Legislative Council,

Tuesday, 21st September, 1937.

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

ASSENT TO BILL.

Message from the Lieut.-Governor received and read notifying assent to Supply Bill (No. 1) £2,500,000.

LEAVE OF ABSENCE.

On motion by Hon. J. Cornell leave of absence for three consecutive sittings granted to Hon. C. B. Williams (South) on the ground of urgent private business.

BILL—JURY ACT AMENDMENT.

Second Reading.

Debate resumed from the 16th September.

HON. E. M. HEENAN (North-East) [4.36]: I have read through this short Bill, the object of which is to amend Section 23 of the Jury Act, 1898. For the benefit of members who have not perused it, I may mention that it is a small machinery measure the purpose of which is to facilitate the empanelling of juries under the provisions of the parent Act. There is nothing much in it, and I am quite satisfied it will facilitate the business of the courts. I support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Second Reading.

Debate resumed from the 16th September.

HON. J. NICHOLSON (Metropolitan) [4.39]: The Bill is fairly lengthy, and has been found, generally speaking, somewhat difficult to follow so as to ascertain precisely the actual extent to which it goes in connection with the various matters affected. There are, no doubt, provisions in the Bill that it may be candidly admitted will be beneficial and helpful in administering the Act. Speeches already delivered by hon. members served rather to impress me with the need to make fuller inquiries as to the possible effect of provisions in the Bill on industrial development. Various questions might easily be advanced for investigation even at this stage. Two simple questions might be urged, namely, the effect of the proposed legislation on individual effort and its economic effect. The first thing we find in the Bill is in connection with the definition clause. It embodies a proposal to eliminate certain important words in the definition of "factory." It is sought to strike out the words "four or more persons" and to substitute other words that will, in effect, result, practically speaking, in every single person probably becoming liable to the application of the provisions of the Act should he happen to carry on a factory or business that brings him within the scope of the legislation. I realise, from what has been said on this and other occasions, the trend of the arguments and views expressed as to the need for the retention of the words sought to be deleted from the definition. Mr. Bolton expressed his views on that particular subject quite clearly, as did other hon. members, while the Minister placed his views before us as well. After reflecting upon the whole matter, I think it would be a mistake, in the interests of the industrial life of the State, to strike out those words. Every individual who is seeking to make progress and to establish himself, and I think it is the duty of the State to help him so to do, will become restricted and restrained in his activities by the provisions of the Act if they are made to apply to him as a private individual, in his effort to build up his business and make progress.

The Chief Secretary: In what particular way?

Hon. J. NICHOLSON: I will take Clause 26 as an instance. It proposes to amend Section 52 of the principal Act, and under the terms of that amendment all factories will become subject to certain restrictions as set out in the Bill. And it is provided that, when under an award, the employees in any factory or any one of the principal departments of any industry are required to cease work on any date at any hour, then all the factories in that industry, whether there are employees employed therein or not, and all employees who may be employed in any such factory, and the occupier of any such factory, shall cease working operations on that day not later than the hour fixed for the cessation of work under the said award and shall continue the cessation of work until the time fixed for the resumption of work by such employees. It is true that provision is made in most awards for the working of overtime during limited periods. But the working of overtime, as one will see by Subclause 2 of the amendment, is limited to the employees in the factory and the employer working with them. Accordingly if a man were running a factory on his own account, even perhaps with the aid of some members of his own family, it would be styled a factory under the Bill. If he were working it himself he could not work by himself, because he would have no employees and accordingly he would be restrained in working overtime.

The Chief Secretary: Where do you get that construction from?

Hon. J. NICHOLSON: I think the clause bears that construction. Subclause 2 of Clause 26 states that nothing in this section shall prohibit the working of overtime by employees in a factory in accordance with the provisions of any award, nor prohibit the occupier of any factory from working in that factory with his employees during such time as they may be lawfully working overtime. That places a very severe restriction on a single man who may be striving to build up a business and so perhaps become a prosperous citizen. If my construction should be correct, then I say there is a restraint upon the individual. I look upon the matter in this way, that the State itself reaps the benefit of the success of each individual resident within its boundaries. If he is successful, that reflects itself in the revenue of the State. That being so, I contend that the State should assist individuals to use their best energies to work and prosper as far as they can, and not restrain them. Legislation therefore should not be passed which is calculated to hinder this progress. If such laws as this had been in force some years ago, Australia would certainly not have had a MacRobertson, because we know what humble beginnings were his; nor would England have had a Lipton, who rose from the very humblest beginnings.

Hon. L. B. Bolton: The larger factories had not the conditions to contend with in those days that they have today.

Hon. J. NICHOLSON: I do not know. I am looking at the matter from the standpoint that if you restrain individual effort, you are preventing a man from using those energies that God has given him and which he should use, not only for his own benefit, but for the public good. I do not think a man should be prevented from working such hours as he may please, so long as he is not causing other people to work unduly. If he is endowed with particular strength, why should he not be allowed to work and develop his business? It oftentimes happens that a man finds after working hours how improvements can be effected in manufacturing. That has been so scores of times. There are cases galore throughout the length and breadth, not only of Australia, but of the Old Country and other parts of the world, when men have made valuable discoveries by experimenting in, say, a factory after hours when everything is quiet. A man should not be prevented from exercising his powers in that way. Seeing that it will be of benefit to the State, we are doing an injury to the State when we curb the individual in exercising his efforts. I remember the case of a man on the Clyde, an engineer, a man who had to work hard for his daily bread. But he was determined to get on, and his father managed to scrape up £50 for him. So the son was able to stock a small engineering shop with that money and he became associated with the Cunard line of steamers, which was the first line to have a steamer that crossed the Atlantic. That was, I think, in 1840. By his industry he progressed, and we all know what wonderful vessels were produced by that very successful line. Then take, for example, Watt, the engineer. It was very long hours that he had to work, but he was interested in

his work and we know the discoveries that he made. These things were not done by limiting a man to any set hours, but inspirations come mostly after the ordinary hours of labour. Therefore I think a man should be encouraged to go on, because in going on and helping himself he is helping the State. There is also a provision in Subclause 2 of Clause 2 which practically gives the Minister power to declare any place a factory. Even if it is where one is using private premises, the Minister may declare it a factory and the result would be that the place would be subject to the whole of the provisions in the Act. I do not know that that is altogether in the best interests of industry and of employment generally.

The Chief Secretary: What is wrong with it?

Hon. J. NICHOLSON: I do not think it helps employment. It is the duty of the Government to give encouragement in every reasonable way to private avenues of employment, and if a man chooses to try to use his skill in order to become either a manufacturer or the owner of a business of any sort, give him the opportunity, do not prevent him from hoping to realise his aspirations in that direction.

The Chief Secretary: This Bill is not likely to set up such a position at all.

Hon. J. NICHOLSON: I think it would. Dealing with the economic effect of this legislation, it is proposed to reduce the provision existing in the present Act where it is stipulated that the hours of employment of males shall be 48 per week, and of women and boys 44 per week. Most awards stipulate 48 hours at the present time in many industries, but by introducing this new clause in the Bill it is bound to result in a general acceptance of the 44-hour week apart from the consideration of this all-important matter, namely, whether an industry can stand it or not. It is always a danger to fix hours by Act of Parliament. I admit that it is provided in the present Act that the hours shall be 48 and 44 respectively, but I think it is unwise for an Act to stipulate such things. We have the Industrial Arbitration Court, which is afforded opportunity to make investigations that would be impossible for any committee of this House to make without the question being referred to a select committee. If this matter were to come before the House in committee, in the ordinary way of a Bill, there is no single member here capable of saying exactly what the effect of this provision would be on the various industries. I look upon the subject of hours as being a matter to be arrived at after full investigation as to the effect on the industry concerned. That is done by the Arbitration Court. I am not raising my voice against a shorter working week. We have to look at the matter from this standpoint: how will employment, as well as industry be affected? That ought to be considered. We should ask ourselves whether industry can afford that which is asked for. Amongst various other matters there is provision in the Bill for increasing the holidays. Can industry afford that? All these proposals must mean an increase in the cost of production. One need not recall the competition between manufacturers here and those in the Eastern States, without taking into account overseas manufacturers; nor is it necessary to remind members of what we have always been asked to do, namely, to support local industries. We are all in agreement about supporting local industries, and we should give them the fullest measure of support. Despite all the efforts that have been made in that direction, we still find there is being imported into Western Australia from the Eastern States a quantity of goods to the value of about £12,000,000 per annum. Actually, imports have been increasing in the last year or two instead of diminishing. That is a serious thing. It indicates that our factories are not maintaining amongst the consuming public that position which we would like them to maintain. If our factories were flourishing as we would like to see them flourish more avenues for employment would be open and greater success would follow. Local manufacturers are faced with the difficulty of this increasing competition. If we pass legislation which will, as I fear this Bill is calculated to do, add to their difficulties, it will also add to the cost of production. That, in turn, will lessen the scope for the activities of our existing factories, and we shall practically be paying a premium to Eastern States manufacturers, because apparently they are able to produce goods at a cost lower than that at which we can produce them here. As a consequence, that is likely to bring about increased unemployment, which would be detrimental to the State and would not help the Government. It will, in fact, add to our present difficulties. The more we burden industry with legisla-

tion the more difficult will it be to induce people to invest capital here, establish industries and provide means of employment. Apropos of that subject, I recently came across a cutting from an English newspaper dated the 2nd July last. This is a report of the General Federation of Trade Unions which was held at Scarborough, England, when Mr. J. Frayne, in his presidential address said—

> There is in existence a school of thought which holds that the idea of collective agreements negotiated directly between employers and trade unions has had its day, and that better results can be obtained by legislative procedure. That to my mind is a fatal illusion and threatens the end of trade unionism. Already we have our people legislated for in respect of health, insurance, unemployment insurance, and pensions; and if hours and wages are to be legislated for, one wonders what will be left for trade unions to do, and what will then happen to the finest school for democratic training in monetary and business management the world has known.

These views are expressed by a man holding a responsible position in the Old Country. He is against overdoing things in the matter of industrial legislation.

The Chief Secretary: You cannot apply that to our conditions.

Hon. J. NICHOLSON: Apparently it is better to leave these matters to be dealt with in another way. There is no Industrial Arbitration Court in England, but here we have such a tribunal, where proper investigation and inquiry can be made into these questions, and the pros and cons of suggested alterations and variations in conditions can be gone into for the general benefit of industry. I recognise the difficulty that other members have had in appreciating the full effect that this Bill will have. A proposal has been made to refer it to a select committee. That would be in the best interests not only of the State but of the Government and our industrial life generally. I am quite prepared at the proper moment to move in that direction, but to enable the Bill to be dealt with in that way, as I hope will be the case, I must support the second reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West—in reply) [5.12]: The debate on this Bill has shown very clearly what a wonderful case can be made out on the supposititious position that has been created in the first place, but which unfortunately does not apply to this particular measure. Even this afternoon Mr. Nicholson based his arguments against the Bill on the construction which he submitted as being an interpretation of what it actually means.

Hon. A. Thomson: That is what he is here to do, to put forward his views.

The CHIEF SECRETARY: He is not by himself in basing his arguments against the Bill along those lines. Several other members have adopted the same method. Notwithstanding the denials that were given on a previous occasion to the construction placed by members on many clauses of the Bill, the same old arguments have been trotted out on this occasion. At times I found it very difficult to comply with the Standing Orders. I found it necessary on more than one occasion to be disorderly by way of interjection.

Hon. W. J. Mann: Not to any great extent.

The CHIEF SECRETARY: I found it very hard to sit here hour after hour listening to the interpretation placed on some of the clauses of the Bill by members, whose views apparently were accepted by others who had not even taken the trouble to examine the Bill or the Act with which it deals.

Hon. A. Thomson: You are nearly disorderly now in making that statement.

The CHIEF SECRETARY: I make it because more than one member has told me that he has not had the opportunity to examine the effects of many of the proposed amendments in their relationship to the Act. They have even gone so far as to say they have not read the Bill. Notwithstanding this, they have had the temerity to accept the arguments which have been advanced by some members, arguments which were contradicted by me on previous occasions and contradicted again during this debate. They are prepared to accept the construction of others rather than the interpretation given to the House by the responsible Minister, who does not come into this Chamber with the object of misleading members, but who endeavours to give to members, as far as he can with the information at his disposal, an accurate interpretation of the effect of the various amendments included in the Bill. On this occasion we have had some weird arguments and strange interpretations, interpretations that do not stand any examination whatever, if one can read the

King's English correctly, and if one is also prepared to compare the clauses of the Bill with the relevant sections in the Act, and endeavour to come to a reasonable conclusion without being influenced by anyone else as to what the effect will be. On a previous occasion I went to a great deal of trouble; I spoke for a long time trying to explain to members as clearly as I possibly could the meaning of the particular clauses which seemed to arouse so much discussion in this House. I felt that I had at any rate succeeded in convincing a number of members that the construction I placed on the Bill for their benefit was the correct one. But they were opposed to the principle included in the Bill. Having had the same old arguments advanced on this occasion, it does seem to me—and notwithstanding the desire of many members to deal with this measure a little more gently than they did on a previous occasion—there is still that opposition to any improvement which affects quite a large number of people, and which does not affect the Arbitration Court, as has been suggested by so many members during the debate. However, I propose on this occasion to reply, and my remarks, if directed to any particular member of this Chamber, can probably be applied to a number of other members who have used similar arguments. In the main, I propose to reply to the remarks of Mr. Baxter and Mr. Holmes, and I feel that members will agree, when I have finished, that all I said on a previous occasion was perfectly true, and that on this occasion too I have not exaggerated, but that I have just endeavoured to give the House the actual facts. The suggestion that it would be advisable to refer the Bill to a select committee is not going to receive any opposition from me. I have a feeling that if a select committee does deal with the Bill, those members who have been so insistent that the various clauses of the Bill mean the exact opposite of what I claim they mean, then they may perhaps be satisfied, and will be prepared to accept the word of the Minister who introduced the Bill. Mr. Baxter stated that the amendments would hamper industry, force some to cease operations, reduce the number employed, and reduce the local production of goods. A similar argument was used this afternoon by Mr. Nicholson. Other members also spoke in a similar strain, and Mr. Holmes went even further. He said that one big union was the object of the Bill, and, he added, "the elimination of small employers will assist in the attainment of that object."

Hon. J. J. Holmes: That is perfectly true.

The CHIEF SECRETARY: I cannot deny that the hon. member believes it to be true, and I do not wish to reflect upon the intelligence of the hon. member, but I do suggest that he is stretching his imagination to a great extent when he makes a statement of that kind. At the same time, it is only in keeping with other statements the hon. member has made on industrial subjects. I do not know how he and other members have arrived at such entirely unwarranted and erroneous conclusions. They say, in effect, that persons engaged in industry who are now exempt from the operations of the parent Act will be forced to cease operations merely because they may be required to apply for registration of their premises, and become subject to the same restrictions regarding safe working conditions and so on, as their competitors who occupy premises that at present constitute a factory. I have the feeling that the time has arrived when it is necessary for us to see that all those engaged in a particular industry shall be called upon to comply with the same conditions.

Hon. L. Craig: Except those engaged in the agricultural industry.

The CHIEF SECRETARY: All covered by the Factories and Shops Act, and I feel, too, that in common justice to those employers who are employing only three or four people, that where the employer employing only one or two people is engaged in the same industry, it should not be possible for the latter employer to have an advantage which would make it possible for him unfairly to compete with the other employer. At the same time I reiterate there is nothing in the Bill to prevent the smaller employer from carrying on his business, and there is nothing in the Bill that will in any way make it impossible for him to compete on fair terms with anybody else engaged in the same industry. It will have practically no effect on production, but it certainly will ensure that those employees who are not at present subject to the principal Act or awards under the Arbitration Act will be afforded the same protection that is conferred upon other workers who are engaged in the same industry. Is there anything

wrong or unfair in that? Because a man or a woman is employed by a person who carries on his work in premises not described as a factory simply because there are only one or two employed, is it right that those employees should not be entitled to the same protection as that given to employees engaged by a bigger employer of labour, that bigger employer who perhaps has invested a considerable amount of capital in the provision of machinery, or even in better premises, or in any other way? Surely to goodness those employees are entitled to protection, just as any other worker, and there is nothing in the Bill that will do more than place those employees on the same footing as the employees of the bigger employer of labour. In this connection I would emphasise that in the country districts—apart from five large centres—women and young girls may be employed at the trades of dressmaking, millinery and tailoring at any wages the employer chooses to pay, for as many hours per day or week as he may require them to work, and under any conditions he sees fit to impose, so long as four or more persons are not engaged, and no mechanical power in excess of one horse-power is used. If I understand correctly the sentiments expressed by members of this Chamber from time to time, it is that they are anxious that those workers in industry throughout the State who have no protection from the Arbitration Court or other tribunal should be given at least a fair deal. I think every individual member of this House will say that he stands for that. By agreeing to the particular clause in the Bill, members will be ensuring that there shall be certain conditions applied which do not apply to-day. After all is said and done, there is nothing in the Bill that will apply to employees already covered by Arbitration Court awards. I make that statement very definitely. It has been contradicted, of course, by several members when speaking to the Bill.

Hon. L. Craig: Could not these alterations be made by the Arbitration Court?

The CHIEF SECRETARY: Not very well.

Hon. L. Craig: Why is that?

The CHIEF SECRETARY: In the first place it would be necessary for these people to be members of an organisation, and the organisation would have to make application to the Arbitration Court for an award, or effect an agreement with the employers. Right here may I say that this dispels the argument advanced by Mr. Holmes with regard to the one big union. The mere fact of these employees being covered by the Bill does not affect union membership in any shape or form. It does not bring them within the purview of the Arbitration Act. The remark of Mr. Nicholson to-day that legislation of this description would prevent the introduction of capital is so much bunkum. The Arbitration Court to-day, by means of awards, or industrial agreements which are made a common rule, cover a large percentage of the workers in all industries, but still there are many in industries not covered and who, I should think, without wishing to prophesy, are not likely to be covered for many years.

Hon. H. Tuckey: Do you suggest that the Court has gone to its limit and that Parliament must do the rest?

The CHIEF SECRETARY: I suggest nothing of the kind. Remarks such as that show how little members know of the industrial position. I only wish they would give a little more study to the various phases of industrial activity in the State, and more particularly to the operations of the Arbitration Court. If they did they would recognise that there is nothing asked for in this Bill relating to industrial conditions other than what can be described as fair and reasonable. That reminds me that the argument has been used only too frequently on this measure that the Bill will interfere with the Arbitration Court. It has been used by different members in different ways, but the essence of their argument has been, "Hands off the Arbitration Court. Do nothing whatever that will interfere with the Court," and the assumption has been that if they agree to the Bill they will be doing something which will either hamstring the Court or in some way or other interfere with it. I propose to show very conclusively——

Hon. G. W. Miles: Will it not influence the Court if members agree to the whole Bill?

The CHIEF SECRETARY: The Factories and Shops Act has been on the Statute Book for many years, and I do not know of one case in which the industrial conditions of the workers have been influenced, by the Arbitration Court.

Hon. G. W. Miles: But the amendments might influence the Court.

The CHIEF SECRETARY: The Bill has provided a 44-hour week for women and children. It has provided a 48-hour-week for male workers in industry. So far as I know, there has not been one occasion where the Arbitration Court has taken into consideration the provisions of the Factories and Shops Act in that regard. All that we are asking at present is that there shall be a 44-hour week for those employees who are not covered by awards of the Arbitration Court. The workers who will be covered by the Bill are entitled to none of the advantages enjoyed by the same type of employee engaged in a factory within the meaning of the Act with regard to such sections as 32, 34, 37, 43, 45, 63, 64 and 66 of the existing Act. I do not propose to go into those particular sections in detail, but members who have given consideration to the parent Act will have a good idea as to what they really mean. If the small employer is affected by the proposed amendments it will only be to the extent of being prevented from imposing unreasonable conditions of employment on the one or two workers he employs. Similar comment can be made in regard to the family type of industrial enterprise which has been commonly described in this Chamber as the backyard factory. The adoption of the proposal set out in the Bill will mean that where the Minister declares that such premises are a factory they will cease to be exempted from the operations of the Act, and the occupier and members of his family will be subject to the same supervision and be required to observe the same working conditions as other manufacturers with whom they are in competition. Many of the latter are often in quite a small way of business themselves, but because they have invested in a small dynamo or some other form of power machinery, or employ three or more workers, they are subject to the statutory restrictions of the Act. This latter type of manufacturer has had cause to complain bitterly of the unfair advantage held by occupiers of premises not at present brought within the scope of the Act. I would like to summarise that by saying that the only hardship the Bill will impose on the small manufacturer will be to prevent him inflicting hardship on others. There is nothing unfair in that. The family type of enterprise will still be enabled to carry on and, assuming the members of the family are partners, and so long as they do not employ one or more workers who are subject to an award or common rule agreement, they will be entitled to work as many hours per day or week as they choose. Yet it has been suggested by more than one hon. member that if this particular clause is agreed to there will be restrictions against the individual and against members of his family. They will be compelled to finish work —I think one member said—at 5 o'clock at night, whereas if it were not a factory within the meaning of the Act they would be able to work longer hours, until six, eight, or nine o'clock at night. I assure the Chamber that the effect of that particular amendment in the Bill will not be to prohibit those particular individuals from working all the hours they wish to work. All it will do will be to ensure that the premises shall be registered, and that the same conditions shall apply to their employees —not the partners—as apply to the employees of the larger manufacturers.

Hon. H. Tuckey: Would not they have to employ unionists if they became registered?

The CHIEF SECRETARY: Words fail me in response to an interjection of that kind. Again I advise the hon. member to give a little study to the Bill, and to the Act, in an endeavour to get a little better knowledge of industrial conditions generally. Briefly my answer is "No." In cases where workers are employed subject to an award or agreement the occupiers may, by virtue of Section 52 of the Act, be required to cease working operations in the factory at the hours laid down by the court. If overtime be permitted by the award or agreement, the occupier will be entitled to continue working in his factory to the same extent as an employee would be permitted to work overtime. These are the same conditions as are applied to other employers with four or five employees. There are other considerations which should weigh somewhat with members. There are the general conditions applying to the employment of workers in the small factories. An incident illustrating the desirability of adopting the amendment with a view to ensuring that backyard factories are properly controlled occurred a year or two ago. I have an idea I referred to this particular incident last session, but I think it will bear repeating, because it has a very great bearing on the conditions

which apply to a large number of employees who are engaged in quite a number of the factories in the metropolitan area. Hon. members may recall that on the 27th November, 1934, a fire broke out in premises in William-street, where certain chemical compounds were being prepared and manufactured. The fire created and released dangerous fumes and gases. Fortunately nobody in the vicinity was seriously affected by the outbreak which might, nevertheless, have had serious results. It is interesting to note that only three persons, comprising two partners, and the wife of one of them, were engaged. Necessarily the premises did not constitute a factory within the meaning of the Act, and were consequently not subject to supervision by factory inspectors, nor to the provisions of the Act which require precautionary measures to be taken. I dealt with this case in some detail on a previous occasion. I only want members on this occasion to accept my assurance that there was a grave risk on that occasion, not only to those engaged in that particular factory, but to a large number of people in the vicinity of the factory. Had the factory been a factory within the meaning of the principal Act which we are desirous of amending, the conditions under which that work was being carried out would have been altered. Instead of there being the very big risk which there was on that occasion the risk would have been minimised to the extent that there would have been hardly any danger whatever. Mr. Baxter and other hon. members in dealing with the Bill raised several matters that I would have preferred to discuss in Committee. There is quite a lot of detail in connection with many of these points. However, I feel from the tone of the debate that there is every prospect of the measure being referred to a select committee. Therefore, I do not propose to go into the same detail that I otherwise would have done. Referring to the amendment in the definition of the term "factory," Mr. Baxter said—

> It is intended to remove the limit as to one horse power that now obtains, and a hand truck, nail puller, crowbar, or even a hammer, would come under the definition.

Mr. Holmes, too, seemed to think that the presence of any machinery in any house would make the house a factory. He drew an imaginative, if utterly fantastic, picture of a home becoming a factory because, "the domestic does a bit of coffee-grinding in the morning." What a wonderful imagination he has! Statements of that kind, especially when hon. members say they really believe what they say, do prove very conclusively——

Hon. G. W. Miles: He was not talking with his tongue in his cheek.

The CHIEF SECRETARY: —prove conclusively, if members believe what they say, that they have not construed the Bill in its relationship to the Act. Otherwise they must have realised that for a person to become the occupier of a factory he must be engaged "in manufacturing or preparing goods for trade or sale"—those words must not be lost sight of—or "packing goods for transit with steam or other mechanical power or appliance." Those are the words of the principal Act. Any member who takes the trouble to examine the Bill and the Act must know that those words are there and that therefore many of the examples they submitted to this House as to what would occur simply could not occur. The employment of dressmakers in the home seems to have exercised the minds of some members considerably. I think Mr. Baxter stated that paragraph (a), subparagraph v., if agreed to, would give the Minister complete power to declare a private house a factory, and consequently the employment of a dressmaker in the home would constitute the home a factory. Mr. Holmes made a somewhat similar statement. My previous remarks have equal application to that point. Under the Bill the home could become a factory only if the person was engaged in preparing or manufacturing dresses for trade or sale and the Minister declared the premises to be a factory. First of all it is necessary to have the dressmaker making the dresses for trade or for sale and, on top of that, the Minister has to declare the premises to be a factory; otherwise they would not come within the scope of the measure. Mr. Holmes went on to say that if a domestic made some cakes to be sold at a bazaar "your house becomes a factory." It is as well to clear up these points because, on more than one occasion during the debate, some members have accepted statements of the kind as representing a fair interpretation of the Bill.

Hon. J. J. Holmes: Is not that a fair interpretation; making cakes for sale?

The CHIEF SECRETARY: No. The hon. member, if he had read the Act, would know that Section 159 exempts from the operation of the Act any bazaar or fair

where the proceeds are devoted to religious, public or charitable purposes. That is a distinct exemption in the Act; yet the hon. member makes a statement of that kind. Mr. Baxter mentioned that paragraph (c) of Clause 2 would have the effect of including in the definition of "shop" motor show rooms that could not be separated from the ordinary business that was carried on. I am quoting the actual words as far as possible. Before proceeding to explain the reason for this amendment, I should like to inform the hon. member that motor showrooms already come within the definition of "shop" and are required to observe the trading hours of shops not included in the Fourth Schedule. Where motor salesmen desire to hold special displays, it is now the practice for the occupier to de-register the shop for the period during which he desires to conduct the display. While the premises are thus de-registered, the cars are on show only and are not sold or offered for sale. When the show is completed, registration is again effected and the premises become once more a shop subject to ordinary trading hours. The question of the show ground was raised by more than one member and, in the opinion of those members, the Bill would materially affect the displays at the various shows throughout the State. With regard to show ground displays, Section 159 of the Act provides—

> Nothing in this Act shall apply—
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> (1) to any bazaar or fair where goods are sold or exposed for sale in order that the net proceeds of the sale of the goods may be devoted to religious, charitable or public purposes; or
>
> (2) to any show held by agricultural or horticultural societies outside the metropolitan shop district; or
>
> (3) to any show held by an agricultural or horticultural society within the metropolitan shop district that does not extend over more than one day.

However, the amplification of the definition of "shop" is proposed with a view to preventing certain firms from taking advantage of a loophole in the Act whereby they are enabled to trade during hours when shops in which similar goods are sold are required to be closed. I propose to mention a case that has been referred to previously. It was brought to the notice of the department that a firm had established premises at Cottesloe for this purpose. The articles traded in are gas stoves, cookers, baths, refrigerators and so on. They are all displayed and the public may inspect the goods at night and on Saturday afternoons. Orders are taken and deposits are received during the hours of inspection, and the goods are subsequently delivered to the purchaser from the Perth premises of the firm. In the opinion of the Crown Solicitor, these premises do not constitute a shop and are therefore exempted from the Act. It is not considered desirable that this particular firm, or any other that may adopt a similar subterfuge, should have facilities for trading during those hours that are denied to their competitors. There again I say we have unfair trading conditions making it possible for a firm to establish what it may describe as showrooms under conditions where an employee, maybe the manager, has to attend with goods displayed for sale.

Hon. L. Craig: That is just an evasion of the Act.

The CHIEF SECRETARY: Of course it is. I do not know whether the prices are displayed on the goods, but prices are certainly given to any person who inquires and if anybody desires to purchase, he pays his money and obtains a receipt, though the article is delivered, not from those premises, but from the headquarters of the firm in Perth. We say that that is not fair. Therefore it is desirable that the amendment dealing with that phase of trading should be agreed to by this Chamber. Mr. Parker expressed the fear that the proposal was specifically aimed at the traveller and would affect persons in the North-West towns who customarily transacted business of this nature in the cool of the evening. A proclamation made under Section 157 already exempts that portion of the State north of the 26th parallel, and so the amendment could not affect the North-West.

Hon. H. S. W. Parker: It would affect travellers in country towns.

The CHIEF SECRETARY: As regards the rest of the State, the Act does not require wholesale firms or their travellers to trade within the limits of any specified hours, and it is not proposed that they should be compelled to do so in future. This amendment applies to retail trade and has no application whatever to wholesale business. When discussing the matter with my authorities, I was advised that, in order to make the position doubly secure, it might be desirable to add a few words to the definition of "shop" that would remove any possi-

bility of wrong interpretation, because it was doubtful whether the present wording altogether excluded warehouses, especially if any one was inclined to stretch his imagination. If the Bill is taken into Committee, I would not object to an alteration giving the definition clear application only to those engaged in retail trade.

Hon. G. W. Miles: Is that the only criticism that has been justified?

The CHIEF SECRETARY: There is room for difference of opinion on more than one clause. I wish it to be definitely understood that we do not say that every word of the Bill must be agreed to. What I ask the House to accept is the principle underlying the various clauses. There might be a genuine difference of opinion on more than one clause.

Hon. G. W. Miles: I am glad to hear you say that.

The CHIEF SECRETARY: I have never said anything to the contrary. Members who in the past have opposed similar legislation have stated in effect that there was no room for any difference of opinion and that the Bill should be thrown out. More than one member has been severely critical of the provision relating to the rule regarding employment and agreed with Mr. Baxter who stated—

> Clause 18 will prevent an occupier of a dwelling-house, in which a factory is carried on, from living on the premises.

I do not know whether those members are aware that a provision already exists in the Act—Section 65—prohibiting the use of a factory as a sleeping place. I also feel tempted to remark that some members are not prepared to give either the Minister or the department credit for even a modicum of commonsense in administering the Act when they imply that the whole dwelling house, and not the room or rooms in which the work is carried out, will be designated a factory. Section 65 prohibits a room in a factory from being used as a sleeping place unless separated from the workroom by a partition extending from the floor to the ceiling. This Bill simply seeks to extend the same provision to a shop or warehouse. Mr. Holmes interpreted the proposal to mean that cleaners would be prevented from sleeping on such premises, and that a special structure would have to be built in the back yard. In this instance also other members accepted his interpretation, and Mr. Wittenoom added, "Fancy enacting that when a man is employed as a watchman it shall be unlawful for him to sleep on the premises." That is not the position, although sometimes even watchmen do go to sleep on the premises. The Bill simply seeks to extend to warehouses and shops the principle that applies to factories. Occupiers of those premises may be required to partition off a portion of the building to provide a sleeping place for the caretaker if such provision has not already been made. I cannot see anything wrong with the proposal. What applies to factories might reasonably be applied to warehouses and shops. There has been a deal of criticism of the general holiday provisions in the Bill. That provision provoked Mr. Baxter to remark that "the Arbitration Court constitutes the responsible body best competent to deal with a matter of this description." I have pointed out that the Bill in no way encroaches on matters within the purview of the court. Last year this clause did contain a provision over-riding Section 155, but that proposal does not appear in the measure now before the House.

Hon. C. F. Baxter: You did not admit it last year.

The CHIEF SECRETARY: I think I did.

Hon. C. F. Baxter: You are not very definite.

The CHIEF SECRETARY: I think I said last year that that was the only clause which could be construed as in any way affecting the Arbitration Court. If I did not say that, I certainly intended to say it. I believe I did say it. The provision had no influence in the past. In the past the court has dealt with industries according to the evidence of both parties. Hon. members know that awards are not uniform with regard to holidays. Some holidays are provided, I suppose, in practically every award. Outside those few holidays different awards provide different holidays for different sections of workers. In my experience of the Arbitration Court, which I admit is not recent, the court when determining the question of holidays had regard to many factors in association with the particular industry concerned. The Bill adds three holidays to the list already prescribed under the Act. It is just as well for us to examine what are those three holidays. The first is Easter Saturday. Members know that Easter Sat-

urday is generally considered to be a holiday.

Hon. E. H. H. Hall: Not in the country.

Hon. L. Craig: And there are strong objections to it in some seaside resorts.

The CHIEF SECRETARY: Objection may be raised to it by some employers.

Hon. L. Craig: There is an influx of business into seaside towns at Easter time, and employers there say that Easter Saturday closing would greatly interfere with their trade.

The CHIEF SECRETARY: Even in that respect, most of the larger towns have arbitration awards covering the employees. However, there are many awards which do not come within the purview of the Bill, and the clause would not apply in such cases.

Hon. L. Craig: The position will be made worse still if the Bill provides that Easter Saturday shall be a holiday, because then some seaside resorts will be closed and some will not be.

The CHIEF SECRETARY: There may be room for argument on that point; but I put it forward as a reasonable statement that, generally speaking, Easter Saturday is conceded to be a holiday.

Hon. W. J. Mann: If shops are closed on Easter Saturday, how can an employee work in a shop on Easter Saturday?

The CHIEF SECRETARY: The hon. member interjecting puts an erroneous construction on the clause.

Hon. W. J. Mann: I do not.

The CHIEF SECRETARY: It is another point which can best be discussed in Committee, when I hope to be able to convince the hon. member. The other two holidays provided in the Bill are Foundation Day and Australia Day. Those two holidays are included in many awards. I cannot say they appear in every award, but I would not be surprised if investigation should show them to be included in the great majority of Arbitration Court awards. The question of junior workers also gives some hon. members a little concern. Mr. Baxter criticised the amendments proposed in the Bill, and in doing so commented—

> The age basis of payment should be dispensed with, and wages fixed on experience as now provided for.

A reference to the Bill shows that that principle has been retained in sub-paragraph (ii) of paragraph (a) of Clause 22. Under this proposal a boy who first commences work at the age of, say 16 years, or a girl at, say, 17 years of age, would be entitled to wages for the first three years thereafter at the rates set out in the Second Schedule to the clause, and would then revert to the wage-for-age basis as prescribed in the First Schedule. There is a margin between what a girl at 20 years would get according to experience, and what she would be entitled to receive under the schedule providing a wage-for-age basis. It is another point which hon. members might examine in Committee, because it does make provision for the boy or girl entering a particular industry or calling at a later age than the average boy or girl.

Hon. L. Craig: But at 21 he or she would receive the basic wage.

The CHIEF SECRETARY: That is so.

Hon. L. Craig: Whereas a person entering at 17 years of age would not be so experienced as one entering at 14, and yet both would receive the basic wage.

The CHIEF SECRETARY: That may be so, but it is open to question.

Hon. L. Craig: Experience depends on the individual.

The CHIEF SECRETARY: And on the nature of the employment. In many occupations it is not necessary to serve an apprenticeship, but it is necessary to acquire experience. In many cases I know of, 12 months experience would give all the knowledge necessary to enable anyone to obtain a full grasp of the occupation. There again is a point which, hon. members will agree, lends itself to discussion in Committee rather than on second reading. Referring to the proposal which prohibits the employment of girls under 17 years as ironers or pressers in factories where dyeing or cleaning is conducted, Mr. Baxter claims that the amendment "will nullify the efforts of such bodies as the Home of Peace and Salvation Army, and other institutions." The hon. member was followed by Mr. Holmes, who painted an even more distressing picture of what would eventuate if the proposal became law—

> These people have been taken off the streets and looked after . . . . Are they to be forced back on the streets because of the provisions of this Bill? Not if I can prevent it.

I desire to assure those hon. members and the House that such fears are quite groundless, because Section 4, paragraph (a), of

the Act exempts from the definition of the term "factory" all industrial or reformatory schools. The institutions named of course fall within that category, and consequently nothing contained in the Bill can affect them. There again, if members have really examined the Bill and the parent Act, it is hardly conceivable how a statement of that kind can be made.

Hon. H. S. W. Parker: Is the Home of Peace an industrial school?

The CHIEF SECRETARY: Continuing his observations, Mr. Holmes referred to certain small shops and stated—

> The Bill provides that for an employee engaged in a shop of that sort changing rooms would have to be provided.

I suggest that that is another of the hon. member's unwarranted conclusions, because the provision in question relates only to factories, and not to shops. At present Section 77 of the principal Act empowers the Chief Inspector to require the installation of a changing room in a factory where women are employed. The Bill merely extends that principle to factories where workers of either sex are employed. It has no application whatever to shops or warehouses.

Hon. J. J. Holmes: While doctors differ, the patient dies!

The CHIEF SECRETARY: I should also like to correct Mr. Holmes's interpretation of the amendment relating to cessation of work in factories where employees come under an award of the Arbitration Court, especially in view of the fact that certain other members appear to have accepted his interpretation without question. Mr. Holmes said—

> The Bill provides that a dressmaker working in her own home will have to finish at 5 o'clock as the time at which work of that description should cease.

Mr. Wittenoom, speaking later, made a very similar statement.

Hon. J. J. Holmes: Do not you claim that when an award fixes a finishing time for an industry, everybody in that industry must cease work at that finishing time?

The CHIEF SECRETARY: I will deal with that in a moment. The effect of the substitution of Clause 26 of the Bill for the present Section 52 of the Act will mean that the provisions of an award of the Arbitration Court or a common-rule agreement in respect of overtime in any industry will apply to a factory engaged in that industry, whether there are employees or not, while if there is no award covering the industry, then the provisions of the Factories and Shops Act will apply. In the particular case mentioned by Mr. Holmes and Mr. Wittenoom, the award fixes the ordinary working hours at between 8 a.m. and 6 p.m., and overtime is also permitted. Actually, therefore, the Bill does not prescribe any finishing time on any particular day. There is nothing to prevent work being carried on as desired. No particular finishing time is insisted upon.

Sitting suspended from 6.15 to 7.30 p.m.

The CHIEF SECRETARY: The proposals to which I was referring, have been found necessary because at present an award or common rule agreement of the court only has effect where the position of master and servant exists. What I was dealing with leads me to the question of partnerships, and, when referring to that particular phase, Mr. Baxter stated—

> Where partnerships, properly drawn, are in operation, they should be regarded in the same way as the individual working alone at present, and be permitted to carry on their work without interference, subject only to inspection and registration.

It may be of interest to members to point out that it is well known that alleged agreements and contracts——

Hon. L. Craig: Properly drawn up?

The CHIEF SECRETARY: Yes. It is well known that alleged partnerships and contracts have been entered into and registered solely for the purpose of evading the awards and common rule agreements covering certain industries. This subterfuge has been extensively practised by those engaged in the baking and lime-quarrying and burning industries. For example, owners or lessees of limestone deposits have provided the necessary kilns, equipment, tools and explosives to working parties who supply labour only and are purely nominal partners. The latter have been known to work 54 hours per week at rates that return them less than the basic wage for a 44-hour week.

Hon. J. Cornell: That is done under contract agreements on the goldfields.

The CHIEF SECRETARY: That is somewhat different. Lime produced in this way is sold at such cut prices that it is impos-

sible for Australians or Britishers to compete, and comply with the award covering the industry. It may be recalled that within the last ten days or fortnight a number of foreigners engaged in this industry were prosecuted in the Industrial Court for breaches of all the essential protective clauses of the award. All pleaded guilty, and fines totalling £66 were imposed. However, these prosecutions were made possible only because the principals had become careless and had employed workers without bothering to enter into the necessary formalities to make them nominal partners. It is true that an agreement is drawn up, but it is solely with the object of evading award conditions. I think that is the position in 99 per cent. of such cases. Again, I might mention what has been said previously on many occasions, that in the baking industry certain foreigners have been able to avoid the award and engage in night baking, which is prohibited to workers subject to the award. It is not considered equitable that those persons should continue to enjoy an unfair trading advantage over their competitors who employ workers and are bound by the award. It is of great importance not only to the few who are involved in this arrangement but also to the large number of legitimate employers of legitimate employees that attention should be given to this phase. It is only fair to provide, as the Bill does, that where there are partnerships that are purely nominal, and the conditions of employment not in accordance with the award, some protection should be afforded not only to the employers but the employees who have to obey award conditions. If the Bill becomes law, then where an employer works by himself and there is an award governing the industry, he will be required to work the hours laid down in the award, and comply with its overtime provisions.

Hon. J. J. Holmes: That will affect the employer, even though he may not employ anyone.

The CHIEF SECRETARY: I am giving the position as the law will be if the Bill be agreed to. That provision means that there will be a time limit as to when he will be able to start operations. Then, if the Bill becomes law, where an employer works by himself and there is no award operating, he will be able to work any hours he chooses.

Hon. J. Nicholson: What about the provision in the Bill?

The CHIEF SECRETARY: I am dealing with a provision in the Bill.

Hon. J. Nicholson: It is capable of another interpretation.

The CHIEF SECRETARY: The hon. member may think so. I am saying what the effect of the law will be, on the advice supplied to me in view of the criticism offered in this Chamber.

Hon. J. Nicholson: But the provision includes the words "shall cease work."

The CHIEF SECRETARY: Yes, in accordance with the award.

Hon. J. Nicholson: And if there is no award, in accordance with the hours laid down in the Act.

The CHIEF SECRETARY: If there is no award, there are no hours prescribed at all.

Hon. J. Nicholson: There are certain hours fixed under the Act.

The CHIEF SECRETARY: I cannot follow the hon. member's reasoning. I am stating the position as it is.

Hon. J. Nicholson: At any rate, that phase could be inquired into.

The CHIEF SECRETARY: In the case of an employer with employees not covered by an award, that individual will be subject to the provisions of the Act in respect of overtime, and an employer, with employees covered by an award of the court, will be allowed to work those hours that are stipulated in the award or common rule agreement.

Hon. J. J. Holmes: This legislation governs the employment of labour, and under that provision you propose to deal with employers who do not employ workers.

The CHIEF SECRETARY: The present Act deals with employers and employees. The question of a universal Saturday half-holiday, together with that of the late shopping night, have provided considerable food for discussion by members. I do not wish to be offensive, but I say that much of the criticism offered was quite unwarranted and extravagant. Mr. Baxter said that the businesses of country storekeepers would be destroyed, and he proceeded to say—

> Apply Saturday closing and their business cannot be carried on, thus desolating our country towns, depriving farmers of the convenience of Saturday trading and enjoying the association of their fellow beings, and robbing those engaged in country trade of their livelihood.

Could there be anything more extravagant than that?

Hon. C. F. Baxter: There is nothing extravagant about it. It is absolutely true.

The CHIEF SECRETARY: Other members offered criticism along somewhat similar lines. I think the statement made by Mr. Hamersley was outstanding from the point of view of novelty. He said—

> If country shops are closed on Saturday afternoons, the trams and trains will benefit, and there will be more drinking and gambling.

Unfortunately the House did not receive the benefit of an explanation as to how he arrived at that conclusion. However, judged by the general tenor of other members' remarks, I am led to believe that opinion is fairly divided in the country districts as to the advisability of discontinuing the late shopping night and instituting the Saturday half-holiday. As I mentioned previously, the main factor that has militated against the Saturday half-holiday when the local poll has been taken in each district has been the fear that an adjoining district would be placed at a trading advantage. I think that is perfectly true. I know certain districts have tried Saturday closing from time to time.

Hon. H. Tuckey: Very few.

The CHIEF SECRETARY: Had the whole of the country shopping districts tried the experiment at the one time, the proposal would not have been subjected to the criticism it has received.

Hon. J. Cornell: That is only logical, because, if it were applied in that way, there would be no alternative.

The CHIEF SECRETARY: Just so. But because some, rightly or wrongly, are afraid that trading advantage at their expense will be gained in another district if they are to close on Saturday afternoon, the proposal has prompted criticism.

Hon. C. F. Baxter: It was found by those who closed on Saturday afternoon that the trade was diverted to the city; that was the trouble.

The CHIEF SECRETARY: That was the argument advanced by the hon. member.

Hon. C. F. Baxter: And it is fact.

The CHIEF SECRETARY: It will hardly bear examination.

Hon. C. F. Baxter: That was the experience.

The CHIEF SECRETARY: Let us look at the facts. Already in 64 of the 111 shopping districts, Saturday afternoon is the statutory weekly half-holiday, and although Mr. Baxter claims that our country towns would become desolate and their traders ruined if the Saturday half-holiday became universal, I can call to mind no instance where that condition has been reached in any of the 64 centres I have referred to. Most of those in the metropolitan area recognise the Saturday half-holiday.

Hon. J. Cornell: But not one of those in the goldfields areas.

Hon. W. J. Mann: How many shopping districts are there in the metropolitan area?

The CHIEF SECRETARY: I am advised that there is only one. However, outside of the metropolitan area, 64 of the 111 shopping districts observe the Saturday half-holiday. Indeed, the traders in one district take an entirely different view from that of the hon. member. Referring to the objection raised by certain towns, notably Bunbury, that Saturday closing would result in a distinct loss of business, they wrote as follows:—

> We maintain, however, that that loss represents business that rightly belongs to neighbouring towns, and in effect means that the larger towns prosper at the expense of the smaller.

I think I am right in interpreting this to imply that where Saturday afternoon trading persists, people living in and about the smaller rural centres pass over their local traders to shop in the larger town. I should like to refer to the question raised by Mr. Holmes in connection with butchers' shops. He seemed to insist that his interpretation was the correct one. There appears to be a general impression that the proposal in this measure referring to the opening hours of butchers' shops would not only be in conflict with the Arbitration Court award but would be a source of great inconvenience to the public. Regarding the starting time of butchers and bakers at seven a.m. Mr. Baxter said it would prevent early deliveries. In that he was supported by Mr. Holmes.

Hon. J. J. Holmes: I dealt with butchers' shops only.

The CHIEF SECRETARY: That does not matter. The view expressed by those hon. members was entirely erroneous, because under the principal Act a shop may mean a vehicle from which articles or goods are sold or exposed for sale, in or from them. Vehicles used

for the purpose of delivering goods to the customer from the shop in which they are sold or ordered, vehicles such as milk-carts, butchers' carts, or bakers' carts, in the true sense of the term, are not shops and never have been regarded as such. Consequently early deliveries would not be interfered with.

Hon. L. Craig: Provided the goods are purchased beforehand.

The CHIEF SECRETARY: Mr. Holmes referred particularly to the starting time of butchers' shops, and said it was a distinct interference with the functions of the Arbitration Court. He added that the Bill was an attempt to undermine the Arbitration Court and that it proposed to give to employed persons conditions that the law had refused to concede. He went on to say that the award provided that the starting time on week days should be six a.m., and on Saturdays five a.m. The Bill that was before us last year, as well as the present measure, provided that the starting time should be seven a.m. If the hon. member was serious in that statement he certainly has not read the Bill, or he would know that the statement was quite incorrect. Nowhere in the Bill are awards of the court interfered with. Where an award of the court fixes an earlier time for commencement there is in the Bill nothing that would prevent the employees beginning preparations for the day at that hour. Indeed, that is the common practise to-day. The award of the court lays down the starting time of the employee, whereas the provision in this Bill has to do with the time that the shop is opened for trading purposes. It is com mon practise for the employees to be in the shop before the shop is actually opened for trading.

Hon. E. H. H. Hall: What is the reason for that?

The CHIEF SECRETARY: There is a certain amount of cutting up and that sort of thing to be done.

Hon. E. H. H. Hall: Why should a legislator be called upon to interfere with petty details of that nature?

The CHIEF SECRETARY: The Bill is dealing with the opening times of those shops and factories, and they have been started at that time from the beginning. The only alteration is the alteration in the time when shops shall start trading. Under this amendment some shops that used to open before 7 o'clock will now not open until 7 o'clock, which is not likely to be in the least embarrassing.

Hon. J. J. Holmes: The whole thing was fought out in the Arbitration Court, and the Court fixed 6 a.m. as the starting time.

The CHIEF SECRETARY: Yes, but not the time for opening the shop. This has nothing to do with the starting time of employees.

Hon. J. M. Macfarlane: But Parliament will be fixing hours, which is the function of the Court.

The CHIEF SECRETARY: This Bill does not interfere with any award of the Court. The Bill deals with the opening time of this class of shop. It does not deal with the starting time of the employees. I hope that explanation will be accepted.

Hon. J. Cornell: It means that the employees will start work earlier, but the shop cannot sell before its time.

Hon. G. Fraser: They do that now.

The CHIEF SECRETARY: It might be as well if I were to quote for the benefit of Mr. Holmes and one or two other members who seem to have the idea firmly embedded in their minds that this Bill does interfere with the Arbitration Court, Section 155 of the parent Act.

(1) Nothing in this Act contained shall in any way affect the jurisdiction conferred on the Arbitration Court established under the Industrial Arbitration Act, 1912, and any provisions of this Act as to any matters within the jurisdiction of the said court may be varied, altered, modified or excluded by any award now made or hereafter to be made by the said court or by any industrial agreement now made or hereafter to be made under the said Act: Provided that any such industrial agreement shall not have effect as to any such matters unless and until the same has been declared a common rule by the said court.

(2) The provisions of Subsection (1) with regard to awards of the said Arbitration Court shall also apply to awards of the Commonwealth Court of Conciliation and Arbitration under the Commonwealth Conciliation and Arbitration Act, 1904-1915, and to any agreement made under Section 24 thereof and certified by the President of the said Commonwealth Court.

(3) The provisions of this Act in restriction of overtime except in so far as such restrictions apply to women and boys, shall not apply to any party bound by any such award or agreement as aforesaid if in any such award or agreement provision is made for the payment of overtime.

That is the law in the parent Act, and it has been there for years. Yet I am required to say that this Bill does not in any shape or form affect the Arbitration Court.

Hon. H. S. W. Parker: Why does not a milk carter come within the definition of "shop"?

The CHIEF SECRETARY: He is bound by the award of the Court.

Hon. H. S. W. Parker: But why not a shop?

The CHIEF SECRETARY: He has never been regarded as a shop.

Hon. H. S. W. Parker: But you can go and buy from a milk carter, and he has to sell.

The CHIEF SECRETARY: Perhaps to a stray customer, but generally speaking they are not hawkers. The same thing applies to bread-carters.

Hon. C. F. Baxter: They will sell you a loaf of bread.

The CHIEF SECRETARY: But they have never been recognised as shops.

Hon. H. S. W. Parker: It does not matter. They are under the Act.

Hon. J. Cornell: That is another stretch of the imagination.

The PRESIDENT: Order!

The CHIEF SECRETARY: Mr. Piesse seems to be under some misapprehension regarding the probable effect of the provisions limiting the hours of delivery of goods, as well as overtime payments. He referred to the necessity for factories engaging in late deliveries during rush periods, and suggested that Clause 46 would curtail the time during which truck drivers may be employed. Actually neither the Bill nor the Act contains any provision to limit the number of hours that may be worked by an adult male worker employed in a factory. The limitation regarding hours of delivery of goods mentioned in the clause applies only to shops, and will not therefore affect late deliveries from factories. The hon. member said he was associated with a concern which found it necessary to work a fair amount of overtime in the summer, and he was afraid that the clause would vitally affect that business. I assure him it does not apply to factories, only to shops.

Hon. J. Cornell: Is a brewery a factory?

The CHIEF SECRETARY: Mr. Elliott intimated that his attitude towards this Bill would largely be governed by the way in which it affected the Province he represents. He drew attention to a letter published by the Eastern Goldfields Traders' Association, this being as follows:—

"Another clause to which the Association has taken strong objection is that providing that women employees shall not work for longer than four hours without time off for meals. It is contended that the clause would mean the closing of drapers' shops and other establishments employing a large number of women during the meal hour."

Clause 53, which amends the existing provisions regarding meal times for shop assistants, makes no such provision. The amendment merely provides that the shop keeper shall allow his assistants to take one hour off for lunch between 11.30 a.m. and 2.30 p.m., instead of 11 a.m. and 3 p.m. as at present stipulated. It is considered that the present margin is too great, and I think the hon. member himself will agree that there is nothing unreasonable in the proposed alteration. It has always been considered that the margin between 11 a.m. and 3 p.m. is too wide, and that a reduction of the time from 11.30 a.m. to 2.30 p.m. would be of benefit to the employee. Objection was raised to proposed new sections which will enable the promulgation of special regulations for the protection of health and life in dangerous trades. Mr. Baxter is rather definite in his opinion, and said that the clause provided too much power for the Minister and Trades Hall. I do not know why he should bring in Trades Hall, but that is his point of view.

Hon. J. Cornell: His statements would not be complete without it.

The CHIEF SECRETARY: The principles set forth in these proposals are copied from the English Factories and Workshops Act 1901, 36 years ago. Under the existing system, regulations are framed by departmental officials without reference to manufacturers or others who may be affected by them.

Hon. L. B. Bolton: Mr. Baxter suggested they were approved of by Trades Hall.

The CHIEF SECRETARY: The new provisions will enable persons affected by the proposed new regulations to object to the Minister, who shall, if necessary, order an inquiry to be made by a competent person or persons. So far from giving too much power to the Minister the amendment will ensure that any special regulations it may be deemed necessary to promulgate will be given the most thorough consideration before being given effect to. These amendments are necessary from another point of view. Within recent times the Solicitor General, in respect of certain proposed regulations dealing with electric arc welding,

made it clear that, in his opinion, there was no power under the existing Act to frame such regulations. Certain processes, such as the one I have mentioned, expose the workers engaged therein to serious danger, while activities, such as spray painting, may even endanger owners and occupiers of premises adjacent to those where the processes are carried out. In this connection, I might mention that the Fire and Accident Underwriters' Association has recently been in communication with the Minister, with a view to securing the adoption in this State of regulations similar to those recently gazetted under the provisions of the Factories and Shops Act in New South Wales, dealing with the health and fire hazards associated with the spray painting industry. It is highly desirable that we should endeavour not only to protect employees engaged in such processes, but take steps to prevent any damage being done to the property of other people. It is desired by the amendment to bring that about, if possible.

Hon. L. B. Bolton: That is an argument why the small shops should be brought in.

The CHIEF SECRETARY: It is one other argument. Mr. Nicholson suggested that we should do all we can to encourage the investment in our industries of capital. The Bill contains several provisions which extend protection that is so necessary for those who have already invested their capital in our industries. It is only reasonable that if these people have seen fit to invest their capital in this way we should take steps to protect them from encroachments that may be made from time to time by other people, who are able to come into their particular industry or calling, and would not be subject to the same restrictions as are the investors. These restrictions are not very embarrassing. They call for the registration of the premises, and provide that the employees in those particular premises in a particular industry shall be subject to the same conditions as other employees and employers engaged in the same industry in other premises. There is nothing wrong with that. Dealing with the health and fire hazards associated with the spray painting industry particularly, I propose to read an extract from a letter from the Fire and Accident Underwriters' Association dated the 24th August, 1937, as follows:—

No one will deny that the process of spraying of pyroxylin finishes is of a dangerous nature, producing highly inflammable and explosive vapours in the operation. Uncontrolled storage of lacquers and thinners, slack housekeeping methods, inferior electrical wiring, the use of electric motors liable to sparking, and the location of same in positions where they are in contact with vapours, besides many other minor features, all tend to aggravate what are already hazardous conditions. Whilst the danger from these aspects is primarily in respect to fire and explosion, the operative is placed in a position of danger unless adequate protection for his safety is provided. One can easily visualise an accident to a worker of a major nature should fire or explosion occur, and it is as much in his interests that the regulations should embrace safety precautions from these possibilities as to the underwriter, whilst owners and occupiers of adjacent properties are also due for protection from the dangers of their neighbours' activities. Some years ago a serious fire occurred in a building in the centre of one of the city main blocks, which caused the destruction of the building itself, and the result of explosions caused considerable damage to properties as far away as 150 feet. The origin of this fire was traced to spraying operations being carried out without precautions stipulated in the New South Wales regulations. The adoption and enforcement as far as possible of underwriters' regulations throughout the Commonwealth have been responsible for such improvement in conditions now existing. Underwriters, however, have no statutory authority to enforce their regulations, and the Minister for Labour and Industries in New South Wales apparently realising that those rules were as much for the protection of the worker as anyone else, has incorporated same in his own regulations which previously considered only the health and not the safety of the worker.

I have quoted the extract because I think it supports what I have said on previous occasions as well as on this occasion, that there is a necessity for regulations of this kind dealing with occupations of a nature which can be and are so dangerous, not only to the life and health of the worker, but in many cases dangerous to the property of other people in the vicinity.

Hon. L. B. Bolton: It is difficult to get the worker to protect himself. I know from experience.

The CHIEF SECRETARY: In his reply to the Underwriters' Association, the Minister had to admit that at present our Factories and Shops Act does not permit of the adoption of the New South Wales regulations in this State, while moreover, owing

to the limitation of the present definition of the term "factory" many persons engaged in spray painting in premises that do not constitute a factory are exempt from the provisions of the Act, and any regulations made under it. That is another argument in favour of the new provision included in the present Bill, with a view to bringing our Act into line with that of New South Wales, or as nearly as possible in that particular connection. There are many other points perhaps of a minor character that I could deal with, but I think I have said sufficient to satisfy members that there is a case for this Bill. There may be room for division of opinion on some points contained in it, nevertheless the case in support of it is strong enough to allow the Bill reaching the Committee stage. There are so many vital amendments necessary to the parent Act that I do hope on this occasion the House will be a little more generous than it has been in the past, that members will give the Bill every consideration not only from the point of view of the employee, who, of course, is very vitally affected, but also from the point of view of the average legitimate employer who is called upon to obey certain restrictions in accordance with the parent Act, and who has had to suffer in the past a certain amount of unfair competition from others who have been relieved from obligations in certain directions. Again, I say, that the suggestion that the Bill be referred to a select committee will not receive any opposition from me. If a motion to that effect be moved, I feel that the information that will be obtained as a result of an inquiry of that kind will probably be of benefit to many members of this House who have shown very conclusively by their remarks that, to say the least of it, they have only a hazy idea of what the Factories and Shops legislation really is. They are, of course, entitled to their opinions. I have never said that we want every clause in the Bill or every word in every clause accepted by the House, but what I have said is that it is time the Factories and Shops Act was brought up to date, that it is time certain provisions were included in that Act, which would allow certain occupations to be properly controlled. It is necessary to bring the Act up to date in order to do away with a certain amount of unfair competition that has been carried on for a considerable time in respect of small factories, and also so that we might deal with that very vexed question of subterfuge to avoid obligations imposed on the legitimate employer by awards of the Arbitration Court. While there is much more I could say on this subject, and while a great deal of information can be made available to members in the Committee stage, I hope the second reading will be agreed to, and irrespective of whether the Bill is or is not referred to a select committee, I trust that on this occasion it will be possible successfully to amend the parent Act.

Question put and passed.

Bill read a second time.

Referred to Select Committee.

HON. J. NICHOLSON (Metropolitan) [8.22]: I move—

That the Bill be referred to a select committee consisting of five members, that the committee have power to adjourn from place to place, to call for persons, papers and records, that three members shall form a quorum, and to report on Tuesday, 19th October.

Question put and passed.

Select Committee Appointed.

On motion by Hon. J. Nicholson, select committee appointed consisting of Hon. J. J. Holmes, Hon. A. Thomson, Hon. E. M. Heenan, Hon. W. J. Mann and the mover.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 15th September.

HON. C. G. ELLIOTT (North-East) [8.25]: It would appear that during the past few years the Government has brought down amending legislation for the purpose of whittling away compensation due to workers under the industrial disease section of the Workers' Compensation Act. This being so, I am rather concerned with the provision embodied in the present Bill now before this Chamber. In effect, this provision desires to disqualify a mine worker holding a special certificate from obtaining incapacity compensation under the Third Schedule of the Workers' Compensation Act. Many of these men have been employed in the mining industry and, on undergoing the annual laboratory examination, have been found to be suffering from silicosis early.

They then receive a notification from the Mines Department informing them of this fact, and advising them to leave the industry for work in healthier surroundings. The result of this is that a percentage of workers accept this advice, only to find out to their sorrow that, not being adapted to work other than that of mining, they find it impossible to carry on, and naturally gravitate back to the mining industry. Before being permitted to commence work, they are compelled to undergo a laboratory examination. Should this reveal that their silicotic condition has not progressed to silicosis advanced, a special certificate is issued them, which renders them eligible for employment on the surface of a mine in any position not specified as "underground." This class of man is still physically capable of performing his fair share of work on the surface of a mine. Many who, like him, have received a similar notification, but who did not leave the industry on the advice of the Mines Department, are still carrying on their work underground.

It is said that the special certificate man is a bad risk from a compensation point of view. But it must not be forgotten that, should he obtain compensation under the Third Schedule, he can only draw an amount equal to the percentage of his silicotic incapacity. That being so, I fail to see the justification for this attempt to exclude these men from receipt of that small measure of compensation should it become necessary. The mines pay a premium of 4½ per cent. on wages paid their employees into a fund controlled by the State Insurance Office for the purpose of providing compensation to workers suffering from industrial disease as a result of their work in the industry. The special certificate holders are, of course, included in these premiums and are fully covered by their employers. Is it the mining companies employing them who are asking that these men should be disqualified from their incapacity compensation under the Third Schedule? I can definitely say that it is not. They would not be a party to such procedure. Therefore, should the provision to exclude these men in the Bill now before us be passed by Parliament, the blame can rest only on the Government for disqualifying them from the measure of compensation they should receive when incapacitated by their work in the industry. I do not propose to discuss the other provisions of the Bill. I prefer to leave them to the Committee stage. I therefore support the second reading of the Bill.

HON. C. H. WITTENOOM (South-East) [8.30]: Several members have dealt with this measure. I therefore propose to be brief because, with the exception of one or two clauses, I have no objection to the Bill. On the whole it is a very good Bill, and will improve the Act, and I intend to support the second reading. Generally, when dealing with a matter of this kind, we have to consider what benefit it is going to be to the State, and in respect of this particular Bill, what effect it is going to have on the worker, directly or indirectly. There is no doubt that if we unduly load the employer it will be detrimental to industry generally, and in that way make matters worse for the employees, because, as it has frequently been stated, we can load industry only up to a point, or the cost of production becomes so high that competitors in all the other States rob us of our market and thus produce what I suppose we can all say is the last thing we want to see in Western Australia, namely unemployment. There is no question that these amendments will increase costs in many directions. In spite of that, the Bill, generally speaking, is fair and reasonable. For example, I do not think any hon. member will object to a man who has been working in a mine and is suffering from silicosis receiving the benefits the Bill gives him in the First and Second Schedules, provided he has a certificate. It will be most unjust if these men, on account of not receiving such benefits, have to leave the occupation they have been used to all their lives and take up uncongenial work in other districts for which they are entirely unfitted. Many improvements suggested in the Bill have already been carried out by employers and insurance companies. The Bill says that, in the event of some victims losing their teeth or spectacles, the insurance companies must replace them. I find upon inquiry that very frequently these things have been replaced. Again, the Bill says that in the case of accidents which occur a long distance from the hospital or from where medical assistance is obtainable, transport and lodging must be provided free for the time being to the sufferers. That has been the case in all the experience I have had in the pastoral areas and the mining districts. In every case of which I know, patients have been taken to the hospital and doctors, free of charge, and given free lodging. I agree that the provision of these things should be made compulsory. At the same time, I consider that 42s. is too high, and I do not

think it should be more than 30s. Regarding the raising of the compensation to dependants in the case of death, the present figure is somewhere between £400 and £600. It is now proposed to fix the figure at £600. That will mean a rise in the cost of premiums, as it is generally known that this is a non-payable business. By passing this clause we will place a further burden on industry. At the same time there is no sum which can really compensate for the loss of the breadwinner of a family or a near relation, and I do not consider that £600 is too much to pay in the case of death. For that reason I give this my support. By making the amount definite, dependants will be saved considerable worry, expense and delay. I am also in accord with compensation exceeding £50 being paid into court and dealt with by a magistrate. This is no hardship, and I am satisfied that in all cases the magistrate would lean towards the wishes of the applicant. If it does no other good, it will give the dependants time to give consideration to suspicious propositions of which, of course, we know many are put before dependants when they receive a large sum of money. I can see only one clause in the Bill that will receive opposition from me, that is Clause 4. But I feel confident that now the Minister has heard so many arguments in favour of not deleting certain exemptions in Section 11 of the Act, he will not press it in Committee. I hope he will not do so. This is the weak spot in the Bill. The employee seeking employment from a contractor has only to ask if the contractor has insured or intends to insure his men. It may be said that the average employee would have little knowledge of these matters, that he knows very little about industrial affairs and might be an easy victim of the contractor; but things have altered very materially since the days when thousands of immigrants were coming out from England, inexperienced men, and naturally fair victims. The working man of to-day has a very good knowledge of all industrial matters. The passing of the clause will mean more expense to the farmer, who cannot afford to pay and it would be another step towards increasing the cost of production. It is not difficult for the contractor to arrange for these matters. If he over-insures he can always get a rebate. Apart from that clause, I am going to support the Bill, which is a good one.

HON. H. SEDDON (North-East) [8.43]: My remarks will be brief because the ground has already been covered by Mr. Elliott, regarding the clause to which I want to draw particular attention. There appears to be some possibility by the introduction of the exemption in Clause 2 of the Bill of doing a certain amount of injustice to one section of employees engaged in mining. As the hon. member pointed out, a good many men who formerly were engaged in goldmining, on the advice of the Government of the day left the mines and engaged in other occupations on account of the danger to their health through their contracting silicosis. Many found that not only were their new occupations of such a nature that they were unable to make a success of them, but that they were adversely affected at the onset by the depression. Unable to carry on, they went back to the only occupation for which they were fitted. The Government introduced a provision that where a man can show that he has been engaged for five years previously in goldmining, he can come in under what is called a re-admission certificate, and that man, should silicosis develop at a later date, is entitled to compensation.

Hon. A. Thomson: Under the Miners' Phthisis Act.

Hon. H. SEDDON: Under the Third Schedule. There were a number of men who could not show a full five-year period, and these men, with other men not classed as first-class, were admitted on the certificate mentioned here as a special certificate. The probability is that these men previously engaged in mining had suffered some injury to their lungs as the result of the conditions then obtaining, and it looks as though there may be some loophole for injustice being inflicted by the passing of this amendment. There will be very few cases, but it would apply in those cases. We have to remember that conditions in the mines have materially improved, and are still being improved, and the men themselves will declare that the ventilation conditions are considerably better. Figures I placed before the House a little while ago indicated that the incidence of sickness now has been very materially reduced from what it was a few years ago. I do not think very much harm would be done if discrimination were introduced into this clause, so that any man previously employed in goldmin-

ing could be given the benefit, even if he had only worked for less than five years. A provision of which I approve is that of lump-sum payments being controlled on the advice of a magistrate. I know of a number of cases where people have been induced to buy small businesses, with the result that they have failed, and disaster has overcome the family, the benefits of our legislation being therefore entirely lost to them. A more experienced mind should be brought to bear on propositions placed before these people, because we must realise that they have had no business experience, and for that reason their failure is almost certain. I should like to see an amendment to the effect that any established insurance company should have the right to cater for and tender for third party risks. As the Act stands no company has been approved. I trust that an amendment will be introduced to cover what I regard as a great disability as far as companies tendering are concerned. There is also room for improvement in the way of policing of charges now made by certain members of the medical profession. The Government might be well advised to appoint a special medical officer to whom these charges could be referred where there is a doubt expressed as to there being a fair charge on the industry. We all know of cases where obviously certain doctors have imposed upon the benefits provided under the Third Schedule.

Hon. E. H. H. Hall: Are you prepared to leave the matter of charges to the British Medical Association?

Hon. H. SEDDON: The British Medical Association has already dealt with the matter, but the position has not been made satisfactory. I suggest that a doctor be appointed as a referee to police the Act. That would be a considerable improvement on what can only be regarded as an imposition on the provision made in our legislation. I consider that an extension of the benefits under the First Schedule in the direction of providing for artificial teeth and artificial eyes is quite logical in view of the existing provision for artificial limbs, and I shall support that amendment. I trust that the Government will revise the Bill in order to overcome the shortcomings in the Act. In the circumstances I shall support the second reading.

HON. E. H. ANGELO (North) [8.46]: I support the second reading. As other speakers have pointed out, there are some proposals in the Bill that should be amended in Committee. It is not what the Bill contains that disappoints me: it is what the Bill does not contain. This is an amendment of the Workers' Compensation Act, and it afforded a good opportunity to relieve the burden on industry and the cost to employers. So far as I can see, most of the amendments proposed in the Bill are designed to benefit the worker, but nothing is proposed in the way of relieving the expense to the employer. Provision could easily have been made in that direction, without lessening the benefits to the employee, by disciplining sections of the community who have sought to gain an undue advantage. In a recent issue of the "Insurance and Banking Record" the comparative cost of workers' compensation per head of population in the various States of Australia and New Zealand was given as follows:—

	s.	d.
Tasmania	1	6
Victoria	2	8
South Australia	3	3
Queensland (State monopoly)	5	11
New South Wales	6	7
New Zealand	6	9
Western Australia	10	11

Hon. V. Hamersley: Good gracious!

Hon. E. H. ANGELO: The cost of insurance must increase if continually, as suggested in this Bill, certain additional benefits are to be given to the employees. The "Insurance and Banking Record," commenting on those figures, said—

> In Western Australia the cost is enhanced by the liberal benefits for medical expenses provided by the Act, which necessitate a scale of premiums that constitutes a serious burden on industry.

The Chief Secretary: Do the other States' figures include industrial diseases?

Hon. E. H. ANGELO: I believe that the Queensland and New South Wales figures do.

Hon. J. Cornell: But not to the extent that industrial diseases apply here.

Hon. E. H. ANGELO: That is so. I presume the Minister is referring to the goldfields figures. The insurance companies are not doing that business, so I take it those figures would not be included.

Hon. J. Cornell: I think they would be.

Hon. E. H. ANGELO: Anyhow there is a tremendous difference between 1s. 6d. and

10s. 11d. per head of the population. Members may recall that two years ago when I was speaking on the Address-in-reply, I gave particulars of the cost to employers of charges by the medical profession. I quoted some dozens of extraordinary accounts. Since then investigations have been made by insurance companies, and they have found that it costs twice as much to deal with a worker's compensation case in Western Australia as it does to deal with a similar case in New South Wales. After I had spoken that night members, in a chaffing manner, said, "My word, you will catch it when you meet some of those doctors." On the following morning when leaving my home for the city, one of Perth's leading medical men pulled up his car and offered me a lift to town. Naturally I thought I was in for a warm half-hour, but to my surprise he said, "I have been reading what you had to say about doctors and their charges in workers' compensation cases, and I want to thank you for it. I can assure you that you do not know one half of what is going on. Several of us older members of the profession have been trying to discipline the others, but unfortunately we have a section of the profession who are making a welter of workers' compensation cases." About a year ago an article appeared in the Press giving the speech of the retiring President of the British Medical Association. He said definitely that the committee had been doing their best to discipline a section of the profession, who were outrageous in their charges, on the assumption that the insurance companies could well afford to pay. Then the paper proceeded to say—

> Summarised, the gravamen of the charges which the president of the British Medical Association made was that a few doctors were prone to charge the maximum instead of the minimum or, presumably, a mean or average fee, for their services; that their attendances in many cases were more frequent than the necessity of the occasion required; that patients were kept too long in hospital; that pharmacists were given a free hand in the supply of medicines; that there were unnecessary x-ray examinations; that junior members of the profession treated cases requiring the skill and knowledge of senior specialists, and that, possibly as a reaction, it seems, senior men treated cases which could be handled by juniors. Actually, then, it appears that some doctors overload the insurance companies with costs, that they do not rise to the accepted standards of the profession in regard to specialisation, and that their conduct is such as to bring the profession into disrepute.

Here was an opportunity for the Government by legislation to relieve industry and reduce the cost of workers' compensation to employers. No doubt when the Honorary Minister replies he will say that the British Medical Association is attending to this matter. Mr. Seddon was quite right when he said that the British Medical Association could not discipline the doctors who were overcharging and that the disciplining must be done by Act of Parliament. I am aware that employees, when they are injured, receive 50 per cent. of their wages. I feel certain that insurance companies would be glad to pay a far higher percentage, probably 75 per cent., if the men had to pay their own medical expenses. Let me give another instance for which I can vouch. It came under my notice only a few days ago. A worker went to an insurance company to collect his final payment. After he had been paid he remarked, "That doctor said a funny thing to me." He was asked, "What did the doctor say?" He replied, "Look, Bill, I want you to remember that I have treated you pretty well. You have had a fortnight longer than you ought to have had, but I thought you needed a holiday, and so I kept the certificate back. Now do not forget that if ever you get hurt again, and tell your friends how I treated you." Such unworthy members of this very honourable profession are scabbing on their fellows. Decent men would not be guilty of such conduct. It is some of the younger men or some of the blow-ins from other States who are regarding Western Australia as a happy hunting ground with the insurance companies as their quarry. They are the ones we have to discipline, not the honourable men. Thank goodness there are still honourable men in the profession.

Hon. J. Cornell: They know how to charge.

Hon. E. H. ANGELO: Yes; but if this undercutting and unfair competition is allowed to continue, I am afraid that others will begin to do likewise.

Hon. G. W. Miles: Why have not the Government taken action?

Hon. E. H. ANGELO: I am suggesting that the Government should take action. I guarantee that the State Insurance Office is being affected similarly.

The Chief Secretary: Can you suggest means by which it could be remedied?

Hon. E. H. ANGELO: One suggestion was made to-night—to have a doctor who was thoroughly trustworthy to act as referee.

Hon. W. J. Mann: Where could you get him?

Hon. E. H. ANGELO: Thank goodness, we have many such doctors.

Hon. J. Cornell: You should have had experience of A.I.F. medical boards.

Hon. E. H. ANGELO: In New South Wales the maximum amount provided for the doctor in workers' compensation cases is £25, and a similar amount is allowed for hospital expenses. Here the amount allowed is £100. Members may recall that when I spoke two years ago I quoted two or three doctors' accounts that amounted to £99 odd. I ask the Government, without in any way lessening the benefits to the workers, to amend the Act and enable this section of the community, who are making huge profits out of the insurance companies by charging exorbitant rates, to be dealt with. If the Government do that the insurance companies will reduce their rates. This they cannot do at present. I do not think that any company is making workers' compensation pay.

Hon. C. F. Baxter: One of your constituents charged £65 for a £10 service.

Hon. E. H. ANGELO: I can quite understand that. There is one other suggestion I desire to make to the Honorary Minister, and that is an amendment dealing with the domicile of the beneficiary. We know that there are thousands of Italians coming into Australia. One of these Italians gets hurt, or perhaps killed. Suppose he is killed. Then there is £600 to be paid to some woman in Italy.

Hon. J. Cornell: There is nothing wrong with that.

Hon. E. H. ANGELO: I do not know. Why should we be keeping widows and orphans in another country? Moreover, in Italy a woman and her children can live for probably half what it costs in Western Australia. Why pay them the full amount? If half the amount were paid, there might be some sense in it. But an Italian comes here and chops his leg off and when he gets a few hundred pounds, the amount is sent to Italy. Mr. Cornell may think my suggestion something novel, but the New Zealand Act compels the beneficiary to be a resident of the Dominion. Lately, New Zealand has passed an amendment which enables the beneficiary who is a resident of another British Dominion reciprocating with New Zealand, to get the benefit of workers' compensation; but in a case such as I have suggested, the case of an Italian, there would be nothing paid at all.

Hon. J. Cornell: Of course there would be, unless the beneficiary was killed. If an Italian worker lost his leg in New Zealand, he would get compensation.

Hon. E. H. ANGELO: Yes, if he lost his leg he would benefit by the Act. He would be a resident of the State. Anyhow, if we are going to be kind-hearted enough to pay compensation to the widow, why not take into consideration the cost of living in a place like Italy as compared with what it is in Western Australia? If she can live in Italy for half the Western Australian cost, why not make the compensation half? However, that is only another suggestion. I support the second reading of the Bill.

HON. G. B. WOOD (East) [9.5]: I support the second reading, though not wholly in accord with all the contents of the Bill. I realise that many of our Acts require amendment from time to time. I support the suggestion that an employer should make a statutory declaration every year of the amount of wages he pays. The practice has existed for a good many years. In fact, until recently I thought the insurance companies had the power to require such declarations. No one seems to object to the proposal, and it would be wise to give the companies that power even if somebody did object. I am very much against the proposal in Clause 11 to take away the exemption of pastoralists and farmers in regard to employees of contractors. That would be unjust, and would operate harshly against many farmers and pastoralists as well. A shearing team might come to a station and be actually on that station for 50 miles before reaching the homestead. Yet the members of the team would be within the legal responsibility of the pastoralist even while he was not aware that they were on his station. During the 50 miles a serious accident might easily happen. These teams arrive in trucks, and frequently have accidents. The same remarks apply to a travelling chaff-cutting team. The farmer frequently does not know they are on his farm when he is already carrying the responsibility. In fact, he has to accept the responsibility when the team leave the preceding farm. It is hard to say who ought to bear the responsibility if it is to be thrown on the two farmers. Again, a contractor may come along to cut

firewood, and the farmer or pastoralist does not know whom that contractor employs. If the Bill gets into Committee that clause should be amended. Mr. Heenan said a farmer could always pick his contractor, but that is not the case. Frequently the farmer has to accept the first chaff-cutter who comes along, without knowing who he is. In fact, the contractor is chosen by the person to whom the hay has been sold. The same position arises in connection with fencing, clearing and other contracts. Mr. Heenan further said he would be glad when the day came when £1,000 would be paid to the widow of an employee who had been killed. I too shall be glad when that day comes, but one must bear in mind that somebody has to foot the bill. Some farmers nowadays find it hard to pay the premiums. If £1,000 has to be paid in case of a fatal accident, somebody will have to find the amount, and the payment may react harshly. I trust that aspect will receive consideration. It is proposed to include stone workers in the Third Schedule. I know something about the stone business, though perhaps not very much. I am aware that stone workers do get a rash from handling stone, but that rash is not very serious. Certainly it is nothing like the barcoo rot we used to get in the North-West. I am sure some North-Western members will support me in saying that when we got barcoo rot we never thought of asking for compensation but only knocked off for a little while. I am greatly concerned about the inclusion in the schedule of cases of dermatitis. It sounds dreadful, but it means only a boil. I have had long experience in shearing sheds. As a boy of 17 I worked in shearing sheds in the North-West for somebody else. Since then I have controlled a large depot shed. In my long experience I can call to mind only two occasions on which shearers knocked off on account of boils. If compensation can be obtained for a boil or two, the work of shearing sheds will be held up frequently. That is only natural, if a man can knock-off because of a boil under the arm or leg. That applies not only to shearers, but also to woolclassers. I think it has something to do with the wool. Shed hands also get boils. I am prepared to admit that these boils are uncomfortable. Sometimes a man may get half a dozen and thus be compelled to go to the doctor. I trust, however, that the trouble will not be exaggerated. I understand that insurance companies will not charge any higher premiums because of the proposed addition to the Third Schedule. However, that is not the point. The point is the holding-up of the work at shearing sheds. In another place some extravagant statements have been made about shearers being stricken down with the disease. Such assertions are extremely misleading. Who ever considered a boil a disease before? I have had boils myself. We know that these things come on a week or ten days before developing. The boil may begin to develop on one station, and the shearer may not know he has got it until he gets to the next station. Then who is to decide where the responsibility lies? The same thing happens in connection with shearing in the farming areas. One cannot penalise every station or farm included in the run of the shearer. Perhaps the run may include half a dozen sheds. The boil may develop in the first shed, but may not cause any inconvenience until the shearer gets to the third shed, or even the last one. The proposal to protect workers against exploitation by so-called go-getters in connection with lump-sum compensation is a good one. Some members have spoken about the liberty of the subject. However, the worker requires protection for himself against himself. We know the sort of thing that happened when Mr. Hughes paid the war bonuses to returned soldiers. The same thing may happen in connection with lump-sum payments for workers' compensation. I support the second reading of the Bill with a view to certain amendments being made in Committee.

HON. J. CORNELL (South) [9.13]: Before offering a few remarks on the second reading, I wish to express the hope that the Minister will not proceed to the Committee stage until next week, when probably Mr. Williams will be able to attend. The hon. member is detained on the goldfields handling workers' compensation cases in the local court on behalf of miners and widows and orphans. That, I claim, is a more worthy job than we are doing here just at present. During the Address-in-reply debate Mr. Williams asked for some consideration as regards the introduction of this Bill. The matter referred to by Mr. Elliott and Mr. Seddon will, I believe, have the support of Mr. Williams. I refer to the case of the

silicotic man who is given a special certificate to work in certain places in or about the mine. I agree with Mr. Elliott and Mr. Seddon that where the holder of one of these certificates has previously worked in mining in an atmosphere that has proved prejudicial to his health in respect of silicosis, he ought to be given some consideration for his past service over a man who is admitted on the special certificate but is not suffering from silicosis. The man who has some traces of silicosis has paid a penalty to the industry. He has completed his work in the industry, and he is not allowed, or should not be allowed, to work in an atmosphere that would further prejudice his silicotic condition. In that regard at least we should be generous. The fault largely lies in the application of the Third Schedule to every part of the mine. In South Africa it applies only to those parts of a mine where dust is present and likely to cause silicosis. That is a very different position from that obtaining here. To-day we are allowing silicotic men to work in other parts of the mine where their condition is not likely to be further adversely affected. At the same time, to a certain extent we are disqualifying them from receiving benefits that are rightly theirs. I hope consideration will be given to men who show traces of silicosis, and are permitted to work in certain positions on a mine. I was rather interested in Mr. Angelo's figures when he quoted 10s. per head of population for workers' compensation in Western Australia as against 1s. 6d. per head in Tasmania. Those figures take a good deal of swallowing.

The Chief Secretary: That is so.

Hon. J. CORNELL: And it is much harder to digest the statement. Quite unintentionally, I think Mr. Angelo has quoted figures that are wrong.

Hon. E. H. Angelo: I do not think the "Review" makes many mistakes.

The Chief Secretary: Probably there is no fair basis of comparison.

Hon. J. CORNELL: There is considerable mining activity in Tasmania, but probably the men there do not suffer from silicosis to the extent that they do in Western Australia, although mining conditions are practically the same all over the world. I should say that Western Australia has by far the largest aggregation of adult workers, per head of the population, of any State of the Commonwealth. That being so, naturally our costs are likely to be greater from that point of view.

The Chief Secretary: There must be some reasonable explanation.

Hon. J. CORNELL: Yes. I agree with Mr. Angelo in his statement that the provision of £100 for medical and surgical benefits has led to a great deal of abuse on the part of some members of the medical profession. But what are we to do about it? That amount was included in the Act for the benefit of the injured worker, and if we were to reduce it to £50, in all probability the unscrupulous doctor would still get his pound of flesh.

Hon. V. Hamersley: Cut down the limit of £100.

Hon. J. CORNELL: Even if we did, the doctors would get their rake-off and the unfortunate injured workers would be the sufferers. I know of one instance in Coolgardie where a worker, whose right hand was injured, received attention for 12 months, the object of the doctors being to restore the hand to a condition that would enable it to be used, thereby averting a maimed and useless hand. In that instance the money was well spent. In other instances, in my opinion, money has been extracted that should not have been paid out. The difficulty is to set up the line of demarcation. Mr. Seddon has suggested that it should be determined by a medical man or a medical board.

Hon. V. Hamersley: Dr. Saw promised us that years ago.

Hon. J. CORNELL: And if Dr. Saw were with us this evening, I think he would agree with me in my statement. Anyone who had anything to do with the A.I.F., either here or on active service, must indeed have lost faith in doctors from the standpoint of their ability to agree as to the fitness or unfitness of an individual. One medical board would declare a man to be fit, while another would declare him to be unfit. The late Colonel Courtney, when Commandant here, told me that if the army could get the medical profession to agree, there would be a vastly different army. The fact is that they seldom agree, and it would be almost impossible to get medical men to state whether the treatment provided for a man was warranted or unwarranted, and whether the charges were, or were not, justified. The worker who is injured is the man we should protect. I am

sorry I cannot subscribe to Mr. Angelo's opinion that we should differentiate with regard to the payments of compensation to aliens in the manner he indicated.

Hon. E. H. Angelo: I did not say that the individual here should not be compensated.

Hon. J. CORNELL: If an Italian lost his leg here, Mr. Angelo said that he should not send money home to his wife.

Hon. E. H. Angelo: I said that if the beneficiaries were not domiciled in Western Australia, the money should not be paid to them.

Hon. J. CORNELL: What is the position? If we allow an alien to come to Western Australia and permit him to hold freehold land without question, are we then to tell him that if he is killed, and his wife is in Italy, she will get only 50 per cent. of what she would receive if she were living in Australia? The logical thing to do would be to refuse to employ such men unless their dependants were fully-fledged Western Australians. My experience is that the employer is not a philanthropist, and he will engage workers in the most economical manner possible.

Hon. J. J. Holmes: The difficulty confronting the insurance companies is to determine whether the wife or family of the foreign worker who has been killed really does exist in Italy or elsewhere.

Hon. J. CORNELL: That is another and very logical argument. It should be definitely and conclusively proved that the beneficiaries were actually dependent upon the deceased worker before the compensation was made available to them.

Hon. E. M. Heenan: That is the position now. The money is not paid out until the authorities are satisfied that the persons to whom the money is to be paid are really dependants of the deceased worker.

Hon. J. CORNELL: To differentiate between classes of beneficiaries under the Workers' Compensation Act would be dangerous. Rather than differentiate, I would tell foreigners that if they come here they must bring their families with them.

Hon. L. B. Bolton: I would not pay any foreigner compensation unless he had his family here.

Hon. J. CORNELL: We should not employ them unless they do.

Hon. V. Hamersley: How would we get our work done?

Hon. J. CORNELL: I will let that matter go for the moment. I think country members are wrong in their attitude.

Hon. W. J. Mann: You have had no experience.

Hon. J. CORNELL: If I employ a woman on cleaning work for two half-days per week, I must insure her under the Workers' Compensation Act, or else be prepared to carry the responsibility myself.

Hon. V. Hamersley: You are a lucky man if you can get one.

Hon. J. CORNELL: Perhaps so. If the farmer employs a contractor in connection with harvesting, chaffcutting, or anything else, it is merely reasonable that he should ascertain from the contractor whether he has insured the men working with him. I have had experience in threshing, chaffcutting and shearing, and I presume the position is the same now as it was in my time; the pastoralist or farmer should not permit the contractor to start work until he has ascertained from the latter whether his men are insured.

Hon. G. B. Wood: But the farmer is not always in a position to do that.

Hon. J. CORNELL: Why is that? Perhaps the hon. member suggests it is because he may be on the job elsewhere. It would not be a difficult matter for the farmer to leave definite instructions that the contractor has to show conclusively before he starts work that his men are insured.

Hon. G. B. Wood: It sounds all right to say that here, but it is not so easy.

Hon. J. CORNELL: I do not think any hardship would be imposed on the farmer if he were expected to do that, or else he would be required to carry the risk himself. After all, if all farmers would do the fair thing, there would be no trouble at all. However, it is not the farmer we have to consider but the worker, and in these days of advancement why should we leave the Workers' Compensation Act in such a condition that the unfortunate worker who loses a limb may receive no consideration at all? It only meant that the farmer employing the contractor had to make sure that he insured his men. When I went into farming there was no necessity for me to see the contractor and ask him to insure his men, for I did it myself.

Hon. J. J. Holmes: Then you went out of farming.

Hon. J. CORNELL: But it was not that which sent me out. I think the insurance cost me £2 10s. for a £250 contract. I insured the men because I had seen what could happen to unfortunate workmen who were injured and who had to fall back on the charity of the State. All the years I worked in the mining industry I thought it only a reasonable thing that any man working on a mine should be covered by insurance. So, too, with all farm hands.

Hon. G. B. Wood: Why alter the original Act?

Hon. J. CORNELL: In that regard it has not been amended since 1902, and conditions generally have changed a good deal since then.

Hon. G. B. Wood: Yes, for the farmer they have changed for the worse.

Hon. J. CORNELL: One thing in which the farmer has not changed is that he still growls. General Birdwood was quite right when he said that the other day. Another point I want to make is as to the quarry screenings. If we are going to say that the dust in quarries is injurious, it is only reasonable to believe that it is equally so in the screenings.

Hon. W. J. Mann: What about the dust a fellow gets when following a harvester?

Hon. J. CORNELL: That is the best part of the wheat. Then there is the yolk boil. I was only 16 years of age when I first shore some sheep. That was in the days of hand shears. If my recollection be right, I would say there is a great difference between the yolk boil and the ordinary boil. Ordinary boils were regarded as a volcanic means of getting rid of something undesirable in the system, but the yolk boil was attributed to the shearing of damp sheep and the combination of the dampness of the yolk.

Hon. G. B. Wood: You are quite wrong there.

Hon. J. CORNELL: At all events, according to Mr. Wood, the method of developing yolk boils has materially changed. Perhaps the moleskin trousers of the day had something to do with that. I never saw a single shearer permanently disabled as the result of yolk boils, although I have known a shearer lose a day or two's work as the result of an ordinary boil. That depended on the location of the boil.

Hon. J. J. Holmes: That was the result of five meals per day.

Hon. J. CORNELL: It has been said that the insurance premiums will go up as the result of including the yolk boil amongst the ailments. The Workers' Compensation Act in this State has been in operation since 1902, and the Third Schedule since 1925. But this is the first step to include the yolk boil. It is not the only occupational disease arising from the handling of sheep. Anthrax, of course, is provided for in the Third Schedule. I saw dreadful evidences of anthrax many years ago in New South Wales. There is a vast difference between anthrax and the results of the yolk boil. I knew quite a few cases of men who, in a casual way in New South Wales handled sheep affected with anthrax or Cumberland disease, and death speedily followed. However, there can be no analogy drawn between anthrax and the yolk boil.

On motion by Hon. L. B. Bolton, debate adjourned.

BILL—FAIR RENTS.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [9.40] in moving the second reading said: If there is one thing that affects the married wage-earner more than another it is the amount he is called upon to pay for the rent of the house he desires to occupy. During recent years, several demands have been made to place on our statute-book some measure that would give protection to those people, but unfortunately without results up to date. So we are again introducing this measure in the hope that on this occasion we shall be more successful. I honestly believe there never was a time when a measure of this kind was so essential. The Bill is almost identical with the measure brought down last session which, unfortunately, failed to receive the endorsement of this Chamber. Its purpose, as indicated previously, is to enable tenants to apply to the local court to have determined a fair rent for the dwelling houses they occupy. There is nothing novel in the legislation projected under the Bill. Similar Acts are already on the statute-book in New South Wales, Queensland, New Zealand, the Irish Free State, England, India, and South Africa. That such legislation has been effective in fixing rentals at a reasonable level may be gauged from a report appearing in the "International Labour Review" issued in 1933. Referring to "Re-

cent Family Budget Inquiries," the report reads as follows:—

The figures for housing are difficult to compare internationally, especially on account of the rent regulations in force in many countries. In the Irish Free State the relative expenditure is less than 6 per cent., and in the United States it is nearly 28 per cent. of the total expenditure. In most cases it lies between 10 and 20 per cent.

I should like to point out that these figures include upkeep as well as heating and lighting. Turning now to Western Australia, I find that the rents for four-roomed and five-roomed houses adopted by the Arbitration Court as the standard are equivalent to—

(a) 25 per cent. of the basic wage (Metropolitan Area).
(b) 24 per cent. of the basic wage (South-West Land Division).
(c) 31 per cent. of the basic wage (Goldfields Division).

That is to say, the Western Australian wage-earner has to allocate a far heavier proportion of his budget to rent payments than have his fellows in other parts of the world. However, the figures I have just quoted for four and five-roomed houses refer only to average rentals. It is because so many workers are unable to obtain a tenancy at an average rental that the Bill has been brought forward. Since the basic wage is determined in accordance with a scale of average prices, it naturally follows that, where the rent paid by the breadwinner is in excess of the average taken by the court, then the worker's standard of living is correspondingly reduced below that level to which the court says he is entitled. There is often a great discrepancy between the minimum and maximum rents which fix the average. A number of factors may contribute to this condition. Thus, where circumstances compel a worker to live near his work, he may be forced to rent a house at a much higher rate than he would pay if he were able to take advantage of the full supply of houses in the metropolitan area. Similar opportunities are afforded in the country districts for the exploitation of a certain class of worker by the landlord who is unreasonable. For example, teachers or others of the tenant class may be transferred to localities where the supply of houses suitable for their requirements is somewhat limited. In cases such as these, there is nothing to prevent the landlord demanding and obtaining a rent bearing no reasonable relationship to the capital value of the house. Where the demand exceeds the supply, as on the Goldfields to-day, the position becomes deplorable, and it is there that landlords have practised the greatest abuses. We know that, as a result of the sudden influx of labour to those districts consequential upon the revival of the gold mining industry, there has been in recent years an acute housing shortage. Not only have preposterous rentals been extorted from new tenants, but lessees of long standing have been forced to accept much more burdensome terms than those imposed by the original agreement of tenancy. I know it will be argued that if such is the case it might be expected that people with capital would invest their money in house building on the Goldfields. Members know, however, that the fear of the present activity in the gold mining industry proving of comparatively short duration, has restrained the majority of investors from embarking on such a course. That, of course, is no reason why the landlords on the Goldfields should be allowed to continue in the exploitation of their tenants, as they have been doing. It is known that in many cases there has been a certain appreciation in capital values in Goldfields properties, which would legitimately entitle the landlords to demand a small increase in rents. However, the drastic rises which have characterised rents in those districts within recent years have been out of all proportion to the actual capital appreciation. By and large, investment in building is not regarded as an activity in which the rewards depend upon the possibilities of exploiting tenants, and to this extent the proposed legislation will not restrict legitimate enterprise. In this connection, members may recall that when a similar Bill was before the House on another occasion, some members urged that nowhere to their knowledge were rents as high as those that could be prescribed under the proposed legislation. On the other hand, other members submitted that if the measure became law it would be a serious deterrent to building activity. No doubt the former had in mind the landlord who charges a reasonable rental, and who would not be affected by the proposals embodied in this Bill, while the latter were under the impression that the majority of persons who invest in building, do so on the understanding that they will enjoy the rewards of extortion. The Bill proposes to vest in Local

Courts jurisdiction to determine rents, and exercise other powers, with the stipulation that this jurisdiction shall be limited to houses whose fair rent does not exceed £156. The rent determined by the Court shall be the fair rent calculated on the basis of the capital value of the dwelling house. Such capital value will be the capital sum, which the fee simple of the property comprising the house and land occupied therewith, might be expected to realise if offered for sale upon such reasonable terms and conditions as a bona fide seller would require. The fair rent determined by the court shall be such as would give a return on the capital value of the premises of not less than 1½ per cent. above the rate of interest being charged upon overdrafts by the Commonwealth Bank, together with the following additional allowances:—

(1) The annual rate;
(2) The amounts estimated to be required annually for repairs, maintenance and renewals;
(3) Insurance on buildings; and
(4) The estimated annual depreciation of the dwelling house, if such depreciation diminishes its letting value.

It is further provided that the court may determine the fair rent for portion of a dwelling house which is occupied by two or more separate lessees. Provision is made for the determination of the amount of rent to be paid for furniture, where a house is let furnished. Both lessee and lessor will be entitled under the Bill to apply to the court to have determined a fair rent. Where the dwelling house concerned is subject to a mortgage, it is stipulated that the mortgagee must first be notified of the proceedings. To ensure that tenants are not frustrated in their rights to take action, it is laid down that there shall be no objection to an application by a lessee who has received notice to quit, or whose ejection has been commenced. Rents determined by the court shall operate as from the date of determination, except where an increase is made. In the case of the latter, the Bill provides that the increase shall not take effect for fourteen days. Under the Bill, an owner or agent who boycotts any person by reason that such a person has made an application under the proposed Act, shall be guilty of an offence against the proposed Act. Similar provisions are contained in the same clause regarding threats or acts against either lessee or lessor.

Hon. W. J. Mann: What is the interpretation of "boycott"?

The CHIEF SECRETARY: There are many cases where the owner or agent has refused to grant a tenancy to a person because that person has taken action to protect his own interests. In connection with the duration of a court's determinations, it is stipulated that these shall remain in force for twelve months, and no application shall be made to vary it unless, in the case of a lessor, it can be shown that the outgoings of such lessor have increased, or that he has made substantial additions to his premises. A similar exemption is provided in the case of lessees who can show that the repairs in respect of which an allowance was made when the rent was determined, have not been effected. Subterfuges of any kind by which a lessor tries to extract from his tenant more than the fair rent determined by the court, shall be an offence under the proposed Act. Contracting out is similarly prohibited. The Bill proposes to ensure tenants the security of tenure once the fair rent has been determined. However, under special circumstances, such as the tenant's failure to pay rent or the sale of the dwelling house, it is provided that the tenancy can be terminated 28 days after notice to quit has been served. With regard to tenancies, where the lessee has obtained a determination of a fair rent for a second or subsequent period of twelve months, there is a further provision which empowers the Court to restore possession of the dwelling house in question to the lessor in any circumstances which appear to be just. I have endeavoured to outline briefly the principles of the Bill. I hope on this occasion it will pass, if not in its entirety, at least in such a way that it will be of benefit to those who are being exploited by landlords of a most unscrupulous kind. I move—

That the Bill be now read a second time.

On motion by Hon. H. S. W. Parker, debate adjourned.

House adjourned at 9.59 p.m.