

Clause 5: First Schedule amended—

Mr. BURT: As I stated during the second reading debate, I wish to amend clause 5 of the Bill which deals with the first schedule of the Act. The amendment in clause 5 provides for a widow of a fatally injured worker who had been in receipt of weekly payments for not less than six months at the time of his death.

The clause makes provision for the widow to be eligible for lump-sum payments if the worker was entitled to weekly payments, but did not in fact receive any at the time of his death, if his death was due to outside causes and not to his employment. I wish to amend clause 5 to enable the widow of a worker to receive compensation, if that worker was suffering from silicosis and he died or was killed because of reasons outside his employment. I move an amendment—

Page 3, lines 1 to 4—Delete paragraph (b) and substitute the following:—

(b) as to paragraph (b) of clause 1, by inserting after the word, "of", in line two, and, again, after the word, "receiving", in line four of the proviso, the passage, "or was entitled to receive", in each case; .

Mr. O'NEIL: I have no objection to the amendment, because it clarifies the situation, and carries out the intention of the Bill.

Amendment put and passed.

Mr. WILLIAMS: This provision deals with medical and hospital benefits. The reason for my amendment is that it is not necessarily the number of people who are affected, but it is the way they are affected. The number who could be affected by claiming their maximum, which under this Bill would be \$1,500, would be .28 per cent. The case I quoted was one of skin grafting because of burns. There are other cases treated which would receive the full amount of hospital and medical benefits. Some of these cases relate to skin grafting, bone grafting, compound fractures, and other serious injuries which could lead to complications. I move an amendment—

Page 4, line 10—Insert after the word "dollars" the passage, "unless the Board finds that, in the particular circumstances of the case, that amount is inadequate."

Mr. O'NEIL: I thank the honourable member for the research he did into this aspect. He indicated that some 279 per cent. of workers' compensation cases would fall into the category where hospital and medical amounts would not be covered. Even with the removal of the compartments into which general and hospital expenses fell this figure would be reduced further, and it is not unreasonable for the Workers' Compensation Board, if it thinks fit, to increase the amount of pay-

ments to injured workers who find the amount allocated inadequate. I agree with the amendment.

Amendment put and passed.

Mr. O'NEIL: I move an amendment—

Page 5, line 2—Insert after the word "hundred" the words, "and fifty."

The current amount that may be expended on such appliances is \$134.90 and not \$100 as shown in the Act and in the Bill. To overcome this anomaly I propose to add the words "and fifty."

Amendment put and passed.

Clause, as amended, put and passed.

Clause 6 put and passed.

Title put and passed.

Bill reported with amendments.

House adjourned at 11.24 p.m.

Legislative Council

Tuesday, the 8th November, 1966

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

BILLS (2): ASSENT

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

1. Public Works Act Amendment Bill.
2. Fire Brigades Act Amendment Bill.

QUESTIONS (3): ON NOTICE**TRAFFIC OFFENCES***Number from July to September*

1. The Hon. C. E. GRIFFITHS asked the Minister for Justice:

(1) Will the Minister advise the total number of briefs issued by members of the traffic patrol for each of the months July, August, and September, 1966, for the following offences:—

- (a) failure to give way to the right;
- (b) speeding; and
- (c) failure to stop at "Stop" signs?

(2) How many of the briefs issued in each category were followed by court action?

The Hon. A. F. GRIFFITH replied:

	(a)	(b)	(c)
(1) July	43	637	190
August	43	787	161
September	34	891	127
(2) July	27	472	115
August	30	608	106
September	26	706	92

MINERAL CLAIMS*Limestone in Metropolitan Shire Districts*

2. The Hon. R. THOMPSON asked the Minister for Mines:

(1) Is the Minister aware that—

(a) Mineral claims 1074H, 1075H, 1076H, 1077H, 1078H and 1079H were applied for by Ready Mixed Concrete (W.A.) Pty. Ltd. on the 23rd June, 1965;

(b) a reserved decision was given by Warden M. Harwood on the 19th November, 1965, recommending to the Minister that, with provisos, all but one be granted;

(c) such claims were opposed in the Warden's Court by the owners; and

(d) the owners of the land have remained, during that time, in a state of disadvantage and uncertainty?

(2) Has the recommendation of the warden been dealt with by the Minister?

(3) Does the Minister know that since the date of the warden's recommendation, mineral claims for limestone have been lodged all over the Shire of Cockburn?

(4) Did the Minister for Town Planning receive, on the 1st February, 1966, correspondence from the Cockburn Shire Council requesting clarification of the Mining Act in its relation to the Metropolitan

Region Town Planning Scheme Act, as the Cockburn Shire states that it has been unable to receive an answer to its correspondence?

- (5) As he, and the Minister for Town Planning, must be aware that ratepayers of Cockburn are suffering hardship, expense, and inconvenience until a final determination is made regarding the administration of the two Acts, could he please inform the House—

(a) have the Ministers agreed on procedure;

(b) will there be adequate protection for the owners;

(c) will the regional scheme be protected against wholesale mining to the detriment of planning; and

(d) will local authorities be left in a position to enforce quarrying by-laws for contour development in conjunction with permission to develop under the Metropolitan Region Town Planning Scheme Act?

The Hon. A. F. GRIFFITH replied:

(1) (a) Yes.

(b) Yes.

(c) Objections to some but not all were lodged by some owners.

(d) No.

(2) Yes.

(3) Six mineral claims—a mineral claim is 300 acres—for limestone have been applied for in the Shire of Cockburn but this can hardly be considered to be all over the shire.

(4) Yes; but the honourable member appears to be unaware that consultations on the matter have taken place between officers of the Mines Department, the Town Planning Department, and the Shire of Cockburn.

(5) (a) Procedure is laid down in the appropriate Acts.

(b) Yes.

(c) Minerals occur generally in relatively small areas, hence wholesale mining is not likely to occur.

(d) Mining tenements granted subject to such conditions as are considered necessary after consultation with the appropriate authorities, and to the Mines Regulation Act in respect to mining practices. Also, permission to mine on private property is subject to license by the local authority concerned.

IRON ORE

*Dampier and Port Hedland:
Shipments and Royalties*

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

- (1) What is the total tonnage of iron ore shipped up to the end of October from—
 - (a) Dampier; and
 - (b) Port Hedland?
- (2) What is the amount of royalty due to the State from each of these totals?
- (3) What amounts of royalty per annum are expected to be returned from each of the ports mentioned?

The Hon. A. F. GRIFFITH replied:

- (1) (a) 204,800 tons.
(b) 521,165 tons.
- (2) Royalty is payable at the rate of $7\frac{1}{2}$ per cent. F.O.B. revenue on direct shipping ore and $3\frac{1}{2}$ per cent. F.O.B. revenue on fine ore with the proviso that minimum rates are 60c and 30c, respectively, per ton, and such royalty is assessed on returns lodged at quarterly intervals based on invoices rendered by their operator to purchaser, when respective percentages of lump and fine ore are stated. Returns for October-December are not due until the middle of January next. Calculated on the quarterly return for quarter ended the 30th September, 1966, royalty from Mt. Goldsworthy ore exported through Port Hedland to the end of October is estimated at \$244,000. No return in connection with exports from Dampier have been lodged.
- (3) The estimated royalty for the financial year 1966-67 is as follows:—

Dampier—\$930,000.

Port Hedland—\$1,140,000.

AERIAL SPRAYING CONTROL BILL

Second Reading

THE HON. G. C. MacKINNON (Lower West—Minister for Health) [4.41 p.m.]: I move—

That the Bill be now read a second time.

The need to legislate for aerial spraying control is no doubt apparent to most persons in the community for one reason or another and, more particularly, I suggest, to members of Parliament representing rural areas. There has been a rapid expansion in the post-war development of agricultural aviation throughout Australia. Last year, for instance, approximately 16,000,000 acres of agricultural land throughout the continent were top-dressed or sprayed by aircraft. It has been esti-

mated that more than 20,000,000 acres will be fertilized and sprayed from the air by 1970. In our own State, no fewer than 1,000,000 acres were sprayed with herbicides from the air, 210,000 acres with insecticides, and 700,000 acres of agricultural land were top-dressed with fertilizers from aircraft. No doubt, with improved equipment and better techniques and efficiency, considerable expansion of aerial spraying and fertilizing at reducing costs can be expected over a period of many years ahead.

Unfortunately, the development of agricultural aviation has been accompanied, in some instances, by damage to susceptible crops and livestock receiving the drift of sprays. To date the main cause of damage has been weedicide sprays. Other agricultural chemicals, such as insecticides and fertilizers, also could cause loss to crops or livestock.

As a consequence of an increasing incidence of damage, many primary producer organizations throughout Australia have requested legislation to control the distribution of agricultural chemicals from the air and it is believed that many interested organisations strongly support legislative action for the control of aerial spraying operations.

Reports of committees set up here, in Queensland, and in other States have been considered by the Standing Committee on Agriculture and the Australian Agricultural Council; and, as a result, it is submitted that most of the problems associated with the aerial application of weedicides and other chemicals could be overcome through legislation covering three main headings. Firstly, improvements in the flying ability of pilots engaged in aerial agriculture; secondly, a statutory requirement that such pilots should have a basic knowledge of the proper use of the agricultural chemicals used for such purposes and the hazards associated with them; and thirdly the control of spraying in or near areas having a concentration of susceptible crops or livestock.

With respect to items one and two, the Department of Civil Aviation is now issuing to pilots wishing to engage in the aerial agricultural industry, a comprehensive flying manual and additional operational handbooks, and is requiring them to obtain a special license. A manual or agricultural chemicals prepared as a co-operative undertaking by the State Departments of Agriculture and the Commonwealth Department of Primary Industry is also on issue. Further, the Australian Agricultural Council agreed that the regulations for training pilots in the use of these materials and the legislation for control should be uniform throughout Australia.

The Standing Committee on Agriculture accordingly arranged for the preparation of a draft Bill which could be used as a basis for legislation in the individual

States. This Bill was drafted by the Chief Parliamentary Draftsman in Western Australia in consultation with officers of the Department of Agriculture. Upon review by the Committee of Attorneys-General, the draft was endorsed by the Australian Agricultural Council and referred to the States for individual action.

The Bill now before the House follows closely the provisions of the draft uniform Bill. These proposals have been made known to aerial agricultural associations, primary producer organisations, and other interested bodies. Their comment was invited and the Bill has received the general agreement of all those vitally concerned in control measures.

I shall now deal briefly with the important operational clauses as they occur. Clause 6 prohibits aerial spraying unless the pilot in command of an aircraft is the holder of the required certificate. Provision for the application for and the issue of the certificates to pilots is contained in clause 7. In addition to holding a pilot's license with an agricultural rating—that is, a special knowledge of flying under the conditions of aerial agriculture—pilots wishing to use agricultural chemicals will be required to obtain a certificate from the Director of Agriculture. The certificate will be issued after the pilot has passed an examination based on the *Chemical Rating Manual*. This manual has, as I have already indicated, been prepared specifically for commercial, agricultural pilots to provide basic information of the nature, usefulness, and limitations of the chemicals employed in aerial agriculture, their effects on plants and animals, and the conditions under which they should and should not be used. A certificate issued in any other State would be valid in Western Australia, for it is not uncommon for planes and pilots to move as between States.

Under the provisions of clause 8, a person whose application for a certificate or renewal has been refused, varied, suspended, or cancelled by the director, may appeal to a stipendiary magistrate in the Court of Petty Sessions.

In the next clause there is provision for the Minister to declare a hazardous area within which all aerial agriculture may be prohibited. The declaration may contain a restriction on certain classes of materials and a limitation on the times of their application. Districts likely to be proclaimed are those containing concentrations of highly susceptible crops, such as vine growing, deciduous fruit, and vegetable-growing areas.

There is a provision in clause 10 for the lodging of security by the owner of any aerial-spraying aircraft against damage arising out of aerial spraying. The owners are required to lodge a security of not less than \$30,000 in order to protect persons who may suffer any material loss or damage as a result of the application of sprays by their aircraft.

These clauses cover provisions requiring owners to maintain detailed records of all operations for a period of two years after the spraying is carried out. These records are to be made available to the director on demand. This refers to clauses 12 and 13.

The director or his officer is authorised under clause 14, in the event of damage to crops, trees, pastures, or other growth, or animal life being reported to the director, to enter on the land and make an inspection to ascertain the extent of the damage and also to ascertain possible sources of spray drift. Where a person alleges damage from aerial spraying or spray drift, he will be required to notify the director in writing within 14 days of observing the damage and before crops are harvested or picked or before plants or animals affected are destroyed. An authorised officer will then make an inspection and submit a report and, together with the owner's records, this may be used in any action for damages.

In clause 15 there is provision that should a person fail to notify the director of the damage, court action can only be taken under special circumstances. The Governor, under the provisions of clause 19, may make regulations for the effectual carrying out of the provisions of the Act.

It will be appreciated, therefore, that the principal objectives of this Bill are to provide greater protection for crops and livestock from aerial spraying operations—particularly with herbicides—and to ensure that operators are in a position to meet claims if responsible for damage.

The Bill seeks to establish control of aerial spraying so that agricultural chemicals do not fall accidentally on land outside the area to be sprayed with detrimental effect on crops. There are also requirements for the compulsory insurance of sprayers to ensure their ability to compensate for any accidental damage they may cause by drift of spray to crops other than those of the person whose land is being sprayed.

It is hoped that, with the putting into operation of the control measures contained in this Bill, and the requirements for the examination of and the issue of certificates to pilots, there will be fewer cases of damage caused by aerial spraying operations in the future.

The Bill will, I am sure, be welcomed by people in those vine-growing, fruit-growing and vegetable-growing areas where they are aware of the tremendous damage that aerial spraying can do to crops. I am advised that Victoria has already introduced this uniform legislation and that the Commonwealth is desirous of legislating during the current session. Similar legislation will be introduced by other States, we believe, without delay.

Members will be interested to know that, in response to representations made

by the W.A. Aerial Agricultural Operators' Association, the Minister for Agriculture introduced some small amendments in another place. Clause 10 was amended to enable security and an insurance policy lodged in another State to be accepted in this State providing the director approves.

Clauses 12 and 13 were amended for the purpose of placing the onus on the owner of an aircraft to keep records. Originally, the Bill provided that this responsibility be placed on the pilot. It was considered, however, a more satisfactory arrangement to place the onus on the owner for the reason that pilots may depart from the State immediately after a spraying job, so making location of records difficult.

Debate adjourned, on motion by The Hon. J. Dolan.

FINANCIAL AGREEMENT (AMENDMENT) BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [4.53 p.m.]: I move—

That the Bill be now read a second time.

This measure has been drawn up with a view to ratifying an agreement entered into between the Commonwealth and State Governments to amend the Financial Agreement to accommodate the new currency.

The Financial Agreement made in 1927 provides for Commonwealth contributions towards interest and sinking fund payments in respect of the public debts of the States, as standing at the end of the financial year 1926-27, as well as towards States' sinking funds payments in respect of debts since incurred.

Many references in the Financial Agreement, which are now in terms of pounds, shillings, and pence, are affected. To enable effect to be given to the required amendments, an agreement was signed by the Prime Minister and the Premier of each State prior to the decimal currency changeover day—the 14th February last. This agreement is contained as a schedule to this Bill.

The Federal Parliament has already ratified the agreement and now the States, in turn, are taking similar legislative action along the same lines. This formal bill is commended to members.

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

ORD RIVER SCHEME

Condemnation of Federal Government for Refusing Financial Help: Motion

Debate resumed, from the 3rd November, on the following motion by The Hon. H. C. Strickland:—

That in the opinion of this House the Federal Government deserves to

be condemned strongly for its recent refusal to grant financial help to the State of Western Australia to enable the vitally important Ord River irrigation scheme to be completed.

To which The Hon. A. F. Griffith (Minister for Mines) had moved the following amendment:—

Delete all words after the word "That" in line 1 with a view to substituting the following words:—

this House expresses its concern at the decision of the Commonwealth Government to defer further a determination on financial assistance to the Ord River irrigation project, which is of great national significance and a key project in the northern development programme of Australia.

The reasons for the concern of this House are:—

- (1) Research and farming experience has proceeded to a point where there is adequate proof of the economic viability of the project.
- (2) The conservation and economic use of water in the north is an important and urgent national responsibility in view of the overall need to anticipate the time—which time is not far distant—when the known potential water supplies of the more southerly parts of the continent and particularly in the south-east of the continent, will need to be carefully conserved and controlled to keep up with population and industrial growth and at the same time enable Australia to continue to make an increasing contribution to the world's need for food and fibre.
- (3) The project is economically viable on cotton but at no stage has it been the intention to base the project only on a monoculture. Other cash crops are practicable to give diversity and in any case the original concept—which is still valid—included benefits to the cattle industry as well as production of cash crops.
- (4) In the interests of the State, the farmers and their families and all others associated with the project, it is not desirable to allow the present uncertainty to exist. A firm decision should have been made to proceed even if the Commonwealth made it a condition to delay commencement of the work for a year because of other commitments.

- (5) The advance made in the Western Australian economy and finances through increased royalties and other revenue is such that the reduced demand on the Commonwealth through the special grant would in effect only mean a transfer of funds to the Ord project rather than an additional demand on Commonwealth resources.

And further,

This House requests the Commonwealth Government to supply the Western Australian Government with full reasons for deferring further a determination on financial assistance.

THE HON. H. C. STRICKLAND (North)
[4.55 p.m.]: I raise no objection to the amendment submitted by the Government to my original motion. It is noticed, of course, that the proposal strongly to condemn the Federal Government will be deleted and a new set of proposals substituted—with which I have no disagreement.

I am very interested in proposal (5), in which the Government suggests that the Commonwealth should take particular notice of the increased revenue which will be obtained from royalties from iron ore and the general expansion of the State. Those royalties will relieve the Commonwealth, to a great extent—to a substantial extent—in regard to the special grant which is required to be paid each year to this claimant State. The Government suggests that the Commonwealth should take notice of that, and points out that it is just a matter of transferring the special grant—or portion of it—to the works of the Ord River project. That is a very good point, and one which is surely fair and reasonable.

I pointed out, when introducing my motion, that even the sum of £5,000,000 which the Commonwealth has already granted in relation to the diversion dam and ancillary works, and the Wyndham Jetty, is producing revenue. The Commonwealth does not provide a grant of that nature without getting some return. I pointed out previously that everybody working in the area pays income tax.

It is rather interesting to look through the production from the Ord irrigation scheme since cotton was planted. I understand from the estimates the expected harvest for this year will be 13,000 to 14,000 bales. When one takes into consideration that a bale of cotton is valued somewhere between £90 and £100, that is some effort and quite some revenue. One realises this particularly when one compares that with the production of wool in the West Kimberley. The production of wool is now less than 3,000 bales per year. At one time it was around 5,000 bales per year, but for some reason, or for some

cause which has not been arrested, there has been a steady decline in the production of wool. This is despite the fact that some new sheep stations have been opened. Some of them are small, admittedly, but more properties are running sheep than was the case 30 to 40 years ago. However, the number of bales produced has decreased.

There have been only three seasons since cotton was first planted, and an enormous quantity is being produced from 30 farms. On top of that an export market has been found for the cotton seed. When I was in Wyndham recently there was a mountain of cotton seed awaiting shipment. Since then a ship has picked up the seed and I understand the shipment exceeded 5,000 tons. The whole lot of it was bought by the Japanese, so there is no waste. The production from the area, in terms of money, is spread widely, and the scheme has been responsible for bringing at least another 2,000 people to the area.

The last paragraph in the amendment is one which surprises me to some extent. After giving the reasons for this House being concerned at the decision of the Commonwealth Government to defer further a determination in relation to the Ord project, the Government's amendment ends up by saying—

This House requests the Commonwealth Government to supply the Western Australian Government with full reasons for deferring further a determination on financial assistance.

That is rather interesting. One would have expected, after the prolonged application for assistance, and the detailed results of the nature of the work carried out, and the prospects from the Ord scheme, that the Federal Government would have supplied the State Government with a comprehensive coverage of its reasons for further delaying financial assistance for the scheme. Nobody can deny that the case presented by this Government to the Commonwealth for a grant to complete the main dam has been one of great substance. The case is one upon which some economists still dither and will not accept, but one wonders just how people like that can be satisfied. There are other economists, of course, who are quite satisfied that the scheme is one of national importance and which, up to date, has proved its worth and deserves all the credit and the merit which the State Government is asking for it to be given.

So I hope, when the amendment is carried, it will go forward as quickly as possible to Canberra in order that, perhaps, we may be able to be advised before this session ends, of the reasons for the Commonwealth's action, which we request in the amendment. I know Federal Ministers will be very busy with their election campaigns, but those who advise them will not be out on the hustings; they will be

able to sit back in their offices and advise, through the Ministers concerned, exactly why the State Government's proposition has been turned down again.

As a matter of fact, it amazes me to think that the State Government has not been given a satisfactory reason for the deferment of the scheme by the Commonwealth. Apparently that reason has not been forthcoming and, therefore, the Federal Government is treating this matter very lightly and, for some reason or other, it continues to hedge. I support the amendment.

THE HON. H. K. WATSON (Metropolitan) [5.5 p.m.]: I would have supported the motion moved by Mr. Strickland and I shall support the amendment which has been moved by the Minister. The amendment is really a jolly good speech in itself and I believe if I proceeded to elaborate on the various points which have been referred to in the amendment, I could conceivably do so in terms which some members may regard as intemperate. Therefore, having no desire to offend the susceptibilities of any member, I shall resume my seat.

THE HON. F. J. S. WISE (North) [5.6 p.m.]: It is a good thing, if possible, not to introduce party politics into national matters.

The Hon. H. K. Watson: Hear, hear!

The Hon. F. J. S. WISE: At times that is hard to avoid doing; but I think the mover of the motion (Mr. Strickland) was very generous in his approach; because, although the original motion is couched in terms almost to castigate the Commonwealth Government, he is willing that those terms be removed from his motion and that the amendment be agreed to.

I have no doubt in my own mind that politics have played a part in the decision of the Commonwealth Government, and I am prepared to leave it at that. The speeches that have been made to the motion, and to the amendment to it, dealt fully with the situation as it exists. I do not intend to delay the House for long but I wish to speak for a while, to look a little in retrospect, to look at matters as they now exist, and to look at the subject in prospect. At times it is important to allow the past to influence our thinking and be a guide to the future.

Some of the past of this industry is recorded in old documents and, for some reason or other, I have been asked by an eminent authority to undertake to put together the history of agriculture in the north of this State, and particularly the history of the Ord as I know it. I believe that soon someone must take the responsibility for dealing with the matter chronologically, setting out times and places which made possible, by certain actions and activities, the sequence of events which led

up to the present wonderful project, which the Ord appears to be. I believe those who had anything to do with this milestone in the history of the State should receive full credit for it, and I refer to such men as the engineering authorities of this era—men like Sir Russell Dumas, Mr. Parker, Mr. Munro, Mr. Hamilton who was in charge of building the diversion dam, Mr. Sheridan, and the late Mr. Leach, all of whom had so much to do with the present situation.

I would also mention Dr. Dunne, and many of his colleagues, both in the field and at the research station, who have done so much in regard to the Ord project. Mention should be made of the pioneer farmers who risked so much—they risked their all in what could have been a very chancy operation—and I refer also to those whom Mr. Willesee mentioned—the people in businesses and trades, the ordinary citizens of Kununurra, who risked everything because of the faith and belief they have that the venture will succeed.

I think it would be wrong, in any review of an historical kind, to overlook the part played by those who in the past had anything to do with this scheme, or the events which led up to its establishment. I refer to men such as engineer Geoffrey Drake-Brockman who, in 1921, was appointed by the Mitchell Government—by Sir James Mitchell himself—as Commissioner for the North-West; to engineer Eric Stoddart, and the late Tom Brennan, all of whom played an important part in the early investigations. All this information is available in several forms and in several documents. A paper delivered by engineer Drake-Brockman before the Institution of Engineers in 1927, and again in 1937—and that is a long time ago—sets out the areas that at that time he had pinpointed as irrigation prospects in the north of Australia. He specified, and mentioned particularly, the Ord, the Fitzroy, the Lennard, and other important rivers.

On the agricultural side we have the efforts in later years of Kimberley Durack whose name, I think, should be highlighted because he had such unbounded faith, doubtless an inheritance from his forebears, in what could be done.

For those who are interested in this subject I would refer them to information that is easy of access. For example, Geoffrey Drake-Brockman's book, *The Turning Wheel*, traces much of the history of the early endeavours in the Kimberleys. In our *Hansards* of 1923 and 1924, particularly, are the speeches of The Hon. J. J. Holmes and The Hon. George Miles. Those speeches were made in this Chamber and they will be found in Volume 1 of *Hansard* 1924. The speeches made by Mr. Teesdale, the then member for Roebourne, are worthy of serious consideration.

The State archives have all the files of the old North-West Department, and albums of photographs of things that hap-

pened at the time. Mr. Neville, the Secretary of the North-West Department, and of the Native Affairs Department, collected a great deal of information. I know, for example, of some photographs in the archives of bales of cotton awaiting shipment on a wharf at Fremantle. The photographs were taken in December, 1923. Sir James Mitchell is in one picture and, in the same picture, for some reason or other, I find myself. It may be unnecessary to say that I have many records of the early days when this matter was of great personal moment and national moment to me. There is a picture in existence which is really historical. It is of the first cotton planting machine, with which cotton was planted in the Knowsley area near Derby. The last I heard of that machine was that it was in the State Engineering Works at North Fremantle.

It is an historic relic. It is something unbelievable when compared with the methods used today. I express no ego when I emphasise this: I put that machinery together in the main street of Derby in 1923. There is in existence a picture showing a mule on one side of a pole and a draught-horse on the other side, and a fellow who can be recognised—members are looking at him now—driving this team. This is a photograph of the first cotton planting machinery used in Western Australia.

I mention that purely from an historic point of view, because that piece of machinery, if still in existence, would be a museum piece. It is a quaint contraption compared with the up-to-date planting machines now used. One could not put the seeds through the machine unless they were mixed with wet cow manure or moist heavy soil; the fibres would then stick together and run through the machine.

I clearly recall, and have records of, the first introduction of a species of pasture commonly known as Townsville lucerne into Western Australia. I know when the South African wonder grass was introduced into the Kimberleys. I know of the hundreds of species which were brought from other semi-arid countries of the world, in an endeavour to assist the pastoral industry of Western Australia at that time. I know of the first planting of sorghum in the Kimberleys; and these plantings were made at Argyle Station in the spring of 1929. All of those things left their mark, and it is true they are relics of the past. But they were the beginnings—together with the ideas of the engineers—of the germ which, kept constantly nurtured, developed the industry to the important part it plays today.

The introduction of Buffel grass from India revolutionised some of the coastal areas in the north. This was brought in accidentally from India in the packs of

camels. Those things have an important place in the history of our north-west. It is hoped that this history will be traced quite frankly and fairly before very long.

With regard to the cotton crop, I agree with what has been said by the Minister and what is referred to in his amendment to the motion. It was never intended the project should be based on a monoculture, or the growing of one crop as a farming prospect. Cotton was introduced as something which had been decided on at the research station over several years. The history of the research station is, indeed, mentioned in many places. Members can very readily find when that research station started, how it started, and how by arrangement with the Commonwealth it continued to function.

In regard to the brochures which have been printed by the present Government in respect of the Ord irrigation project, I have one in my hand which clearly sets out—and I think sets out fairly—what may be done and what may be expected as cotton yields in the Kimberleys. For example, for the operations of the first farms the anticipation in April, 1963, for yields of cotton was 1,750 lb. of seed cotton per acre. Members have had ocular demonstration of how this figure has been almost doubled during this year. Many members of this House have seen for themselves, and have been given proof of what has been achieved at Kununurra.

Mr. President, you were one of three members of this Chamber who were present at the official opening of the first stage of the Ord project by the previous Prime Minister, the Right Hon. Sir Robert Menzies; and you heard his words in one of his very bright and one of his good speeches—and there were many—when he mentioned this was a most exciting happening, the advent of the Ord development.

There was no doubt in my mind, or in the minds of many people who listened to that speech, that the ex-Prime Minister really believed that the Ord had arrived; that it was a project worthy of Commonwealth assistance in every way; and that he was prepared to go along with the engineers in damming the Ord. I think that successive Commonwealth Governments have damned it in a different way since that time! They at least have damned it with feint praise.

It may be interesting to some members to know that on the occasion of the opening of the first section of the dam by the ex-Prime Minister a medal was struck. I have one of them in my hand, and this is the wording which appears on one side, "To Commemorate the Opening of the First Stage of the Ord Irrigation Project by the Prime Minister of Australia, The Rt. Hon. Sir Robert Menzies." On the reverse side appears an illustration of the diversion dam. That is also part of the history of the Ord development—the striking of this medal.

At that time not only were hopes very high, but a continuation of the whole project—the construction of the major dam—was expected to follow as a natural sequence of events. But that was not to be. I think it is important to stress that matters of this kind, such as the damming of major water systems, are of national importance. All the folk of Western Australia—who, because of their faith and loyalty, expressed anxiety at the non-continuation for the time being of the Ord project—must realise that the construction of capital works of the kind demanded by the Ord should not be within the State's compass, but should be matters of national moment. Western Australia should not be expected to regard this capital work as an investment to return a payable interest rate. That is a cost which Australia as a whole should share.

How difficult would it be to extend the Bradfield scheme, for example, to turn the waters of the main water system of western Queensland to finish up at Lake Eyre, instead of running into the Pacific Ocean? How impossible and difficult would that be for Queensland? No more than the Snowy River scheme would be a matter within the capacity of State finances. The well-being of the whole of Australia is involved in national undertakings of this kind. It would mean the saving of a very small percentage of Commonwealth revenues to finance easily what is required in the development of northern Australia. With the magnitude of the Commonwealth Budget as it is at present, a saving of less than 1 per cent. in the expenditure of Commonwealth departments will raise sufficient money to finance not only schemes of this magnitude, but also all the requirements of development across the north of Australia.

The Commonwealth Government has found it far too easy to accept the advice of the opponents of the Ord River project. It has found it very easy to agree with its advisers; but I would suggest that a stand-pat attitude on a project so well developed, and so soundly based and commenced, is not a national attitude. I agree that the views of the economists should be respected, but they should not be the last word on the Government's decision, otherwise there would be no progress anywhere.

I wonder where Victoria would be had it not been for the protection of all her industries in the developmental period, when uneconomic industries were paid for by Australia? Where would the prosperous towns in north Queensland, from Nambour to Cairns be, without the buttressing, according to the economists, by levies and by contributions from all Australians? Australia has paid for the Queensland sugar industry without noticing the imposition. No-one has felt the burden which has brought about the development—almost entirely from the sugar industry—of some

wonderful towns on the Queensland coast. On the basis of pure economics they certainly would not have been developed as they are.

The question is: Where do we go from here? The existing farms on the Ord will doubtless persist, without further farms being established. There is no likelihood of any diminution for very many years in the bonuses that are paid on cotton. But the Ord River farmers have already proved what is true of all subsidies: That a subsidy is firstly and primarily a form of assistance to make the subsidy unnecessary in the years ahead; it is something to tide those in need of assistance over a period; and is something to help against an adverse market. The Ord River farmers have proved that in their case they can now—if it were necessary, but, of course, it could not be put into effect as the other States have a subsidy—farm profitably without a subsidy.

In conjunction with the pastoral industry the project must proceed and we must make every endeavour to tie the pastoral industry in with the farms as they are established at present. Some members are aware that in the years which intervened before my re-entry into the Western Australian Parliament in 1956, I had the privilege of visiting many countries abroad which have a homo-clime, or a comparable climate to that of the Northern Territory, and the north-west of Western Australia.

It was also my privilege to visit Mexico, 11 of the States of America, the Sudan, South West Africa, and the Transvaal. These places are all examples of what can be done with certain species of grasses and these grasses could be introduced into the north of Australia. In America is an example of what can be done with cotton seed coupled with a legume.

In the southern States of America, from California, through Arizona, Colorado, and across to Texas are areas where 85 per cent. of the agriculture is dependent on irrigation. The Imperial Dam in Arizona, one of the main dams on the southern part of the Colorado River is, indeed, making the desert bloom from Phoenix southwards to Tucson and down to the Mexican border, where lucerne and cotton meal are used to fatten not thousands but tens of thousands—and many tens of thousands—of stock annually on individual feeding lots. At a place called Shafter in California, where the Camp brothers have enormous areas leased for cotton growing, 40,000 tons of cotton seed are produced annually from one mill, and last year in California the tonnage of cotton seed, after the crop had been delinted was 480,000 tons. More than half of it is converted into cotton meal cake, and the other half is used for expressing oil for internal and export use.

Those hundreds of thousands of tons of cotton seed fatten stock reared in open range conditions—all types of stock which finish up in the canning works. The

Wyndham area lends itself to something of that kind, and this could occur quickly. We have, for example, the evidence of what has occurred at King Ranch where the Santa-Gertruda breed was evolved, that being the shorthorn and the Brahmin.

We have the example in the Transvaal where that remarkable breed of cattle I have mentioned in this House previously was evolved by Dr. Bousma, and this breed is the indigenous Afrikaner and the Hereford. These are cattle which two separate scientists, working on a parallel task, evolved for a difficult environment in their own country. That they have succeeded is known worldwide. I have seen these cattle and have taken many pictures of them. At nine and 10 months' old they weigh 600 to 700 lb.

I suggest that in the period between the time the present Commonwealth Government has said, "No," and some future Commonwealth Government may say, "Yes," or in the period before the State may be able to arrange some other finance, we should utilise every minute in research not merely into the engineering problems, but also to ensure that one or two bright young men in the public service review the Kimberley situation as it is, and then travel to other parts of the world where examples already exist as to what can be done in such areas.

For example, most of us know of the denudation of the original areas in north Australia. The regeneration of the original nutritious species of grasses and herbage is something we have yet to face, and there is still time to do this. In addition, we have the example of the grass farms of McGregor, in Texas, the farms in Tucson, Arizona, and the evidence of the agriculturalists at the King Ranch itself all available to assist us.

I suggest, and I think it is a practical suggestion, that we use this period of marking time before the next development can take place to intensify the work of the botanist, the agriculturalist, and all those associated with the cattle industry. We already have the Santa-Gertruda breed here, but dozens of others at the research station may be very important in the future in dovetailing the pastoral industry of the Kimberleys in with the cotton industry already commenced.

The State itself can do little more, but I am sure if we use the time that is now available to us, we will achieve much because we can follow the example others have set for us.

It is all very well for economists to say that unless something provides a cash return it is uneconomic. I would not cast a slur on those learned gentlemen and their education, but we could ask ourselves what the economist has contributed in hard cash. Engineers, economists, medical men, and so on have made wonderful contributions to humanity, but I

repeat: what has the economist actually contributed in hard cash? What can he contribute in hard cash? That is a very fallacious standard to set.

The Hon. A. F. Griffith: I am more concerned with the disservice he renders on occasions.

The Hon. F. J. S. WISE: Strangely enough, some of them are with us, and that is fortunate. I suggest we take notice of them, but not be handcuffed to them or their opinions.

In a way, I am with Mr. Watson. I regret that the amendment does not contain some of its original wording, but I support it. The amendment does not lecture or criticise anyone, but suggests the road we should successfully travel.

As an adopted Western Australian, and one who has long been associated in some way with this area, there is no project I would rather see developed in the north of Australia than the second stage of the Ord.

The Hon. R. F. Hutchison: Hear, hear!

THE HON. T. O. PERRY (Lower Central) [5.40 p.m.]: Mr. Strickland commented upon the final paragraph of the Minister's amendment. The paragraph reads—

This House requests the Commonwealth Government to supply the Western Australian Government with full reasons for deferring further a determination on financial assistance.

I have not seen printed in *The West Australian* any reasons the Federal Government has given for not making a final decision on the Ord scheme. However, the week before last I picked up a copy of *The Australian* dated the 26th October, 1966, and it contained big headlines reading "Fairbairn tells why the Ord missed." The article reads—

There was a simple and frank answer to the Government's decision to further defer the Ord River project—there were a number of areas of uncertainty and doubt, the Minister for National Development, Mr. Fairbairn, said in the House of Representatives yesterday.

He said the first of these uncertainties was the acre yield of cotton at the Ord. The yields in the first two years had been disappointing.

There had been an improvement, but the Government was still not satisfied.

Secondly, Ord River cotton would be grown as stub cotton—harvested twice in a season. Although there had been some success in this type of cropping overseas, it was yet to be proved at the Ord.

Mr. Fairbairn told Mr. R. Cleaver (Lib. Western Australia) that wheat and sorghum had been sug-

gested as additional crops, but these had not yet been grown on the irrigation area. They had been tried at the nearby Kimberley Research Station.

The Western Australian case had been based on the use of wheat and sorghum as crops to be grown after 450 acres of cotton had been planted on each farm.

But no single farm had yet been planted to 450 acres of cotton.

The Commonwealth would like to see some further trials on the benefit of the Ord to beef production in the Kimberleys.

The Commonwealth already had advanced \$28.8 million to Western Australia for the Ord. Without this the present stage could not have been reached.

If that is the answer we will get to the final paragraph of the amendment, I wonder what evidence the Federal Government requires before it will be convinced of the possibilities of the Ord; and I wonder what our reaction will be if we receive a reply like that. I ask the Minister: Will we take that as a final answer, or will we question still further?

THE HON. J. DOLAN (South-East Metropolitan) [5.44 p.m.]: I support the amendment but I assure the House my language will be most temperate, as is normally the case.

The Hon. A. F. Griffith: That is fair warning, anyway.

The Hon. J. DOLAN: Yes. I can assure members also that my comments will be very brief, following the speeches of men like Mr. Wise, Mr. Strickland, and the Minister, all of whom know the north much better than I do.

In my view, this scheme was never started entirely as an economic proposition. Originally there were other aspects besides the economic side. I feel we should at least have a certain amount of resentment that the Commonwealth has on purely economic grounds rejected our proposals for the second stage.

I was most interested to hear the President of the United States, who was here a short time ago, refer to Australians as a virile and self-confident people. I am just wondering whether the compliment was not misplaced. If it was not, we would surely be breaking our necks to meet the challenge of the north.

I pose to the House the problems of what would have happened with some of the greatest schemes that the world knows—and schemes of a similar nature to that of the Ord—if this attitude had applied. For example, I would mention Israel which is a country which does not even have the natural advantages that we have in this State. Yet, out of almost

nothing, the people of Israel have made a nation of which they can be proud. I admire the way the Americans tackled their problems in the Tennessee Valley by setting up a Tennessee Valley Authority. Out of what might be termed destruction, this authority has built up something of which America can be so proud.

Let us look at the great Snowy River scheme. If that scheme had been subjected to the same close Commonwealth scrutiny as has been given to the Ord over the last five or six months, I doubt whether it would ever have gone beyond the initial stages.

A few weeks ago I asked a couple of questions of the Minister for Mines in connection with the growing of the grain, sorghum. I did so because I know that one of the great worries of the poultry industry in Western Australia is associated with the cost of poultry feed. In Queensland, where the poultry feed is cheaper because of the sorghum grain content, that State has the highest egg production per head in the Commonwealth. Evidently there is an association between what is fed to the poultry and the results which are achieved. I had in mind in asking these questions that, when sorghum is grown in the north and used as poultry food, we would be assisting another of our great industries; that is, the poultry industry.

Mr. Wise has mentioned the cattle industry and he has given examples of what has happened in other countries where there has been supplementary feeding. I feel that this is only expressing another angle of what can be expected when the second stage of the Ord development proceeds.

The Commonwealth supported the first stage of the Ord and I would say it is an absolute necessity that the second stage be proceeded with, if for no other reason than that the first stage will continue to be a success. The first stage has reached a certain point and if the area does not receive supplementary assistance which can be expected from the building of the second dam, there is a possibility that the day will come when it will fail.

The other day I was referring to some statistics as a basis of comparison between irrigation associated with the Murray River in Victoria and irrigation associated with the Ord River scheme. The respective costs are quite staggering. It costs \$69 per acre for irrigation in the Murray Valley and, by comparison, it costs only \$7 per acre on the Ord.

I have always felt that one of the keys to development in Australia—no matter where, but particularly in the north—was an adequate water supply. We read that at the height of the Ord flow there are 10,000,000 gallons a second in the measured flow. This seems so staggering that,

even though we have seen it, we still cannot grasp what it signifies.

I would like to refer also to the words of Sir Robert Menzies. These words were said at a time when he could have been expected to use intemperate language because, at the time, a challenge had been made to the whole of the northern development. He said—

We are not at the end of something here today; we are at the beginning of something. We must go on and on, if these great areas of Australia are to grow and become effective contributions to Australian life.

The key to the success of the north is irrigation. I consider the whole scheme is a challenge. I will conclude on that note, and in doing so I consider that what I have said has been most temperately phrased. If I had had an audience of some of the Federal politicians here tonight, I would not have been answerable for some of the language which I could have used towards them. I support the amendment.

THE HON. F. R. H. LAVERY (South Metropolitan) [5.50 p.m.]: I wish to support the proposal which is before the House at the moment. I must say with all sincerity that had I not been a guest of the Minister for Industrial Development on a tour of the north-west, I could have been standing here speaking on something about which I knew very little. Whatever it cost the Government to take members of Parliament on the trip to the north-west, I consider was money well spent so far as our education is concerned, particularly when we were able to fly at low altitudes over those vast catchment areas and view with our own eyes the possibilities of all that was before us.

Having made this point, I must say I was absolutely amazed when I listened to a broadcast speech of the Federal Minister for National Development on the last sitting day of the Federal Parliament. This Minister's portfolio covers the development of the north and, as I say, I was absolutely amazed when he made a most scathing speech against the Ord. I am not going to attempt to repeat his words, because they are contained in the Federal *Hansard*. I happened to have the wireless on in my car and I heard his speech. If that is the attitude, then to those people who say, "All the way with L.B.J." I say, "All the way with W.A." and let us go ahead and do it by ourselves.

THE HON. C. R. ABBEY (West) [5.52 p.m.]: I consider that the words of the amendment to the motion very clearly set out the feelings of this House and the feelings of the people of Western Australia. In this amendment, we have attempted to be practical in our approach and, therefore, it should be accepted by the Federal Government in that light.

In his very able coverage of the matter, Mr. Frank Wise displayed, as we have observed before, a knowledge of the subject which is given to very few in Western Australia.

I have agriculture implanted in my veins and, because of this, I see a very great future for our north and, in particular, the area around the Ord. In my view as a farmer, this area should be one of the most pleasant places in which to live in this State, provided that the individual can adjust himself to the weather conditions. I have questioned people who have lived there for some years and, consequent upon the answers they have given to my questions, I have very little doubt that it is very easy to adjust. Perhaps if a person had a liking for the weather which is experienced around Albany, it would be inadvisable for him to go to the Ord.

One of the nicest towns which one could expect to find anywhere in our State has been established at Kununurra. Of course, it has a long way to go, but the people there have established themselves very well indeed. They have accepted the challenge of an area which is not easy to conquer and this is something which the Federal Government could well take into account; that is, the human problems which could be created if we did not go on with the Ord.

At this point I would like to say that, if in the immediate future years we had to go without some of the advances that we would normally expect in the south-west of our State in order to enable this State to continue with the development of the Ord River and the Kununurra district, we should accept this. After all, would this mean a great deal of sacrifice to the lower portion of our State? I consider it would not represent a great sacrifice if we had to give away some of the immediate development in the south-west in order to push forward with this long-term development in the north. This is something to which we should give some thought.

Personally, I would support any move our Government might make to press on with the Ord, with or without Commonwealth finance. I think it is imperative that the Ord should be proceeded with.

As Mr. Wise has pointed out, if one goes back over the last 43 years, and particularly over the last 20 years, surely in this time we have proved that agriculture in the Ord area is something which must progress and something which must give the people involved in it a very good living.

Personally, I am not very keen on the type of farming which is presently engaged in at the Ord. I am not one who likes to do a lot of cropping, but nevertheless I do see a great future for stock in the area. We all know the terrific number of stock which can be carried on irrigated land.

Harvey is perhaps the prime example because there it is accomplished without the great advantages of a warm and fairly temperate climate, such as is experienced in the Ord area. Surely with the wide diversification of agriculture which is possible in this part of the State, we can go forward with a great deal of confidence.

In the first few years of development at Kununurra, we saw a great many problems with insect pests and vermin. As our agriculture pushed out into the areas which were once termed marginal, in Western Australia we have seen problems associated with vermin which arose for the first few settlers. Those were very quickly overcome by the proper settling of the area. As people settle and the burden is shared by a greater number, these problems become quite easy to handle. With the insecticides which are available today, there is no doubt that any insect pest which may raise its head in the Kununurra area could be dealt with.

It is beyond my comprehension that, although they are as far away as Canberra, people in responsible positions cannot see the great future we have in this area. If I were a little younger and not involved in the jobs in which I am engaged at present, personally I would feel this was a future in which I could easily engage; because the wide open spaces and the outlook of the people there is something which appeals to me. I feel that if I were a little younger I could perhaps establish myself very successfully in this area.

I rose on this note and I conclude by saying that I hope the motion as amended will enable the Government, and Western Australia, to take a further step forward to carry out this far-sighted programme.

Amendment put and passed.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [5.59 p.m.]: I move—

That the following words be substituted for the words deleted:—

this House expresses its concern at the decision of the Commonwealth Government to defer further a determination on financial assistance to the Ord River irrigation project, which is of great national significance and a key project in the northern development programme of Australia.

The reasons for the concern of this House are:—

- (1) Research and farming experience has proceeded to a point where there is adequate proof of the economic viability of the project.
- (2) The conservation and economic use of water in the north is an important and urgent national responsibility in view of the overall need to antici-

pate the time—which time is not far distant—when the known potential water supplies of the more southerly parts of the continent and particularly in the south-east of the continent, will need to be carefully conserved and controlled to keep up with population and industrial growth and at the same time enable Australia to continue to make an increasing contribution to the world's need for food and fibre.

- (3) The project is economically viable on cotton but at no stage has it been the intention to base the project only on a monoculture. Other cash crops are practicable to give diversity and in any case the original concept—which is still valid—included benefits to the cattle industry as well as production of cash crops.
- (4) In the interests of the State, the farmers and their families and all others associated with the project, it is not desirable to allow the present uncertainty to exist. A firm decision should have been made to proceed even if the Commonwealth made it a condition to delay commencement of the work for a year because of other commitments.
- (5) The advance made in the Western Australian economy and finances through increased royalties and other revenue is such that the reduced demand on the Commonwealth through the special grant would in effect only mean a transfer of funds to the Ord project rather than an additional demand on Commonwealth resources.

And further,

This House requests the Commonwealth Government to supply the Western Australian Government with full reasons for deferring further a determination on financial assistance.

Amendment put and passed.

Question (motion as amended) put and passed.

Sitting suspended from 6.3 to 7.30 p.m.

WORKERS' COMPENSATION ACT AMENDMENT BILL

Receipt and First Reading

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

INDUSTRIAL ARBITRATION ACT AMENDMENT BILL

Second Reading

Debate resumed from the 3rd November.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [7.32 p.m.]: At the outset I would like to say that I must oppose this piece of legislation. I might also add that I am particularly disappointed that the Government has seen fit to interfere with the machinery of arbitration in this State for the second time in three years.

It did appear, after the last alteration to the constitution of the Arbitration Court of Western Australia, that we were proceeding along fairly satisfactory lines. But the Government now sees fit to introduce legislation which, in the main, seeks to dispense with further periodical increases to the basic wage in Western Australia, and to tie it to the future figure that will apply under the Commonwealth commission when that figure reaches the basic wage now applying in this State. I propose to read in brief a decision given by the Industrial Commission on the 16th November, 1965, when Chief Industrial Commissioner Schnaars at that time gave reasons for a judgment which increased the basic wage. In his judgment he begins by saying—

The commission has received from the Government Statistician figures relating to the movement in the consumer price index for the quarter ended September, 1965. Those figures indicate the following changes in the index points.

He then goes on to give them; and their relationship to the consumer price index shows the necessity for the rise. In support of this decision, and under the heading, "Legislative Intent," on page 7 of the report he states—

To appreciate the responsibilities involved in section 127, it is necessary to refer to other sections of the Act and particularly section 123 which was first included in 1925. It is this latter section that confers on the commission power to determine a basic wage in the first instance and it defines the basic wage as a wage which the commission considers just and reasonable for the average worker to whom it applies. The average male worker has been determined by a previously constituted Court in this State to be an unskilled worker with a wife and two children. That concept of the average male worker has never since been challenged, so for our present purposes the basic wage for a male must still be regarded in the light of that concept. The Act requires that the basic wage is to be an amount which is deemed sufficient to enable such average worker to live in reasonable comfort having regard to any domestic obligation to which he would be ordinarily

subject. It is this part of the wage structure which is commonly referred to as the "needs" portion of the basic wage.

It is evident that when the Act was amended in 1930 by the inclusion of the present section 127, the discretionary power was to be exercised so as to maintain the purchasing power of a basic wage which had been determined solely on a "needs" basis unless other considerations necessitated a different approach. This wage was the major component of the wage of all workers then covered by industrial regulation, whereas today quarterly adjustments are not only applied to wages but also to salaries ranging above £5,000 per annum . . .

Continuing further he says—

Certain Statutory principles which are a guide to the exercise of this discretion, are—

First—What is fair and right in relation to any matter, having regard to the interests of the persons immediately concerned and of the community as a whole (section 6 (h)).

Secondly—The Commission shall act according to equity, good conscience and the substantial merits of the case (section 69 (i)).

It must, therefore, be emphasised at this stage that there is no such thing under the State Act as automatic quarterly cost of living adjustments. The Commission's obligation is to examine the figures as supplied by the Statistician and then, in the exercise of a discretion, determine whether a variation should be made and, if so, the extent to which the index figures should be given application.

What then are the major factors to be considered in the exercise of this discretion? I consider they can best be dealt with under the following headings—

Quarterly Adjustments and Price Movements:

The question whether frequent adjustments by means of quarterly movements of relatively small amounts contribute to price increases to a greater extent than adjustments of larger amounts at annual or less frequent intervals is one on which no definite conclusion appears possible. However, it is of interest to compare price movements in W.A., where quarterly adjustments have been fairly consistent, with those of other States coming under Federal jurisdiction, where less frequent and larger wage movements have occurred . . .

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

He then gives a schedule which shows the consumer price index for September, 1950, as against September, 1945, and the increase per cent. It will be seen that Perth has increased overall by 86.5 per cent., which is the lowest of the cities mentioned. The six capital cities were shown as 96.1 per cent. average; Sydney was shown as 92.5 per cent.; Melbourne was shown at 94.8 per cent.; Brisbane was shown as 96.4 per cent.; Adelaide at 87.2 per cent., and Hobart at 99.7 per cent. The report continues—

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

I recognise that there are so many factors which contribute to price movements that the foregoing does not entitle one to arrive at a definite conclusion, but nevertheless they entitle one to doubt whether the abolition of a discretionary power in relation to quarterly adjustments, which would then be replaced by the less frequent but larger periodical movements as applied under Federal jurisdiction, would prove as beneficial to the economy as some theoreticians would assume.

There may well be some justification for the line of thought which suggests that smaller and frequent wage adjustments can be better absorbed within the technical improvements which are so closely associated with increased productivity, than the less frequent but larger wage movements which psychologically prepare the way for the least line of resistance by the application of price increases.

That is a fairly clear summation of the principle of the basic wage concept and its application in relation to quarterly adjustments. The effects of a suspension of quarterly adjustments will be much greater and more far-reaching than the Government appreciates.

There is a basic mean expenditure within the community for the weekly purchase of necessities. Whilst people on high incomes have the choice of alter-

natives, those in the basic wage group, or close to it, must of necessity make their day-to-day purchases at the best prices that are available to them. By that I mean when it comes to spending the minimum amount of money necessary to carry on a home the housewife becomes the best economist of us all.

It was interesting to see an article in the *Weekend News* of the 5th November in which certain figures were quoted. The article was headed, "Slight Rise in Price Trend." The article gave a list of everyday items of groceries and meat. The interesting feature is that the 19 items quoted together with their prices were apparently the same items that were considered one year ago.

Overall there was an upward movement in the price of these commodities to the extent that on the date of the article the 19 items were shown at \$13.12 as against a figure of \$11.75 one year ago. That may not be alarming in the concept of an income in the range of \$60 to \$70 a week, but we must bear in mind that this is only a selected group of items covering groceries and meat. No consideration is given to the increase in the price of clothing, particularly to the increase in the price of shoes, increases in dental fees, medical fees, and all the innumerable necessities required in the running of a home.

The increase that follows these price movements—even though it is as little as it was two or three weeks ago, when the increase was 24c—does not represent a great deal of money to any one individual, but if that quantum of money is spread over some 190,000 people, then we are injecting into the everyday economy of the State an amount which keeps the outtake and intake of the economy of the State at a reasonable balance.

The effects of a move such as is proposed in the Bill can be widespread and can apply to many people. I have in my hand a letter which has been sent to the Minister for Housing and Labour by the Secretary of the State School Teachers' Union of Western Australia upon this question. The letter is dated the 3rd November and reads as follows:—

On behalf of the six thousand members of this Union I wish to express, in the strongest terms, their disquiet at the action of the Government in legislating to abolish the principle of quarterly adjustments to the State basic wage. It has long been a principle of wage fixation in Australia that there should be no political interference with the arbitration system. There have, it is true, been serious departures from this principle in recent years both at the Commonwealth and State levels. It is distressing to find that the Government of Western Australia has thought it expedient to follow the unfortunate

example of other Governments and abandon a principle fundamental to the whole concept of arbitration.

It appears that the Government can find a solution to its economic and financial difficulties only at the expense of the wage and salary earners. This is the first occasion since the depression days of the early "thirties", the war years excepted, that a Western Australian Government has interfered in such a way with the jurisdiction of the arbitration authority. You will recall that the yearly adjustments to the State basic wage then operative were changed to quarterly adjustments because prices were falling. It was unpalatable to the then Government that wage and salary earners be allowed the benefit of the fall in prices for annual periods. Now when there is no depression and prices are rising this Government seeks to prevent wages from catching up with prices at quarterly intervals. The Government's often reiterated claim that it is opposed to any form of price control becomes meaningless when it legislates for this sort of wage and salary fixation.

Before the legislation is passed by the Legislative Council this Union urgently requests the Government to reconsider the whole matter.

That letter was written on behalf of a big organisation, and not one that would represent members in a small income bracket group. All of its members could be said to be in at least the middle range class and one would expect they would be inclined to shrug their shoulders at the proposed action of the Government to freeze the basic wage for a time, at any rate.

The Hon. A. F. Griffith: They would be similar to the sort of people that exist in the other States.

The Hon. W. F. WILLESEE: If they were educationalists on similar salary ranges, that would be so, and they do not take the view of the Government. They have expressed a view of their own, and I think as time goes on, the Minister will find many other unions will take a similar view. I cannot follow the reasoning of the Government in this matter with regard to its internal finances. I do not wish to dwell on the issue of the prosperity of the State versus the necessity of the Government to have money. I think it is well recognised that nearly all Governments are poor Governments. As fast as one problem is solved, another is created; and in an expanding State, money will always be needed.

We have only to witness what is being foreshadowed in another place, and the quantum of legislation that will be with us shortly seeking increments right and

left by way of taxes. Nevertheless, I believe the money involved in quarterly adjustments to the basic wage goes into circulation and is an advantage to the community and, therefore, an advantage to the Government.

One wonders just what would make the Government take this step. It would not be lightly taken; and I feel there is the hand of the Grants Commission ever present in everything that is happening.

The Hon. H. K. Watson: The Minister said that when introducing the Bill.

The Hon. W. F. WILLESEE: On the 2nd November this article appeared, I think, in the *Daily News* under the heading, "Treasury behind brake on wages"—

Treasury officials alone are behind the State Government's decision to put a brake on basic wage increases for W.A. workers.

It seems certain that W.A. employers have had no part in the move, nor do they necessarily welcome it. In fact, some are against it.

It is a decision which has been made almost solely so that the Treasury will no longer have to pay about 22,000 Government workers a State basic wage above the Federal wage for Perth.

In 1965-66, this higher W.A. basic wage added \$2,000,000 to the Government's wage bill—and the Treasury men became convinced that something had to be done quickly.

Their solution is to abolish quarterly adjustments for all 190,000 W.A. workers under State awards, 88 per cent. of whom do not work for the Government.

The decision was not made lightly. Premier-Treasurer David Brand must have known that any interference with the State basic wage would provoke the trade unions.

CRITICAL

But, by the beginning of this year, the Treasury men were describing the Government's situation as critical.

It was not the actual amount of basic wage which disturbed Under Treasurer K. J. Townsing but the fact that—by June 30—the wage had raced to \$1.85 ahead of the Federal rate.

The State basic wage was then \$32.65, the Federal rate for Perth \$30.80.

The whole thing had come to a head because the State Industrial Commission had consistently increased the State basic wage during a two-year period in which the Federal rate was static.

In late 1964, the State and Federal rates had been equal. By June this year—after half a dozen State increases ranging up to 42c—the peak

"differential" of \$1.85 had been reached.

This was not by any means typical. Since then the Federal rate has been increased by \$2 and, despite more adjustments here, the local rate is only 70c ahead.

The Government solution was this: State quarterly adjustments had caused the "trouble"—so quarterly adjustments had to go.

Having decided on this, it was logical to decide also that the State basic wage should be simply tied to the Federal wage—which is adjusted once a year at the most.

(This process of "tying" will not mean that the State basic wage will drop 70c to the existing Federal wage. The Federal wage will simply be allowed to catch up.)

The article goes on further to say—

Conform

In short, W.A. should conform.

If it chose NOT to conform, then it must bear the loss—the Commission has consistently refused to repay the State Government for any extra spending caused by the higher basic wage. Aware of all this, Mr. Brand and his advisers have chosen to conform.

To justify abolishing a privilege now enjoyed by more than 80 per cent. of W.A. workers, the State Government points out that:

- The higher rate—because it cannot be recovered—tends to cause rises in Government charges such as bus and rail fares.

- These higher charges must be paid by the 40,000 or so West Australians who are on Federal awards and so do not get the quarterly adjustments.

- The Treasury is, after all, responsible for protecting the taxpayers' money.

The unions, predictably enraged by any sort of attack on the W.A. basic wage, claim that the W.A. worker should not be set back in any circumstances.

Curiously, employers are luke-warm at best about the move. Some are known to take the view that small quarterly adjustments are easier to absorb than big annual or biennial ones.

I have here a report of the basic wage quarterly review in which reference is made to the Grants Commission by Mr. Schnaars on page 23 as follows:—

The problems associated with State finance cannot be ignored when dealing with wages generally. It is true that the basic wage is used as a measuring rod, and differences between this basic wage and the rates

applying in New South Wales and Victoria can seriously prejudice State finances. Whilst I recognise that the basic wage provides a simple and readily accessible measure, it is with the greatest respect to the Grants Commission that I suggest that the basic wage alone is not a sufficiently reliable guide in respect of the cost structure of the various social services as between this State and the "standard" States. The basic wage is only one part of the wage structure and margins are by no means the only additional factor. As I have already mentioned in dealing with interstate trade, this Commission is fully aware of its responsibilities in respect of total wage costs and does not overlook this important aspect in its overall approach to total wage costs. When adjusting the basic wage, as in this instance, the Commission is not adding amounts to the cost structure, which can be regarded as above the total wage structure of the "standard" States so far as Government expenditure is concerned. Mr. Commissioner Kelly has dealt, in his judgment, with this matter in more detail and I fully concur with his comments. I can only add, and with greatest respect, that perhaps the Grants Commission might review its previous approach to this question.

Then the Chief Industrial Commissioner (Mr. Schnaars) finished up with a summary, part No. 5 of which reads as follows:—

As indicated in the judgment, this Commission may, in the future, have to modify its approach to the manner in which conclusions of the Federal Commission on major wage issues are reflected in the wage structure in this State.

So even at that time there were forebodings that the provisions of this Bill would be before us in the future.

I often wonder how it is possible for a man, wife, and two children to live a life of a reasonable standard on the basic wage as it stands. Obviously the wife must go to work, or the husband must take an additional job of some kind. I do not think it is possible to exist at a reasonable living standard with the basic wage for a wife, husband, and two children at its present level.

Almost by the side of the headings in regard to the basic wage, the following appeared in the newspaper:—

High Pay at Cape, Say Unions

The trade unions have reached a preliminary agreement with U.S. navy authorities over wages and conditions for men working at the North-West Cape radio base.

The W.A. Trades and Labour Council was told last night that the agree-

ment represented a weekly cash wage \$37.62 higher than award wages in W.A.

If housing and other allowances in the agreement were taken into consideration, the wage was \$90.14 above the award.

T.L.C. secretary J. W. Coleman said that a three-man negotiating committee had reached preliminary agreement with the navy by collective bargaining—the first agreement of its kind with a major employer in this State.

New ground had been broken in the agreement, including a provision for two weeks sick leave and an extra week of annual leave.

Mr. Coleman said he hoped the agreement would be signed soon.

I am not threatening that there will by any means be a break away from the arbitration system, but I feel the Government makes a grievous mistake when it seeks to deal with the people on small incomes in this way. We should not place a restraint upon them at this time when the cost of living is quite high. Progress will not be made by curtailing the spending power of the people. If encouragement is to be given to produce, that can only be done if the resultant production is sold.

No doubt, this legislation will be placed on the Statute book and people will just have to get by. However, the price paid by the people will not be in the fact that they do get by, but in the fact that we, as a Parliament have inflicted on them a much more difficult situation to overcome. People will have to earn more money from somewhere in addition to their usual job.

There are too many cases in Western Australia today where the young husband is taking on additional work to keep up with his commitments; or his young wife has to work in order to help with the income necessary to run the home. It is income of necessity, not income for a luxurious standard of living.

The Hon. A. F. Griffith: Do you think conditions will be much worse than in the other States?

The Hon. W. F. WILLESEE: I am talking of the situation as I see it in Western Australia. I do not visit the other States; I do not want to visit them and I do not know of the conditions in those States. However, I do know the Government is taking from the basic wage earners this slight benefit of being able to chase increased costs every so often. A limit is reached beyond which a home cannot be run economically. One cannot budget for a family on less than a certain figure.

It is a wrong approach by the Government to fiddle with the earnings of the workers in this situation. The answer, of course, will be in what the people concerned will do to meet the adjusted situation.

I oppose the Bill and I am very sorry it is before Parliament. I would gain no point in speaking or reading further, but when a principle has applied in the State for so long—even though I do not believe that the basis of it has been very fair—I think it should continue and the quarterly adjustment should continue over the years.

THE HON. H. K. WATSON (Metropolitan) [8.3 p.m.]: This Bill has as its principal object the tying of the State basic wage to the Federal basic wage without any reduction in the State basic wage. I support the Bill with some reluctance, and not necessarily on the grounds which were advanced by the Minister when introducing the measure.

From the angle of industry generally, and from the resulting effect on prices, I am by no means convinced that large annual increases in the basic wage are to be preferred to small quarterly increases. Last year the Industrial Commission gave a reasoned exposition in favour of quarterly adjustments. This evening we have heard Mr. Willesee read that exposition.

I think we must agree it is a statement which cannot be dismissed out of hand. However, in the long run, and speaking generally, I think it does not matter much whether the adjustments are made quarterly or annually. The big aim and object, always, ought to be to keep wages stable and prices stable. That is the basic aim and object for the benefit of the general community in fixing a basic wage, and in altering the basic wage.

Without criticising anyone, but exercising my own rights and privileges to present a point of view, I want to express regret at the open confession that the sole or principal reason for the introduction of this Bill arises from the Federal and State financial relationship, and that it is basically designed to counteract the jiggery-pokery adjustments employed by the Grants Commission in fixing this State's annual grant.

After having heard the observation by our State Industrial Commission—which Mr. Willesee read this evening—it could well be, in the absence of this Bill, that the commission, in considering the fixing of the quarterly adjustment of the basic wage, would have to take into consideration the dictates and desires, and actions of the Grants Commission. Surely things have come to a pretty sorry pass. As I said when speaking on the Supply Bill (No. 2), the device contemplated in this Bill, and the spate of higher charges and increased taxes which are being imposed in this and in other States, would be unnecessary if the States were to receive from the Commonwealth some of the \$700,000,000 short-changed to the States in respect of income tax collected by the Commonwealth.

It so happens that when I made my speech on the Supply Bill (No. 2) in this part of the Continent, Mr. J. B. Renshaw—an erstwhile Premier of New South Wales, and at present Leader of the Opposition in that State—in the same week made a speech which was really parallel to what I said here in respect of the point I have just made with regard to the Industrial Commission having to make its decision, not on the facts as it finds them, but perhaps having regard to the desires and the actions of the Grants Commission.

I would like to read what Mr. Renshaw had to say, and I will quote from the New South Wales *Hansard* report of the Budget debate on the 11th October, 1966, at page 1705, as follows:—

I wish to make some comments on certain aspects of the financial relationship between the Commonwealth and the States. What I am going to say now is designed—and I say this bona fide—not as a political party's propaganda, but as a call to all the people of all six States to take stock of the position in which they find themselves today. This position has been brought to a head because of the agreement entered into by the six premiers with the Commonwealth, only little more than 12 months ago. This relationship is that of a big powerful father who browbeats and dictates to his dependent children how much money they shall have and what they shall do with that money.

I think that sums up pretty aptly the position in which we find ourselves in respect of the basic wage adjustments in this State.

The Hon. F. J. S. Wise: Do you think all the States are too sensitive about what the Grants Commission will do?

The Hon. H. K. WATSON: It could well be. The remarkable thing about the statement I have quoted is that it was made by a member in a non-claimant State. That shows how out of hand the position is getting.

The Hon. A. F. Griffith: Not forgetting that Mr. Renshaw is the very man who introduced a Bill similar to this one to tie the New South Wales basic wage to the Federal basic wage.

The Hon. H. K. WATSON: It could well be, and perhaps for the reason I intend to mention. I said I support the Bill, but not to please the Grants Commission or for any reason like that. I support it on fundamental principles.

It is bad enough to see so many State departments and activities unnecessarily duplicated by the Commonwealth. It is bad enough to read in today's paper that after the next Federal election we may see a Federal Minister for Education, and all which it implies to the detriment of the States. In addition to that I have always regarded it as ridiculous to have

operating in this State not one basic wage, but two basic wages; a State basic wage and an unwarranted and unintended Federal basic wage. More often than not, they are of differing amounts.

Under the Commonwealth Constitution, control of our industrial matters generally is the prerogative and responsibility of the States, not the Commonwealth. In my opinion there should be only one basic wage, and it should be the State basic wage; a State basic wage determined by our State Industrial Commission. But since the Commonwealth has quite wrongly entered into the field, and will not get out of it, then in those circumstances it seems to me the only sensible thing for us to do is to tie the State basic wage to the Federal basic wage, as most of the States have done. That is the reason—and I am inclined to say the only reason—why I support the Bill.

My mind goes back to the Federal election of 1929 which was fought on this very issue—the issue I have just mentioned. For once the Federal Government of the day decided to do the right thing and retrace its steps and, in the main, to wipe out the Commonwealth Industrial Arbitration Court and leave the matter where it rightly belonged; namely, with the States.

Accordingly, a Bill that was designed to do that was brought down by the then Prime Minister (Mr. Bruce) in the Commonwealth Parliament in 1929, and it may be remembered that during the Committee stage an amendment was moved to the Bill by The Rt. Hon. W. M. Hughes. The Labor Party and five Government members supported Mr. Hughes. The Government was defeated by one vote; and it went to the country on that very issue: Should it continue with the stupid system of two basic wages and two industrial arbitration courts, or should the fixing of the basic wage be left where it belongs—with the States?

The mercurial electorate decided to turn the Government out of office in no uncertain manner. Members may recall Mr. Bruce lost his seat and Mr. E. A. Mann, the then member for Perth, who was one of the rebels who voted against Mr. Bruce, lost his seat also. The Government was very badly defeated. Unfortunately, that was the first and last occasion on which the Federal Government attempted to get out of a field into which it should never have entered.

Of that election there were two phrases and two events which still stand out in my mind. One was the classic utterance of Mr. Hughes after the election when speaking of Mr. Bruce. He said, "He has gone and of him nothing will be remembered but the manner of his going." Happily, Lord Bruce is still alive and we do remember his activities. The other statement was an illustration employed by

the then Attorney-General (Mr. G. J. Latham), later Sir John Latham, in support of the proposal to kick the Federal Arbitration Court out of existence and leave matters entirely to the State Arbitration Courts. His analogy was this: "It is ridiculous to have two umpires blowing the same whistle." I am sorry Mr. Dolan is not here to give us his professional opinion as to whether this is so.

The Hon. F. R. H. Lavery: He will be here.

The Hon. H. K. WATSON: It struck me then as it strikes me now: It is silly to have two umpires blowing the same whistle. It is silly to have in one establishment in Perth some of the employees on the Federal basic wage and some on a different wage—the State basic wage. As I say, there should be one basic wage, and one basic wage only.

I regret to notice there is one provision which has been omitted but which, in my opinion, could well have been included in the Bill. Although our Arbitration Act nowhere expressly authorises compulsory unionism, we find that today a person who refuses to join a union that has the compulsory unionism clause in its award is liable to be punished by law in addition to being dismissed. To me the time is long overdue when Parliament should insert a provision in the Industrial Arbitration Act that membership of a union shall not be a condition of a person's employment.

THE HON. F. R. H. LAVERY (South Metropolitan) [8.20 p.m.]: I wish to pass some comments on the Bill, but let me say at the outset that I do not intend to make this a five-minute speech. Of all the Bills that have been brought before Parliament in the life of the present Government, I do not know of one that has hurt or is likely to hurt such a vast section of the population as will this measure.

During his speech Mr. Willesee gave some figures regarding the numbers of people who will be affected by the pegging of the basic wage; and Mr. Watson gave some statistics and some information as to the financial position of the State and the Commonwealth, and also some figures regarding the cost of running the State. I intend to make a very bold statement and it is this: This move by the Government is a last-ditch effort to try to pull itself out of the financial difficulties in which it finds itself. I hope, before I sit down, to substantiate that bold statement. The State is in trouble financially otherwise the Government would not stoop to introduce some of the pettifogging taxes which are proposed in other measures.

I am associated with many organizations and people, not of my political affiliations, are so aghast at the proposals by the Government to have taxes placed upon every sale—

The PRESIDENT: Order! The honourable member cannot or must not anticipate legislation.

The Hon. F. R. H. LAVERY: Mr. President, I might as well pack up my books and go home if I cannot make my speech—

The PRESIDENT: Order! Order! The honourable member will please resume his seat. I gave a ruling and the Standing Orders forbid an honourable member anticipating legislation. In his speech the honourable member was anticipating legislation.

The Hon. F. R. H. LAVERY: Mr. President, with the utmost respect, I am not anticipating legislation. The legislation to which I was about to refer has already been announced in the Press and has already been introduced into Parliament. I did not say it had been introduced into this Chamber; I said it had been introduced into Parliament. This is Government legislation and I am not anticipating something that is not already on the notice paper of another place. At no time would I wish to offend you, of all people in Parliament, Sir, because you have always been gracious to all of us, and you have always given us a fair go. I humbly apologise to you if I have done anything wrong, but I still maintain that I am not anticipating anything. If I am wrong, Mr. President, you can call me to order again and I will accept your ruling as to what I should do.

I am most concerned about the basic wage and very early in the session I asked some questions of the Minister in regard to the matter. I asked him whether, in view of the vicious circle of increasing salaries and rises in the basic wage and cost of living, was the Government giving consideration to plans for the control of prices? The answer, which is in our records, was to the effect that the Government was not interested in that matter as previous experience showed that the controlling of prices, or the curtailing of prices, had no effect.

I am wearing a pair of shoes which for many years sold at the standard price of 99s. 11d. The day following the last increase in the Federal basic wage the boot manufacturers of Australia said that this latest increase would increase the price of shoes by £1 a pair. Mr. Hawke, the advocate for the trade unions—for the A.C.T.U.—made some fairly rapid research into the matter and he found that the increase granted by the court, in view of the number of pairs of boots and shoes being manufactured in Australia, should affect the price by less than 5d. a pair. As a result, the shoes I am now wearing cost me \$11.95 yesterday, whereas previously they had sold for 99s. 11d. That was one article alone, but I could go on mentioning other instances of how prices have risen out of reason.

Tom The Cheap Grocer, whose trading figures in Western Australia, according to

the figures published in the food gazette, are approximately \$24,000,000 per annum, and all the other similar groups of people who are supplying goods to the working people are endeavouring to make a profit for themselves, but at least they are trying to be fair in the prices they charge.

Why has the basic wage been increased over the years? It has not gone up because of the good nature of the courts. It has gone up because the prices, as reflected in the consumer price index, have increased. I would refer members to the *Official Year Book of Western Australia*, No. 4, 1964, page 402. In order to save time, and to obviate having to quote too many figures, I shall refer to the combined index for all groups, and this covers food, clothing and drapery, housing, household supplies and equipment, and miscellaneous items. In the year 1950-51, the figure was 74.4, and in the year 1961-62 it was 121.6. So over a period of 10 years the consumer price index for all groups increased from 74.4 to 121.6.

Taking the figures quarter by quarter, for the year 1950, the September figure was 69.7 as against the December figure of 71.6. In March, 1951 the figure had increased to 76.0, in June to 80.3, in September to 84.0, and in December it had increased to 88.8. And so the increases went on until, as I said, in 1961-62 it reached 121.6.

Following that there is the consumer price index for the six capital cities separately and combined, and the base figure of each index series equalled 100 for the year 1952-53. The average for Sydney, Melbourne, Brisbane, Adelaide, Perth, and Hobart in 1950-51 was 74.6, which was similar to the State average for that year; but in December, 1962, the average for the six capital cities was 124.4.

A different basic wage was determined for the metropolitan area, the South-West Land Division, and the goldfields area and other parts of the State, but for the purpose of my exercise I will refer to the metropolitan basic wage. On the 29th January, 1951, the basic wage was fixed at £8 12s. 11d. for males, and £4 17s. 9d. for females. In 1961 the basic wage rose on account of no other factor than the increased cost of living, and the basic wage was fixed at £14 6s. 7d. for males, and £11 2s. 5d. for females. The document to which I am referring does not give any further figures for the basic wage in subsequent years, but for the same reason the basic wage has been increased from time to time since 1961; and that reason is the increased cost of living.

It is all very well for those who support this Bill to say we should call a halt in the spiral of wages; I could not agree more. I do not know of anyone who wants an increase in wages if he cannot get value for the goods he purchases. Let us take the farmers: In 1951 they were paying

8s. to 10s. for a sheet of galvanised iron, but the price they pay today is fantastic. I well remember the comments of the late Mr. Roche, a member of this House. He was one of the most level-headed persons in Western Australia; and he voted for the control of prices, because he believed that unless there was price control there would be no opportunity to control wages.

I represent a province in which tremendous difficulties in respect of housing have arisen, particularly between 1952 and 1956 when a great number of migrants settled in the Fremantle area. Many of them bought homes from landlords who had been receiving low rentals for many years, and who, as a consequence, did not receive sufficient to enable them to keep the houses up to standard.

In many cases the people who had bought homes of this type had to call on the assistance of the Housing Commission, because they were not able to evict the existing tenants. The State Housing Commission has done everything possible to keep the basic rent down to as low a level as possible, and the Leader of the Government in this House knows I am speaking the truth. I give him all the credit that he deserves in getting the Housing Commission to keep the basic rents down.

The Hon. A. F. Griffith: I also know this: When the rentals were increased in accordance with the agreement I was charged with arbitrarily increasing the rentals.

The Hon. F. R. H. LAVERY: The Government of which the Minister is a member might have been so charged, but I do not think he was personally. The Housing Commission kept the rents down because it realised it was dealing with people in the lower income bracket; a person earning over a certain amount cannot obtain a house through the Housing Commission. What will be the situation in 12 months' time when the cost of living rises and the Housing Commission is forced to increase its rentals? Where will the tenants find the money to meet the increases?

The Housing Commission will be in the same position as it was in in 1960 when the Federal Government brought about a temporary recession, during which a great number of people were out of work. The commission had to introduce a rebate form of rental to keep its houses occupied, and to maintain an equilibrium. All this is tied up with the basic wage.

Reference has been made to the set-up where there are two basic wages, and this matter was mentioned by Mr. Watson. In this connection I would like to say something about the two Houses of Parliament we have in Western Australia, but I know that you, Mr. President, will not allow me to make those comments. If the system of having two basic wages is outmoded, then the same applies to the system of having two Houses of Parliament.

The *W.A. Industrial Gazette*, No. 45 of 1965, contains a report of the basic wage quarterly review by the Industrial Commission. In the reasons given by Chief Conciliation Commissioner Schnaars for the determination the following appears:—

The Commission has received from the Government Statistician figures relating to the movement in the Consumer Price Index for the quarter ended September, 1965.

Those figures indicated the following change in the index points:—

Group.	Index Points.
Food—	
Meat	—0.2
Potatoes	+0.2
Other	+0.4
Clothing and	
Drapery	Nil
Housing	+0.1
Household Sup-	
plies and	
Equipment	+0.2
Miscellaneous	Nil

The total change in index points is +0.7, representing a percentage change from the preceding quarter of +0.5 per cent. In money terms this represents a variation of one shilling and nine pence which, if applied to the basic wage, would bring the male basic wage to £15 19s. 7d. and the female basic wage to £11 19s. 8d., the latter figure representing 75 per cent. of the male basic wage.

The power to adjust the basic wage, following consideration of quarterly price index movements, was first vested in the industrial authority of this State in 1930 and it has been the exception rather than the rule for the arbitration tribunal to give detailed reasons for the manner in which this power has been exercised.

Although the monetary variation for this quarter is not large, the whole question of wage adjustment is such a significant one at this point of time that I consider it incumbent on the Commission to give expression to some of the considerations involved in arriving at our present conclusion. In doing so, it is both opportune and relevant to trace briefly the historical background to that rather contentious question.

I would not know what Commissioner Schnaars had in mind when he referred to "that rather contentious question" because I do not think it was contentious. He was actually dealing with facts which had been proven at the inquiry.

When legislation was introduced to change the Arbitration Court into an Industrial Commission I was one of those who believed that the commission would be loaded against the worker. Since then I have formed this view, and it has not

been formed from anything I have read in the journal: One of the commissioners appointed was Mr. Kelly, and to me he has turned out to be a very big man, much bigger than I expected him to be. He has assumed a position of responsibility in this State, and that position plays a very important part in the economy of the State. He has been big enough in his deliberations in amending industrial awards and determining quarterly adjustments of the basic wage to arrive at decisions in accordance with what he believed to be a fair and proper assessment, irrespective of whom his determinations might affect.

On page 974 of the *W.A. Industrial Gazette* to which I made earlier reference the following remarks of Commissioner Kelly appear:—

The Government Statistician has supplied the Commission with a statement showing the percentage movement in retail prices, as measured by the Consumer Price Index, during the quarter ended 30th September, 1965. The statement reveals that an increase of 0.5 per cent. has taken place during the quarter. Applied to the male basic wage this represents an increase of 1s. 9d. per week in the "cost of living". The Commission is therefore required to consider and determine whether the basic wage should now be increased. This requirement arises under subsection (1) of section 127 of the Industrial Arbitration Act which is in these terms:—

The State Government Statistician shall, as soon as practicable, after the end of each and every quarter in the year, supply to the Commission a statement indicating by price index numbers and other information the variation (if any) in the cost of living which has occurred during the then last preceding quarter, and if such statement shows that a change of one shilling or more per week has occurred in the cost of living, then, notwithstanding anything in this part of this Act to the contrary, the Commission shall of its own motion consider such statement and may adjust and amend the basic wage declared and for the time being in operation under this Act; and the Commission shall, when making any adjustment and amendment of the said basic wage, have regard to the change in the cost of living indicated as aforesaid.

Commissioner Kelly went on to say—

In referring to this subsection and to the discretionary power to adjust the basic wage I said in the course of my judgment on the 1964 Basic Wage General Inquiry—

The discretion is unfettered but, from the legislative context in

which this provision appears, I would conclude that *prima facie*, an adjustment should be made to the wage when a movement in prices occurs.

Again he is referring to the cost of living. I turn now to the top of page 948 which reads as follows:—

From the earliest times of basic wage fixation in this State the "average worker" to whom the basic wage applies has been held to be the unskilled worker, i.e., the worker who is dependent for his livelihood on the basic wage alone—and his "domestic obligations" have been held to be those involved in maintaining himself, a wife and two children. On the assumption that this description of the average worker is still an accurate one, it will be apparent that the Commission's primary function in determining the basic wage under section 123 is to ascertain the standard of living which the unskilled worker and his wife and two dependent children should have if it is to be said that they are living in "reasonable comfort" and then to determine the basic wage at an amount which, at the time it is determined, will enable that standard of living to be attained.

He went on to say—

It is self-evident that the ability to maintain a given standard of living varies directly with the cost of the commodities and services which go to make up that standard and it follows that the basic wage must be varied in accordance with variations in the cost of those commodities and services if that standard is to be maintained. As a consequence, whenever the Commission decides that notwithstanding an increase in prices, an adjustment to the basic wage should not be made, it is saying that the basic wage earner should accept a standard of living lower than that which, when it last determined the basic wage under section 123, it considered he should have. This being the case I think it will be readily appreciated that the Commission would need to consider that it had very good reasons for doing so before it refused to make an adjustment to the basic wage in those circumstances and I think that those reasons would have to include the opinion that the making of the adjustment would lead to consequences less favourable to the basic wage earner than the withholding of the adjustment.

What I have just been saying is, however, subject to certain qualifications which I will now mention. The basic wage, in so far as it is concerned with standards of living is fixed as a wage suitable for application to persons who receive the basic wage alone, and it is clearly designed to ensure that a worker, no matter how humble

his occupation may be, shall not be employed at a rate of wage less than that which is necessary to maintain him in reasonable comfort. Viewed in this light it is, I think, obvious that the purchasing power of the basic wage should, generally speaking, be maintained by adjustment for price increases. However, the basic wage does not apply only to those who receive it and it alone. On the contrary, it applies to every worker covered by an award or agreement made or registered under the Act, and to many others over whose salaries this Commission has no jurisdiction. It applies not only to tradesmen and others whose margins represent a substantial addition to the basic wage but to persons whose salaries are such that the basic wage represents a relatively small proportion of the total.

As a result, the Commission, in making an adjustment to maintain a reasonable minimum standard of living for the relatively small number of workers who receive only the basic wage, has to do so in the knowledge that the adjustment so made will be passed on to the vast majority of workers in this State. In the absence of such a situation I find it almost impossible to envisage the circumstance in which it would be necessary to refrain from adjusting the basic wage for price movement, and it seems to me that the parties directly concerned with our decisions might well consider giving the Commission power, as an alternative to withholding a quarterly adjustment completely, to restrict the adjustment to those whose wage is at, or perhaps slightly above, the level of the basic wage. If this were to be done the adjustment could be passed on to those who most need it and without any real risk of adverse economic repercussions.

Those are the people about whom I am concerned—the people who most need it. In his long report, Mr. Kelly said—

The concept of a basic wage, i.e., the minimum value to be placed on any man's labour—has a significance which is more social than industrial. It is, in my opinion, in danger of losing much of that significance partly through the direct association of the basic wage with wages and salaries which are considerably in excess of it and partly through the use of the basic wage as a medium for spreading prosperity additions throughout the workforce. Its ultimate annihilation on the economic battlefield seems certain unless it is shorn of its industrial overtones and re-established as a fundamental social concept.

If this Bill is carried—

The Hon. R. F. Hutchison: Of course it will be carried.

The Hon. F. R. H. LAVERY:—this group of people about whom Mr. Kelly is so concerned will be the greatest losers. I am referring to the group of people who have to pay in the vicinity of \$8 for rent, and who must provide for the average three or four children at school, together with the added costs of transport and the increasing costs of necessary daily commodities. All these have been taken into consideration by men in the position of Mr. Kelly and Mr. Schnaars.

If the Government abolishes quarterly adjustments, those who can well afford to pay the increase in the basic wage—I used my shoes a few moments ago as an instance—will have the opportunity to increase their profits. We know also that these adjustments to the basic wage are never made before increases in the cost of living, they are always made about three months later.

I heard on the wireless tonight that a deputation of picture theatre proprietors is to approach the Premier in regard to the proposed new stamp duties. These picture theatre proprietors have been grouped with the oil companies. The president of the organisation said, according to the wireless, that he thought there would be no increase in the charges made to patrons of the theatres. I hope that his optimism is justified because there is no doubt that every time a tax is increased—and no Government is popular if it increases taxes—that increase is passed on to the section of the community which is least able to afford it.

People with cars are in the fortunate position of being able to attend their own type of social evening. However, the poorer people—or rather the people on the lower incomes—

The Hon. J. J. Garrigan: The working people.

The Hon. F. R. H. LAVERY: Yes. I am referring to those who are regarded as the working class.

The Hon. R. F. Hutchison: Plenty of them are poor too.

The Hon. F. R. H. LAVERY: The working people have to use the picture theatre as a means of entertainment and I feel that whatever taxes are increased, the industry concerned must eventually pass them on through the goods supplied or the services rendered by it.

The basic wage is not something which was introduced only yesterday, and it is not something which was established by the present Government. Quarterly adjustments were introduced in 1930. The Bill came before Parliament on the 26th November, 1930, and on page 2013 of *Hansard* No. 2 of 1930-31 the Minister for Works at that time (Mr. Lindsay), in moving the second reading said—

This is a short Bill, a simple Bill and, I think members will agree, a very important Bill.

I repeat that this Bill was for the purpose of introducing quarterly adjustments and was called the Industrial Arbitration Act Amendment Bill. Mr. Sleeman interjected and said—

It is not very important to the workers.

History is almost repeating itself tonight because the Government proposes to abolish quarterly adjustments. In 1930 quarterly adjustments were introduced by a non-Labor Government to, in effect, decrease the basic wage because of the economic conditions at the time. In reply to Mr. Sleeman, the Minister said—

I think it is; that is why the Bill has been brought down. The necessity for the Bill, as the member for South Fremantle (Mr. McCallum) mentioned the other evening when speaking on another Bill, is due to the abnormal conditions. Also it is necessary to carry out the wishes of Parliament as expressed in 1924. Members will recollect that this House in 1924 dealt with an amendment to the Industrial Arbitration Act. Although the exact wording of this Bill is not the same, it is very similar to that other measure. One of the purposes of this Bill is to bring our Act into line with the Acts of the Eastern States, including that of the Commonwealth. It is my intention to deal with every Act in Australia to show the differences between them.

He went on to quote the various States. The basic wage at that time was an annual basic wage which had to be determined on the 14th June each year. After very lengthy debate on the matter in 1930 the Government was successful and quarterly adjustments were introduced. We all well remember that almost the first task of Mr. Justice Dwyer, as he then was, was to reduce the basic wage by 12s. Then, within a very short period, less than a month, he reduced it by another 8s. which, in all, was £1. It was not long before the basic wage in this State was £3 16s. 4d. The reason the quarterly adjustments were introduced by a non-Labor Government in 1930 was to reduce the basic wage.

I do not think anyone today denies that prices will increase. Unless some Government has the fortitude to stabilise prices at the same time as the basic wage is being stabilised, what the Government proposes to do will not be a success, no matter how it tries to hoodwink itself and others in the meantime. It just cannot succeed.

When any Bill is introduced, we are told that the Grants Commission requires this, that New South Wales does that, that the South Australian Government does the other thing. We do not seem to do anything ourselves. We are always following someone else.

However, it is my belief that on this occasion this Bill has not been introduced because of any action in the Eastern States. What is worrying the Government is that some of its supporters are putting pressure on it to tie the basic wage to a fixed figure as soon as possible, and during its regime.

I have in my hand a *Directory of Overseas Investment in Australian Manufacturing Industries*. It is dated 1956 and was sent to all members of Parliament, I believe, with the compliments of the Department of Trade and Industry, Perth. This is a very enlightening document and is one I have been able to use many times for the benefit of my constituents because it lists all the companies from overseas which have businesses in Australia. It details the various areas and the different groups—those which are Australian, and those which are not Australian. There is an index on page 105 of this document of all the overseas firms in the directory and which, accordingly, either directly hold equity capital in Australian manufacturing firms or indirectly are financially associated with Australian firms. The overseas firms have been consolidated alphabetically under their respective national headings. It may be of interest if I read them to the House. They are as follows:—

Number of Firms	Country.
1	Argentina
1	Austria
5	Bahamas
5	Belgium
1	Bermuda
374	Britain
33	Canada
Approximately 20	Denmark
Approximately 15	Republic of Germany
2	Hongkong
3	Italy
6	Japan
7	Netherlands
7	New Zealand
5	Panama
1	Puerto Rico
4	South Africa
10	Sweden
15	Switzerland
317	United States of America

I am prepared to say that these groups of people have brought tremendous finance to Australia; they have increased our work force; and they have made jobs available in Australia which were not available before some of these bigger firms came here.

A great number of these firms have been operating in Australia since I was a child, but the greater majority have established themselves since 1955. I venture to say that the power these companies hold in the financial world is such that they can convince Governments that, unless certain ties are made between the financial structure of the State and the Commonwealth, they will give thought to leaving their businesses and returning to their own countries. After reading this

document, I know of no company which, at the present time is not in a reasonable financial position. I am not in the position of being able to say just what their financial situations are, but I repeat that I know of none which is not in a reasonable financial position.

It is well known that many years ago the big shipping combines of the world contributed a great deal of money to the Liberal Party in Australia in order to try to change the then Government of Australia so that they could impose freights, as they wished, on the farming community of Australia. For that reason, members of the farming community found that production costs and export costs were getting out of hand, and leaving them in the position that, up to a point, they were having trouble in exporting their excess production.

The PRESIDENT: Order! Will the honourable member please connect his speech with the Bill which is before the Chamber?

The Hon. F. R. H. LAVERY: I hope that everything I am saying is tied to the question of the basic wage and I repeat that the companies mentioned in this document, from which I have just quoted and which I hold in my hand, are playing a big part in the pressure which is put upon the Governments of today to pressurise the arbitration courts. As the latter have been established by the Governments of the Commonwealth and the States they should, in fact, be free to make their own determination. To my mind there is no doubt at all that pressure is being put upon the Government of Western Australia by some of the big firms who have come to this State. We have the situation of the big mining industries in the north-west of this State, where some millions of dollars have been expended.

When Mr. Krupps visited this State the Hawke Labor Government was in office, and members of the present Government castigated Mr. Hawke for having the audacity even to meet Mr. Krupps. Now the same Government is welcoming activity from big mining companies which are located in other parts of the world. Those companies are having trouble at the present time in arriving at a basic figure for their employees in the settled condition of the work which is now before them as against the enormous amount of work involved in the installation of plant. This is just one factor which makes me think there is pressure being put upon the Government.

In conclusion, I would say that if ever a Government—or this Government, in particular—put a nail into its own coffin, this Bill is putting a whole series of nails into the lid of the Liberal-Country Party's coffin at the 1968 elections. I mean what I say, although members sitting in this Chamber tonight will oppose me in what

I am saying. Of course it is quite right that they should have the right to do that; I am not opposing their thoughts at all—I am just warning them of the possible consequences.

The group of people which we on this side of the House represent, as an elected body, are the working people, but also as members of Parliament we are elected to represent the State as a whole. I do not intend to shirk my responsibility in that regard.

Very often when I have castigated a department, and, in particular, when I have mentioned the officer of a department, very quickly the Minister on the opposite side of the House has hit back at me and said that I have no right to attack an officer of a Government department. I would still like to know how it came about that Mr. Townsing could be quoted personally in a local paper as being the person responsible for this Bill coming before Parliament. I believe that is not true. I believe the Government should take full responsibility for bringing this matter before Parliament, and I am rather surprised the leaders of the Government did not take action to inform the public of Western Australia, through the Press, that Mr. Townsing is not the arch enemy he was made out to be in the Press a few days ago. I oppose the Bill with all the strength at my command.

THE HON. R. F. HUTCHISON (North-East Metropolitan) [9.9 p.m.]: I would like to say a few words on this Bill. The first remark I would like to make is that following on the great depression which hit Australia in the 1890s, and during which people actually starved, Justice Higgins determined the first basic wage of £2 2s. which was considered the minimum amount necessary to enable a man, his wife, and two children to be kept in frugal comfort. Of course we have gone a long way since that time but the principle which was set down by Justice Higgins has stood the test of time and it was the forerunner to any argument in Parliament about the basic wage.

Of course, none of us on the Opposition side of the House are surprised that an attack on the basic wage is being made by the present Government. It is the policy of the Liberal-Country Party Government to attack the basic wage and the workers' living standard. It is policy for members of this Government to try to get the most they can from everyone for the cheapest amount which can be paid. Of course, it is also policy that the present Government never attacks companies and the big profits which they make. This attitude is the Government's bible.

The basic wage, which is the amount on which a man has to live and support his family, is the subject which always comes under the hammer at some time when a Liberal-Country Party Government

is in power in Western Australia. Why the people of Western Australia—the working people—can sometimes go out and lodge a vote which might favour other than their own Labor Party is always beyond my comprehension. It shows that only in times of deep stress do people wake up to the way they are being treated, as they are now being treated, with regard to the pegging of the basic wage.

The Hon. A. R. Jones: You are old-fashioned!

The Hon. R. F. HUTCHISON: I am not old-fashioned. I am a stable working woman and a mother. I stand here and say that I would not be in this House, nor would I have ever tried to become a member of Parliament, if I were not paid the same as the male members in this place, because I would not work for less.

In fact, that is one of the reasons why I want to speak tonight; that is, to cry shame on the Government of Western Australia which holds the power, and I would mention that the power is held in this House—in the Legislative Council.

The Hon. V. J. Ferry: By the will of the people!

The Hon. R. F. HUTCHISON: The Labor Government, when in office, never held the power in the Legislative Council. I have stated that many times before. Always it has been the Liberal-Country Party which has had the power. Of course, its policies are in opposition to Labor policies and that is why the women in this State are paid less. Why do women in Western Australia go out to work? They do not go out to work because they like it—I can assure the House of that. They go out to work in order to help maintain a family and in order to keep up with the standard of living which has grown up in our community.

We have departed so much from the principle which Justice Higgins laid down—that the basic wage should maintain a man, his wife, and two children—that, as a consequence, the women have gone out to work. In Western Australia women are treated as something less than ordinary human beings, because they are used as cheap labour in this State by the Liberal-Country Party coalition which is in office at the present time.

The basic wage is not at all sufficient to maintain a family on a decent standard of living now, because the standard is the one which is set in the time in which one lives. We do not call the standard of living now the standard which existed in Justice Higgins's time in the late 1890s. We call the standard of living the standard which is built up by the people, and everything is built up in the community by the workers' hands. It is not built up by the bosses or by the big industries; it is built up by the hands of the workers. The workers are the ones who do the work and earn the wealth, but they are the ones who get the least

share when other than a Labor Party Government is in office.

As I have said, a Labor Government has never been in power in Western Australia in the real sense and the unions know this; this is why they cannot take action which they would otherwise take. They know that in Western Australia the Legislative Council has absolute power of legislation over everyone who lives in Western Australia. The power of Parliament is here in this House.

The Hon. C. E. Griffiths: The people have elected us.

The Hon. R. F. HUTCHISON: Yes, the people elect members to this House.

The Hon. A. R. Jones: You are returned to Parliament at each election.

The Hon. R. F. HUTCHISON: The people elect us to this House but that is only a cover-up. All members know quite well that they are elected because it is this Government's policy to have a Legislative Council, and the power of Government supporters keeps the Legislative Council in existence.

The PRESIDENT: Order! Order!

The Hon. R. F. HUTCHISON: I am sorry, Mr. President.

The PRESIDENT: I draw the honourable member's attention to Standing Order 394 which states one cannot cast a reflection on either House.

The Hon. R. F. HUTCHISON: The quarterly basic wage adjustments at present in operation, as we have expected—we have waited for this move to come—have been attacked by the anti-Labor Government now in office. Of all the mean moves I have ever seen by any Government in opposition to Labor, this move to attack quarterly basic wage adjustments which at present give the worker in Western Australia a little advantage, is the meanest.

The Government first took steps to destroy the Arbitration Court as we knew it. That court used to give justice to the workers but there is now no Arbitration Court and we have to put up with acts such as these on the part of the Government. I do not know whether the Standing Orders will permit me to say that it is through the power of this House that this has been brought about, but I cannot do anything else but say it.

The PRESIDENT: Order! I direct the attention of the honourable member to Standing Order 394 which states that she shall not reflect on either Chamber, and if you do measures will be taken to prevent you from doing so again, and I do not want to do that.

The Hon. R. F. HUTCHISON: Thank you, Mr. President, I will try to observe Standing Order 394. Wages are only a means to purchase food, clothing, and other items which a worker requires, and

to pay the rental of the house which he and his family occupy. I have already informed the House that many wives are working for a wage lower than their male counterparts in Western Australia to acquire some of those things a family finds necessary to maintain the standard of living we have now attained.

The Government is imposing savage taxes during this session. It is imposing taxes on everything it can. It now proposes to increase charges for duty stamps; that is its latest move.

The PRESIDENT: Order! I again direct the attention of the honourable member to the fact that she cannot anticipate legislation which is in another place.

The Hon. R. F. HUTCHISON: Very well, Mr. President; I will get something right in a minute. The basic wage was first introduced to this State to give a minimum standard of living for a husband, wife, and two children. But a worker finds that the basic wage is not sufficient to maintain the present standard of living in Western Australia. This proves, in fact, that our standard of living has been greatly reduced, because, in effect, women are providing a cheap source of labour in view of the fact that they are employed at a wage based on 75 per cent. of the male basic wage.

From my own personal experience I know that a boom is always followed by a bust, and the bust will come soon. I am certain we will see another depression. No doubt if it does come it will be cushioned, because those in authority know that people will not put up with a repetition of the 1930 depression. People of today are much better educated and have a better understanding of financial affairs and therefore a government could not impose on workers today what was imposed on them in past years.

Apart from the new taxes the Government intends to impose on the people, increased charges have meant higher prices for goods and services. We are told that we are living in an affluent society; that large amounts of overseas capital are being brought into the State. However, when this trend ceases it is inevitable that the standard of living will fall and that is when the worker will suffer. I vividly remember the 1930 depression, and no doubt many other members in this Chamber also remember what occurred in those days.

The Government is attacking quarterly adjustments of the basic wage, which have now been in operation for some years, on account of the pressure of big business which seeks to grind the worker into the ground. The worker, of course, is helpless to do anything. His standard of living is only improved as a result of the efforts of the various trade unions. The workers in Western Australia now

enjoy a high standard of living because of the strength of unions in this State. However, when an anti-Labor Government is in office it whittles away, one by one, the benefits enjoyed by workers. It does this by amending the legislation whenever it can and its action is always taken against the majority of the people. It is because of this that I can never understand why people vote a Labor government out of office in favour of a Liberal Party government.

It is of no use telling members of the present generation of the conditions during the last war and those which were suffered by the people during the 1930 depression, because unless they are students interested in such subjects, they will not believe one. We are now living in an affluent society, so we are told, and this Bill represents an attack by the Government on the rights of the people. It is meant to attack the basic wage earned by the lowest paid group of workers in our community. The Government, of course, is obeying the dictates of big business. This Bill is brought forward by the Government to achieve its own ends, and there is no doubt that every time Labor is in Opposition it has to fight to maintain the standard of living that has been attained by the workers.

As I said before, the women of this State are being paid a wage less than that paid to men. Therefore, they are in a subervient position. It is no credit to Western Australia that it has two standards of living; one for men and one for women. I have seen the time when the standard of living was such that my daughters could obtain work for 8s. a week, but my sons walked out of the house because they would not eat food served in that house when they could not obtain work to pay their way. We will see a similar attitude being adopted by members of the present generation if this type of legislation is passed, because as sure as night follows day we will have a bust. Every time this State has enjoyed a boom, invariably it is followed by a bust, and we are certainly having a boom at present.

The Liberal Party takes advantage of present conditions and the first thing it strikes at is the basic wage. The Government has performed some mean acts since it has been in office. It will certainly be told how the workers are suffering but probably it will then be too late. I oppose the Bill, because it is a mean piece of legislation and true to the traditions of the party now in Government. This is the type of action always taken by an anti-labor Government and if people will not learn a lesson from this Bill I do not know how we will ever teach them.

I cannot understand how, in a State as prosperous as Western Australia is, women allow themselves to be used as a cheap source of labour. They certainly object to it, but they are forced to go out to work

because they cannot maintain the present standard of living on the wages of their husbands alone. When the wife goes out to work, what happens to the children? We all know what happens to them, but the children themselves are blamed if they get into any trouble. I take my mind back to the war years when families were living on back verandahs, because houses were at a premium. The position is little better now, because many people are waiting to obtain houses at a reasonable rental. Yet millions of pounds are being brought into the State for big business. I oppose the Bill.

Debate adjourned, on motion by The Hon. H. C. Strickland.

STATE FORESTS

Revocation of Dedication: Assembly's Resolution

Message from the Assembly requesting the Council's concurrence in the following resolution now considered:—

That the proposal for the partial revocation of State Forests Nos. 2, 7, 14, 18, 20, 37, 38, 58, and 64 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on the 25th October, 1966, be carried out.

THE HON. G. C. MacKINNON (Lower West—Minister for Health) [9.26 p.m.]: I move—

That the proposal for the partial revocation of State Forests Nos. 2, 7, 14, 18, 20, 37, 38, 58, and 64, laid on the Table of this House by command of His Excellency the Governor on Wednesday the 26th October, 1966, be carried out.

The papers containing the particulars of the individual areas comprising the proposed partial revocation of State forests were tabled in this Chamber recently and I now seek the concurrence of the Legislative Council in the resolution passed in another place that this partial revocation be carried out.

I shall indicate briefly the approximate location of each area and submit reasons why revocation of such areas from the State forests is considered desirable.

Area No. 1, which is about one mile south-east from Wonnerup townsite, consists of approximately 38 acres of poor forest country proposed for exchange with an adjacent landholder.

Area No. 2, lying about a quarter of a mile north-easterly from Carilla townsite, of approximately one acre, is required to provide continuity of access to an adjoining landholder.

Area No. 3 situated about four and a half miles north-easterly from Waroona townsite, extending over approximately 28 acres, carries little marketable timber and is required for release to the adjoining land-

holder. This would bring the new boundary to a surveyed road and improve the State forest boundary.

Area No. 4, located about five miles south-easterly from Nannup townsite, is an area of approximately 11 acres carrying little marketable timber and proposed for exchange with the adjoining landholder for an area more suitable for forestry utilisation.

Area No. 5 of about one acre, adjoining the southern boundary of Greenbushes townsite, is required to adjust the townsite boundary following a re-survey.

Area No. 6, about 12 miles south-easterly of Mayanup townsite, aggregates approximately 92 acres of forest country containing poor regrowth, which is proposed for exchange with an adjoining landholder. The exchange will increase the forest potential and remove a deep salient.

Area No. 7 comprises approximately 14 acres along the eastern boundary of Manjimup townsite and was originally resumed to give tramline access from Nyamup Mill to Manjimup. The tramline has been removed, so the strip is no longer required for the purpose for which it was created.

Area No. 8 is positioned about 10½ miles south-westerly from Nannup townsite. It is approximately five acres and is to be made available to an adjoining landholder to enable him to establish a house and farm buildings well above flood level.

Finally, area No. 9, sited about three miles north-easterly from Denmark townsite, approximates four acres of poor forest country, and is required to correct the survey of the boundary of the adjoining location.

There appear to be sound reasons for members concurring in the resolution passed in another place that these areas be made the subject of an Order-in-Council by the Governor for the revocation of dedication and I commend the motion which I have moved to members.

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

STATE FORESTS

Revocation of Inland Areas: Assembly's Resolution

Message from the Assembly requesting the Council's concurrence in the following resolution now considered:—

That the proposal for the revocation of State Forests declared under the Land Act Amendment Act, 1904, laid on the Table of the Legislative Assembly by command of His Excellency the Governor on the 25th October, 1966, be carried out.

THE HON. G. C. MacKINNON (Lower West—Minister for Health) [9.30 p.m.]: I move—

That the proposal for the revocation of State Forests declared under

the Land Act Amendment Act, 1904, laid on the Table of this House by command of His Excellency the Governor on Thursday, the 27th October, 1966, be carried out.

Mr. President, the papers dealing with the subject matter of this motion were, with you concurrence, recently laid on the Table of the Legislative Council. Lest this motion be confused with the motion which is normally moved about this time of the year covering the revocation of dedication of certain areas of State forests, I desire to provide members with a brief explanation as to the reason why this motion has been moved.

Prior to the passing of the Forests Act in 1918, the protection of timber was dealt with under the Land Act, 1898, and the Land Act Amendment Act, 1904. To protect the timber and to prevent the development of a dust nuisance, all land within a certain radius of 102 mining towns throughout the goldfields areas was declared State forest under the Land Act Amendment Act, 1904, and the cutting of timber thereon prohibited. For the same reasons, areas as described around 24 other goldfields towns were also declared State forest. Many of these towns have long since disappeared.

Two areas declared in the south-west have since been included in State forests dedicated under the Forests Act. Since the passing of the Forests Act, the cutting of timber has been controlled by the issue of licenses, which restrict or prohibit operations in green belts around goldfields towns.

When the timbered areas of the State were dedicated as State forests under the Forests Act, the areas declared under the Land Act Amendment Act were not considered to be State forests and have been treated as Crown land. In fact, large portions have been alienated, and the retention of these areas as State forests is no longer required.

I desire to quote from legal advice on the matter, which has been submitted to the Government. This is as follows:—

The Forests Act, 1918, repealed with a certain modification the provisions of section 8 of the Land Act Amendment Act, 1904. It follows that the State forests which had been proclaimed under the Land Act Amendment Act, 1904, and which were in existence at the commencement of the Forests Act, 1918, are deemed to have originated or been constituted under the Forests Act. They are therefore in exactly the same position as State forests which have been dedicated since 1918 and are in the exclusive control of the Forests Department.

It is evident, therefore, that these areas are still legally State forests and must remain as such on the Lands Department plans until they are revoked by both Houses of Parliament.

From the foregoing, it will be evident to members that this motion is unique, and in view of the certain circumstances which have arisen in the Murchison and the north-west, to which I have already made reference, the Conservator of Forests has submitted the proposal to his Minister, because it is felt there is no need to retain the areas referred to in the papers that have been laid upon the Table of the House.

With a normal revocation, it is customary for the Minister moving the motion to give members present a fairly precise indication of the nature of the lands involved. However, in this case, as the areas comprise all Crown land within a two-mile radius of 99 mining towns throughout the goldfields areas, many of which have long since disappeared, we availed ourselves of the opportunity to table the appropriate papers, earlier than is usual in connection with the moving of the normal revocation motion, to give members who are interested plenty of opportunity to study them. Therefore, I do not propose to weary the House by reading through the long list of names involved, and to which are added all Crown lands within a radius of three miles from the Kalgoorlie, Boulder, and Coolgardie Post Offices.

The papers also contain explanatory particulars of more than 24 other areas, such as Black Range State forest, the particulars reading bounded on the south and west by lines "starting from a point situate about 300 chains south from the 217 mile post", and so on. Again, I think members would not thank me if I were to suggest reading through seven foolscap sheets of these descriptions which are available to members on the Table of the House.

I shall therefore content myself, Mr. President, in commending this motion to the House in the knowledge that full particulars of its proposals have, for some little time, been available to members for their perusal.

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

WORKERS' COMPENSATION ACT AMENDMENT BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [9.37 p.m.]: I move—

That the Bill be now read a second time.

This Bill to amend the Workers' Compensation Act has been passed through all stages in another place and comes here for consideration by members of this House.

If the Bill is passed, it will bring some of the provisions of the Workers' Compensation Act more into line with those

now operating in other States by extending the compensation provisions.

Before dealing with the main amendments, I would draw the attention of members to the fact that whilst reference is made to payments as now stated in the Act, these payments have been subject to alteration by virtue of subsection (5) of section 4 of the Act, which makes provision for variation in payments where adjustments to the male basic wage aggregate 2½ per cent.

For instance, whereas the maximum payment for permanent total incapacity is set out in the Act as £3,500 or \$7,000, the amount payable now is, in fact, \$7,482. Similar variations apply to other payments, allowances, and benefits. To avoid confusion, therefore, I shall, in giving examples, refer to the amounts actually stated in the Act as at present.

Therefore, in respect of the amendment dealing with compensation for death or total disablement resulting from an injury, I advise members that it is proposed in this Bill to increase this amount to \$10,000 as compared with \$7,000 at present provided in the Act.

Dependent children under the age of 16 years of a deceased worker will receive \$220 instead of \$200 as at present. The appropriate reference here is contained in the first schedule on page 74 of the Act.

Where weekly payments are made during incapacity, \$24 for males and \$18 for females will be payable if weekly earnings at the date of the accident were not less than the basic wage. However, maximum weekly payments including payment for dependants will be increased from \$24.80 for males, and \$18.00 for females, to \$36.00 in each case.

The Bill proposes general and hospital expense increases from the figure of \$1,350 to \$1,500, and funeral expenses from \$100 to \$150. At the same time, the compartments which now exist, limiting general medical expenses to \$500, and hospital expenses to \$850, will be removed. This will allow greater flexibility in respect of these classes of compensation payments.

The Act, at present, prescribes, in the case of partial incapacity, a weekly payment not exceeding two thirds of the difference between pre-accident and post-accident earnings. The amendment proposes to delete the reference to two thirds of the difference in earnings and to pay the difference between pre-accident and post-accident earnings, subject to the maximum amounts payable. There is the further concession that, where the board is satisfied that the worker who is partially disabled has made reasonable endeavours to find suitable employment and failed, he may be regarded for such period to be totally incapacitated.

The first schedule to the Act at present makes provision for the case of a worker in receipt of weekly payments dying from causes unconnected with the claim, by al-

lowing his dependants to receive the lump sum that would have been payable to the worker had he lived.

There have been cases of the worker dying and not receiving weekly payments, though this entitlement had accrued. The Workers' Compensation Board has been allowing these claims by dependants, although entertaining doubts in the matter.

A provision has therefore been included to cover claims by dependants where the worker's rights to weekly payments have existed for six months, although payments have not been made during that period.

The Bill also incorporates an alteration in principle inasmuch that the difference in maximum payments between total and partial incapacity is removed. Payments for partial incapacity are at present limited to a percentage of the amount paid for total incapacity.

The second schedule to the Act was repealed and re-enacted in 1964, and fixes the maxima for specified injuries. A proportionate adjustment to the maxima for specified injuries is included as a complementary amendment to the proposal to increase the absolute maximum payment for death or total disablement from \$7,000 to \$10,000.

Second schedule payments have invariably been in proportion to first schedule payments. For example, the ratio was maintained in 1964 when the absolute maximum was increased from the equivalent of \$4,800 to \$7,000.

Members will appreciate that, in the interests of injured workers and their dependants, it is desirable to review payment scales from time to time and, in this light, the measure now being introduced for this purpose is commended to members.

I desire to add that this Bill was amended in another place in order to give the board a discretion in the maximum amount of medical and hospital expenses payable. As mentioned earlier, the Bill increases this maximum amount from \$1,350 to \$1,500, and the amendment which was accepted by the Minister for Labour implies a discretionary power being conferred on the board to increase such maximum should it, in a particular circumstance, be inadequate.

Clause 5 also was amended with the express desire of enabling the widow of a worker to receive compensation if he was suffering from silicosis and he dies or is killed because of reasons outside his employment.

The medical and hospital amendment was moved by the member for Bunbury, and the silicosis move was made by the member for Murchison in another place. I mention this purely as a matter of interest.

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

House adjourned at 9.44 p.m.

Legislative Assembly

Tuesday, the 8th November, 1966

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The SPEAKER (Mr. Hearman) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS (15) : ON NOTICE

ORD RIVER SCHEME

Irrigable Land

1. Mr. JAMIESON asked the Minister for Industrial Development:

- (1) What is the anticipated total area of irrigable land associated with the completed Ord River project?
- (2) What acreage is in—
 - (a) Western Australia;
 - (b) Northern Territory?

Mr. COURT replied:

- (1) Anticipated total area 170,000 acres.
- (2) (a) 125,000 acres.
(b) 45,000 acres.