in paragraph (3) of the proposed new clause, and add to the paragraph the words "in all other respects it shall apply generally throughout the State."

The MINISTER FOR COUNTRY WATER SUPPLIES: I move—

That the Assembly's amendments on the Council's amendment be agreed to.

Under the Council's amendment a large number of small townsites would have to be brought within the scope of the measure, which was never intended.

Hon. H. Seddon: What would be the effect with regard to towns like Fremantle, Perth, Subiaco and Midland Junction?

The MINISTER FOR COUNTRY WATER SUPPLIES: The measure would apply to such towns.

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

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

House adjourned at 9.10 p.m.

## Legislative Assembly,

Tuesday, 4th August, 1931.

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

### QUESTION—RENTS AND COM-MODITY PRICES.

Mr. MARSHALL (without notice) asked the Attorney General: Can he inform the House when the Bill to control rents and the Bill to deal with prices of commodities will be introduced?

The ATTORNEY GENERAL replied: Probably the Bill to deal with rents will be mentioned to-morrow evening. As to the other Bill, I am not in a position to give an answer.

### QUESTION—WHEAT, BULK HANDLING.

Hon. A. McCALLUM (without notice) asked the Minister for Lands: In view of the statement by the Minister for Works published this morning to the effect that if money is available the bulk handling scheme will be started without waiting for Parliamentary sanction, and in view of the widespread unemployment that bulk handling will create on the waterfront and in country districts, and the serious dislocation of business it will mean for the trading community at the port, will Parliament be afforded an opportunity to fully discuss the project before it is adopted?

The MINISTER FOR LANDS replied: If the Government do proceed with the bulk handling scheme it will be necessary to have legislative authority. The Premier is now inquiring into finance in the Eastern States, and if the money is available there is no reason why the hon. member should not have