

Legislative Council,

Thursday, 25th October, 1934.

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

BILL—ELECTORAL ACT AMENDMENT.

Third Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.35]: I move—

That the Bill be now read a third time.

The PRESIDENT: This is a Bill which will require an absolute majority.

Question put.

The PRESIDENT: There being an absolute majority of members present, and there being no dissentient voice, I declare the motion carried.

Bill read a third time, and returned to the Assembly with an amendment.

BILL—CONSTITUTION ACTS AMENDMENT.

Third Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.37]: I move—

That the Bill be now read a third time.

The PRESIDENT: This also is a Bill which will require an absolute majority of all the members of the Council.

Question put.

The PRESIDENT: There being an absolute majority of members present, and there being no dissentient voice, I declare the motion carried.

Bill read a third time, and returned to the Assembly with an amendment.

BILL—WESTERN AUSTRALIAN AGED SAILORS AND SOLDIERS' RELIEF FUND AMENDMENT.

On motion by Hon. H. S. W. Parker, read a third time and *passed*.

BILL—INDUSTRIES ASSISTANCE ACT CONTINUANCE (No. 2).

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.40] in moving the second reading said: The purpose of this Bill is to continue the operations of the Industries Assistance Act for a further period of one year. Whilst it is not intended to resume general operations under the Act, it is still necessary, as I think hon. members will recognise, that the Government should be armed with the necessary legislative power to meet emergencies that may arise as the result of abnormal season conditions. One reason why it is still necessary is its value in safeguarding the provision of sustenance for settlers, wherever such assistance is required. Owing to the depression many settlers have had their ordinary avenues of credit closed to them, and, unfortunately, the prospects of the coming harvest do not appear to be as favourable as one could wish. If the department is to continue its past assistance, it must be given the necessary legislative power.

I may say that the Act contains machinery for the provision and control of credit, such as does not exist in the Agricultural Bank statutes. The Agricultural Bank found it essential in some instances to have recourse to the Industries Assistance Act. Owing to restricted commercial credit and the inability of settlers to obtain machinery on hire-purchase terms, the Agricultural Bank found it impossible to develop, equip and provide harvest requirements for settlers within the limits of the £2,000 prescribed by the Act under which it operates. To enable the guarantees demanded by merchants to be given, it was necessary to make use of the provisions of the Industries Assistance Act.

There is no provision in the Agricultural Bank statutes, nor is it the policy of the Trustees, to grant loans for sustenance purposes. Such advances are made from funds raised under the Finance and Development

Act. This measure enables the Trustees to exercise the powers contained in the Industries Assistance Act, under which, monies advanced become automatically a charge upon the crops, chattels and land of the borrower. Both the Industries Assistance Act and the Agricultural Bank Act are administered by the one department, and the effect of using the machinery of the Agricultural Bank Act would be to hamper operations and increase the work of the department. At the same time, it would put the borrower to the added expense of registering securities which, under the Industries Assistance Act, automatically become charges on the assets of the borrower. Hon. members can rest assured that the only times when the provisions of the Industries Assistance Act will be made use of, are when they can more effectively be employed to provide harvest credit, than is possible under the powers contained in the Bank's statutes, or to meet any emergency conditions that may arise.

At 30th June, 1934, there were 1,393 accounts in operation, including 69 accounts for the Southern Cross miners' settlement. The outstanding accounts in the ordinary section amounted to £645,896 principal and £147,149 interest, and the funded debts amounted to £909,882 principal and £201,996 interest, a total liability of £1,904,923. The advances for the year, including refunds of proceeds, amounted to £30,525; and the total collections were £38,489. I move—

That the Bill be now read a second time.

HON. C. F. BAXTER (East) [4.45]: In supporting this measure I realise that a number of members have thought each successive year that the Act would no longer be continued. But if that was the feeling right up to last year, I feel sure that those members to-day realise the necessity for maintaining this machinery, which probably will be of considerable use in the near future.

Hon. J. Cornell: The objection has been to new clients. We could not wipe out the Act.

Hon. C. F. BAXTER: Oh yes, that could be done, but the prospects for this season are such that it is coming to be seen that to keep the industry afloat this Act will be needed in many districts, irrespective of

what might happen to the Agricultural Bank Bill.

Hon. J. Cornell: It is a question where the money is to come from.

Hon. C. F. BAXTER: No, it is a question whether we are to preserve a most important industry. It has to be done some way. We have had certain promises from the Federal Government, and I hope those promises will be fulfilled. In the past, the Act has been the salvation of a large portion of the good farming land in Western Australia. Another point is that, had the position been different during the last five or six years, I think the Act which the Bill seeks to continue would have been a thing of the past, in which event we should now have been faced with the necessity for re-introducing legislation to meet the unfortunate position which, I fear, is close to our door. I hope those members who have thought it would be wise if the Act were abolished or allowed to expire by effluxion of time, will take the view that the machinery represented in that Act will be very necessary in the near future. In any case, it is very safe indeed to continue the Act for another year. I will support the second reading.

On motion by **Hon. V. Hamersley**, debate adjourned.

BILL—TIMBER WORKERS.

Second Reading.

Debate resumed from the previous day.

HON. C. F. BAXTER (East) [4.50]: Whilst the Bill is only a short one, it is a very important and far-reaching measure. It appears to me to be the commencing point of extending its so-called advantages to other industries in addition to those referred to in the Bill. Whilst I cannot support the Bill, I feel there is necessity to give relief in various directions, but I fail to see how the Bill can be so amended as to afford that relief. We often hear references to the spirit of democracy; in Australia there always has been a great deal of talk of democracy. But what has happened to democracy as the result of legislation? During the last 30 years, it has almost been annihilated. Forty years ago Australians founded a small body of what might be

termed true democrats, and over a period of years advances were made along the true line of democracy. That democracy was of great benefit generally to the people and to the country. But a change came about; the democrats of that day were gradually displaced by other persons who sought selfish advantage. The high ideals of democracy, so beneficial to the country and to the people, were neglected, and gradually but surely the sound system of advancement was disturbed to give privileges to those employed in industry, irrespective of the results; which in many instances have destroyed industry and in others have so influenced it that instead of such concerns flourishing to the betterment of the nation, they simply dragged along under a severe handicap which prevented their expansion, and so were of no benefit to those employed in them. I will always advocate paying reasonably good wages, realising that that is the true foundation of any country. We have all been taught a very severe lesson, namely that even in a crisis we cannot recover by cutting down wages below what is a reasonable living figure. Another thing is that, of course, we want our workmen to be placed in comfortable conditions. But there have been forced on many of our industries, conditions which the parties concerned did not want. Australia has been referred to by many visitors as a working man's paradise. But such references, like other references to our wonderful democracy, are merely high-sounding phrases connoting something which exists only in imagination. How can there be a working man's paradise or a democracy when our workers have no freedom?

Hon. J. Cornell: You ought to have been in Norseman the other day, when the beer strike was declared off.

Hon. C. F. BAXTER: That was a social matter. Under our conditions, can any person work longer hours to earn a little more money? Can he accept work in most of our industries on the basis of payment by results? In respect of that, is there any encouragement offered our artisans and workmen to improve their work, or to speed-up their output? The position has gradually developed into this: that the good artisan of the past who received payment for results, as shown in his output and the quality of his work, has been brought down

to the basis of the mediocre and indolent workman. Therefore the proficient man, the man of energy who has studied his work, has now to carry the idle, mediocre man who does not trouble to turn out a fair day's work or to keep up the quality of that work. This Bill tends in that direction, because the essence of the Bill does away with the freedom I spoke of, and prevents those who desire to work longer hours from adding to their income by that means. The sleeper-award since 1919, notwithstanding which hewers have had freedom from the Higgins employers and employees have ever since then observed that award. That being so, how much more is now wanted? Another thing: on at least two occasions demands were made to have the award brought in again, but that was refused on each occasion, refused on the score that the earnings in that industry were substantial and there was no necessity to interfere with them. Even under the Federal award, the sleeper-hewer was regarded as a worker who was free to work as long or as little as he liked, and no attempt was made to regulate his working conditions. The Bill tends to increase the burden of industry, and to such an extent that, to my knowledge, it will mean practically the death-knell of the export of timber. It does not take very much influence to stop the sale of timber abroad, except the special timber that is sent to South Africa. After all, export is the most important phase of our commercial life, because that is where our revenue comes from to keep the country going. The aim of legislation should be to decrease the burden on industry; I do not mean by cutting wages, because I stand for good wages. Again, the present Bill, if it becomes an Act, will have to be administered by the employers, and that will involve additional expense because it will mean the employment of an increased staff. All for what purpose? The employers must try to control the work and that is almost an impossibility because of its scattered nature. The effect will be to reduce employment in the timber industry. I agree that there is a necessity for a measure of some kind, but I cannot see that what is desired, will be attained in the manner proposed. Summing up the position, the House should realise the far-reaching effects of the Bill. It will deal with the contract system right

through and will make it dangerous to enter into contracts at all.

Hon. J. Cornell: Piece work.

Hon. C. F. BAXTER: It is the same thing. Whilst I am prepared to support the granting of any relief that may be necessary, I cannot see my way to support the Bill for the reason that it will not meet the difficulties that the sponsor wishes to overcome. I hope the House will reject the measure on the second reading and that a Bill will be brought in to give relief without imposing the obstacles that will have to be faced if the Bill before us is allowed to go through.

HON. J. CORNELL (South) [5.3]: I hope that in considering the Bill the House will display some breadth of vision and take the long view with regard to what it is desired to accomplish. Listening to Mr. Baxter one comes to the conclusion that his remarks are in keeping with the times; he is the antithesis of the section of the community who advocate direct action; though his direct action would be in another direction. Mr. Baxter declares that if the Bill be passed it will affect the employers in this particular industry, while another section of the community assert that we should cut out arbitration and allow the workers to resort to direct action for the reason that the existing system of arbitration is harmful to industry. These are the two lines of thought in our community. The object of the Bill is solely to deal with the timber hewing industry. For many years the object sought to be attained by the Bill was actually in operation, that is to say, the timber workers of this State when they were under the aegis of the Commonwealth Arbitration Act, had all the protection that they are now seeking to obtain by this Bill. As the result of their breaking away from the Federated Union of Timber Workers, and cancelling their registration under the Federal Arbitration Act and coming back to the State Act, they approached the Full Court and it was ruled that the timber workers could not be brought within the jurisdiction of the Arbitration Act of the State. For some years prior to the timber workers of this State registering under the Commonwealth Arbitration Act, they had been given the relief they had sought under our own Act. I am convinced that the people of Australia have pinned their faith to com-

pulsory arbitration for the settlement of industrial disputes throughout Australia. We want no better illustration of that than the defeat of the Bruce Government by the Scullin Government when the former declared that it was their intention to do away with the Commonwealth Arbitration Act.

Hon. J. Nicholson: They were going to leave arbitration to the States.

Hon. J. CORNELL: The fact remains that the people of Australia were so wedded to the system of arbitration that they resented the intended interference by the Bruce Government. That was solely responsible for the defeat of the Bruce Government.

Hon. G. W. Miles: Nothing of the sort!

Hon. J. CORNELL: The people of Australia considered that something was going to be taken from them and the party that had put forward the proposal suffered an overwhelming defeat. The same thing happened when the Labour Party proposed that something that had been given to the people should be taken away. That party also suffered defeat. I predicted what would happen and my prophecies came true. The people of Australia are wedded to arbitration. What should the Legislature do when it finds that a section of the workers have not access to the Arbitration Court? Should the Legislature stand in the way or should it assist the workers to get to the court? If workers are denied the right of approaching the court, their only alternative is direct action. We had an instance of threatened direct action on the eastern goldfields only last week, when a section of the community, holding a key industry, took it into their heads to follow a line of action which would have had a serious effect throughout the length and breadth of the State and which might have resulted in the mining industry closing down. As we all know, a stop-work meeting was held and as far as my memory serves me that was the first stop-work meeting of Golden Mile employees ever held in the State. Fortunately, the workers emphatically declared in favour of compulsory arbitration, with the result that the threatened serious trouble was averted. All that the Bill is asking for is that that section of the community which is denied arbitration shall be given the means of approaching the court. Hon. members may argue that the industry is so intricate that probably the Arbitration Court will not be able to deal with it. But that is all my eye and Betty

Martin. I am satisfied that the Arbitration Court would give every consideration to the claims of these men if they were given access to it. I can carry my memory back to the shearing days when all sorts of conceivable objections were raised against the shed workers and shed hands approaching the Arbitration Court. Since that time, when wages and conditions were fixed by the court, I do not know of any pastoralist who is not prepared to admit that that tribunal is the safest way of dealing with the position as far as working conditions are concerned. I support the Bill and hope that the House will, as I said at the outset, take a long view of a question such as this, and will never at any time impede progress or prevent employees from having access to the court.

On motion by Hon. W. J. Mann, debate adjourned.

ASSENT TO BILLS.

Message from the Lieut.-Governor received and read notifying assent to the following Bills:—

- 1, Forests Act Amendment.
- 2, Soldier Land Settlement.

House adjourned at 5.25 p.m.

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BILLS (5)—FIRST READING.

- 1, Financial Emergency Tax Assessment Act Amendment.
- 2, Financial Emergency Tax.
- 3, Financial Emergency Act Amendment.
- 4, Constitution Acts Amendment Act, 1931, Amendment.

Introduced by the Acting Premier.

- 5, Hairdressers and Retail Tobacconists' Licensing.

Introduced by Mr. Needham.

LEAVE OF ABSENCE.

On motion by Mr. Wilson, leave of absence for the remainder of the session granted to the Premier (Hon. P. Collier) on the ground of ill-health.

BILL—GOLD MINING PROFITS TAX ASSESSMENT.

Second Reading.

THE ACTING PREMIER (Hon. A. McCallum—South Fremantle) [4.36] in moving the second reading said: This is the first of two Bills to deal with the imposition of a tax on profits derived from the gold mining industry by companies operating in Western Australia. The legislation will apply only to companies and not to individuals or syndicates. The Bill I am now dealing with is the assessment measure; the second Bill will impose the rate of tax. I want to emphasise the fact that the tax proposed will be on net profits and not, as in some other parts of the world, on gold produced. If no profits are made, there will be no tax. We are not the first Government to ask the gold-mining industry to contribute something towards the finances of the State in view of the exceptional circumstances existing throughout the world. It is strange to note that when the economic position of the State was far more sound and we were more prosperous than at the moment, the gold mining industry was under a cloud. On the other hand, since the State has suffered from effects of the economic depression and has been faced with grave financial difficulties, the gold mining industry has been booming. It is many years ago, if, indeed, ever before, that there was such a bright outlook

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