

all manner of things. He speaks on health, and hospitals, main roads, public works, and everything from arthritis to articulated bogies. We know that, but the people of Newcastle who subscribe to The Royal Newcastle Hospital do not know, and some of them have taken notice of the attack on this hospital. I apologise to hon. members for delaying them, but I felt that the subject was of sufficient importance to bring to the notice of this House.

Mr. LANDA (Bondi), Minister for Labour and Industry and Social Welfare [11.11], in reply: I have listened carefully to the remarks of the hon. member and will have much pleasure in bringing them to the attention of my colleague, the Minister for Health.

Motion agreed to.

House adjourned at 11.12 p.m. until 2.30 p.m., Wednesday.

Legislative Assembly.

Wednesday, 19 October, 1955.

Questions without Notice—Personal Explanation (The Royal Newcastle Hospital)—Sydney Turf Club (Amendment) Bill—Long Service Leave Bill—Industrial Arbitration (Basic Wage) Amendment Bill (second reading)—Adjournment.

Mr. SPEAKER took the chair at 2.30 p.m. The opening Prayer was read.

QUESTIONS WITHOUT NOTICE.

BLAKEHURST PUBLIC SCHOOL:
TRAFFIC LIGHTS.

Mr. CRABTREE: I ask the Minister for Transport whether it is a fact that children attending Blakehurst public school are exposed to grave danger when crossing busy Prince's Highway? Is it a fact, also, that I have made strong representations for the installation of school traffic lights at this crossing? If these are facts, will the Minister inform the House whether it is possible to accede to my request?

Mr. WETHERELL: The hon. member has made persistent representations in relation to the pedestrian crossing over Prince's Highway at Blakehurst public school. As a result of those representations a police officer is stationed there during the morning when children are crossing. The installation of traffic lights has been approved and I will endeavour to speed the work. Until the traffic lights are working, the police supervision of the crossing will continue.

BRADFIELD PARK KINDERGARTEN.

Mr. STEWART FRASER: I ask the Minister for Education whether he recently authorised extensive repairs and redecoration at the Bradfield Park public school? Is it a fact that the completion of that work has greatly improved the appearance of the school and the housing settlement? Is it a fact, also, that the Bradfield Park emergency housing settlement has a kindergarten which is doing a grand job not only for the young children of the settlement but also for some from the surrounding district? If these are facts, will the Minister be good enough to arrange for a coat of paint to be applied to the two kindergarten huts so as to bring their appearance up to the standard of the public school?

Mr. HEFFRON: Some time ago, after the hon. member had mentioned in this House the condition of Bradfield Park public school, I inspected it. Inadvertently, I failed to notify the hon. member that I would be looking over the premises. The school buildings are army huts and I found that extensive painting and renovation was needed. This work has been done. I was not aware that the kindergarten buildings had been overlooked and I am unable to give a reason for this.

Mr. STEWART FRASER: The kindergarten buildings are separated from the public school and across the road from them.

Mr. HEFFRON: I assure the hon. member that I will look into this matter and if painting will make the buildings more attractive, I shall be happy to authorise it.

WATER CONSERVATION AND IRRIGATION COMMISSION: COTTAGES AT MUMBIL.

Mr. L. M. NOTT: I ask the Minister for Conservation whether it is a fact that eighty-three cottages have been built at Mumbil by the Water Conservation and Irrigation Commission in connection with the construction of Burrendong dam? Is it a fact, also, that a number of these cottages are occupied by persons outside the service of the Water Conservation and Irrigation Commission? Is it further a fact that these occupants have week-to-week tenancies and may be dispossessed on one week's notice? If these are facts, will the Minister inform the House of the exact position concerning the Commission's cottages at Mumbil? Will he say how many are at present occupied by employees of the Commission, and can he give an assurance that when the construction of Burrendong dam is resumed tenants who are not employees of the Water Conservation and Irrigation Commission will not be required to suffer undue hardship?

Mr. ENTICKNAP: It is a fact that eighty-three cottages have been constructed at Mumbil to house employees of the Irrigation Commission during the construction of Burrendong dam. Ten of these cottages are occupied by employees of the Commission. The balance, except five that are unoccupied, are tenanted by members of the public, including some school teachers and a police officer. Each tenant, other than the Commission's employees, has signed an undertaking that he will vacate at a week's notice when work on this dam is resumed. The Government has consistently expressed its intention to transfer plant from Glenbawn dam so soon as it is completed to enable work to be resumed on Burrendong dam. Therefore, the Commission had to protect itself when it permitted people to occupy these cottages. The tenants have been informed of the position and have signed undertakings that, the moment the Commission is ready to restart work on Burrendong dam, they will vacate their premises. I feel confident that no hardship or dislocation will be caused to the tenants, because it will be some time

before Glenbawn dam is completed. The occupants of these premises will see how work is progressing and will thus have plenty of warning.

Mr. CUTLER: I ask the Minister whether it is a fact that reliable reports are circulating in the area to be served by the Burrendong dam that the original siting of the dam was wrong, and that that is why work on it has ceased? Will the Minister say whether there is any truth in this rumour?

Mr. ENTICKNAP: I do not know who has circulated this report; it is the first that I have heard of it. I do not know whether or not it was conceived in the hon. member's imagination, but there is no truth whatever in the statement.

Mr. MCCAW: On a point of order. I submit that the Minister is taking advantage of his opportunity to answer a question by imputing motives, which, under the standing orders, he is not entitled to do.

Mr. RENSHAW: On the point of order. I submit that the hon. member for Orange imputed motives when he asked the Minister a question without giving the source of his information, whether from an individual or from a newspaper. As his question was framed to impute motives the Minister is entitled under the standing orders—if I understand them correctly—to answer the question, however it may be framed, in the manner in which he thinks fit.

Mr. CUTLER: On the point of order. I am sure that if I had supplied information in my question, you, Sir, would have ruled me out of order immediately. The information that I sought in my question is the subject of extensive rumour in the area to which I referred. I did not endeavour to impute any motive to the Minister. I asked a question to receive information, and for no other reason.

Mr. SPEAKER: As the Minister for Public Works and Local Government has said, the practice of the House is that a Minister is entitled to answer a question

in the way in which he thinks fit. However, the standing orders do not permit him or any other hon. member to be offensive or to impute motives. The Minister for Conservation made it clear that he believed that the question asked by the hon. member for Orange contained an imputation and he said that, in his opinion, the rumour might exist only in the imagination of the hon. member. The hon. member for Orange treated the matter facetiously, which lends colour to the Minister's suggestion. The hon. member for Lane Cove, who took the point of order, thinks that there was an imputation of motive in the Minister's comment. To my mind, there was no more imputation of motive in the Minister's words than there was in the question asked by the hon. member. My remarks seem to cause some mirth. Apparently some hon. members believe that the hon. member for Orange did have a motive in asking his question. I rule against the point of order. The Minister may proceed to answer the question.

Mr. ENTICKNAP: There is a marked tendency among Australians to "knock" the great works that are being undertaken by the Irrigation Commission throughout the State. False rumours prejudice the construction of dams and do a disservice to the State and the people of the area concerned. No official file contains any suggestion that the siting of the Burrendong dam is at fault and for that reason I remarked that the rumour to which the hon. member referred might exist only in someone's imagination. Burrendong dam is an important project which is in course of construction. As soon as work on the Glenbawn dam has been completed, all the resources and energy of the Irrigation Commission will be used to finish the Burrendong dam project as quickly as possible.

MILLFIELD SCHOOL: REPAIRS.

Mr. CROOK: I ask the Minister for Education whether the school at Millfield is urgently in need of painting and repair, upon which he commented when he visited the school some time ago? If this is the position can the Minister say when this urgent work will be done?

Mr. HEFFRON: When I made a personal inspection of the school I directed that the repair work, principally painting, should be done as soon as it could be arranged within the existing programme. I know that the work is listed to be done in the first half of this financial year, but I do not know when a start will be made. I will find out later in the afternoon or tomorrow morning and let the hon. member know.

NATIONAL ART GALLERY: TRUSTEES.

Mr. TREATT: I ask the Minister for Education whether he made no reply to the case I put in the House last week for the alteration of the existing life tenure system of trustees of the National Art Gallery, because it is unanswerable? Does he recall a promise that he made a decade ago—and repeated on subsequent occasions—to amend the Libraries and Art Gallery Act to effect such an alteration? If these are facts, will the Minister repair his omission over the past decade by approaching the Premier with a view to having the necessary legislation passed before Parliament goes into recess?

Mr. HEFFRON: It is a fact that the hon. member for Woollahra raised this matter in the House recently. It is a fact, also, that some years ago I said that an amending bill would be introduced to cover the National Art Gallery. A measure has been drafted that could meet the position. From what I heard the hon. member say the other night and from what I have since read in the press, the suggestion seems to be that nothing has been done to assist art in this State, and that the trustees of the gallery are taking little or no interest in the work that they are supposed to be doing. Probably a decade ago I said, when I was outlining what I thought would be a reasonable programme, that an amending bill would be introduced to cover the National Art Gallery and that art would be given the best possible lift. Since then, because such a bill has not been before the House and because some disappointed people who would like to be trustees of the National Art Gallery have not obtained an appointment, the suggestion has been

made that little or nothing is being done. Nothing could be further from the truth. In the last ten years there has been an amazing development in art in this State. In schools to-day art has become a very important subject, right from the tiny tots who do their finger painting in the kindergarten to the 30,000 boys and girls in high schools who take art as a subject. Within the last decade, and particularly within the last few years, art has been viewed so seriously by this Government, the department and myself that it has been made a full Leaving Certificate subject. Last year no fewer than 600 students passed in art at the Leaving Certificate examination.

Almost every day guide lecturers take children through the National Art Gallery and competent artists such as Erik Langker deliver lectures to them. In recent years travelling art exhibitions have taken art treasures from Sydney into country areas and have made it possible for more than 100,000 people to see them. Those are the really worthwhile things that are being done. Standards to-day are infinitely higher than they were. I disagree entirely with the view that, because some of the trustees are, like many of us, becoming a little on the old side, they are out of date and think only of the artists of their day, and I oppose strongly the theory that the artists of other days were not good artists. The picture of Sir Henry Parkes in this Chamber, painted by Julian Ashton, is a work of art that will stand the test in twenty years or one hundred years' time. Those who scoff at the older artists scoff at Stretton, Gruner, Hans Heysen, James Jackson, Robert Johnson, Harry Hanke, Erik Langker and others whose outstanding work means so much to us.

It is true that some people are at times not satisfied with the trustees' decisions; such people scoffed when the Archibald prize was awarded to William Dargie. Yet that artist was talented enough to be chosen to go to England to paint Her Majesty's portrait. One should not become heated over a matter such as this, but I cannot help saying that a good deal of nonsense is talked about the running of the National Art Gallery.

Lt.-COLONEL ROBSON: Is this a statement of policy?

Mr. HEFFRON: No, but I assure the hon. member that it will be included in my policy speech. I emphasise that neither country districts nor art itself is suffering because an amending bill has not been introduced. The director of the National Art Gallery is very competent. Many of the trustees are outstanding artists, and nearly all of them take a keen interest in art. I assure the hon. member that the Government cannot introduce the amending legislation in the limited time available before the end of this session, but when Labour is returned to the Government benches on 3rd December I will see that the amendment is brought down.

Mr. PELLY: I ask the Minister for Education whether it is a fact that the substance of the question by the hon. member for Woollahra was directed not at the esteem in which the artists named by the Minister are held in the community, but rather at the method of appointment of the trustees of the National Art Gallery? Is it a fact that these trustees are appointed for life? Does the Minister not agree that it would be better to have some representation of the up-and-coming generation of artists?

Mr. HEFFRON: The trustees of the National Art Gallery, like the trustees of the Public Library of New South Wales, are appointed for life. Though I do not personally favour life appointments of trustees I must say that, just as the trustees of the Public Library of New South Wales include some outstanding and comparatively young men, so also do the trustees of the National Art Gallery. Artists, sculptors, musicians and others in the field of culture are not judged by the greyness of their hair or the years that they have left behind them. Art is not measured by these things. Men such as Sir Charles Lloyd Jones, Erik Langker and a number of others whom I could mention, have all the enthusiasm of youth combined with the judgment of wise men, though they have many years behind them. I look forward to an art gallery the trustees of which will

ultimately be appointed for a definite period, with the right of re-appointment. I believe implicitly in that method, but I pay my tribute to those who over the years have worked so very well as trustees of the Public Library of New South Wales and the National Art Gallery.

HOUSING COMMISSION: RENTALS.

Mr. MORGAN: I ask the Premier and Colonial Treasurer whether it is a fact that the Liberal Government of Victoria, shortly after its election, increased considerably the rent of that State's housing authority's homes? If this is a fact, will the Premier assure the House and the people of New South Wales that no such action is proposed by this Government?

Mr. J. J. CAHILL: Under the present Commonwealth and State Housing Agreement rents are determined on an economic basis, but in some cases they are below that. As a matter of fact, the Commonwealth Government has refused on at least one occasion to pay its share of rental rebates because what is known as the economic rental was not charged. The same position applies in Victoria and, as the hon. member says, rents have been increased there. I presume that that has been done to comply with the agreement and to render Victoria eligible to receive the stipulated percentage contribution by the Commonwealth Government towards rental rebates. No proposal to increase the rents in this State is envisaged. As hon. members are aware, the Commonwealth and State Housing Agreement will terminate next year and a suggested new agreement has been submitted to the States. State Ministers have met the Commonwealth Minister and have had preliminary talks. Scarcely one State is in accord with the views of the Commonwealth Government on the new housing agreement. Its view is that the interest rate should be increased and if that happened consideration would have to be given to the rent to be paid. Under the present agreement this Government does not propose to increase rents, but if the new agreement is accepted and increased

interest charges have to be met, consideration will have to be given to the rents that are to be charged for homes constructed under that agreement.

BARELLAN: TIMBERED RESERVE.

Mr. DICKSON: I ask the Minister for Lands whether I have, on behalf of a number of my constituents who make Barellan their shopping centre, made representations that the timbered reserve on the northern side of the town be preserved as a windbreak and a beauty spot because of its trees? Is it a fact, too, that this reserve is on the western and eastern boundaries of the showground and representations have been made also by the show association and other local organisations, asking for its preservation? Is it further a fact that notices stating that 130 acres will be made available to wheat growing and grazing have been exhibited at the Barellan post office? If these are facts will the Minister act to preserve this wonderful area as a protection for the town of Barellan and the surrounding area from wind and dust storms?

Mr. HAWKINS: The hon. member for Temora has made some representations on this subject, as has the hon. member for Murrumbidgee, in whose electorate the area is located. The area is on the boundary but just outside the electorate of the hon. member for Temora. He may rest assured that his constituents in that area are faithfully and efficiently represented by him. His representations have been received and when the final decision is made I will communicate with him, after having advised the hon. member for Murrumbidgee.

CHAIR OF AUSTRALIAN LITERATURE.

Mr. MAHER: I ask the Minister for Education whether it is a fact that considerable agitation has arisen for the establishment of a Chair of Australian Literature at the University of Sydney? Is it further a fact that the Australian litterateur is without honour in his own country? Is it a fact, too, that official recognition by the University of Sydney would provide

a much-needed fillip to Australian literature? If these are facts, will the Minister give urgent consideration to the establishment of a Chair of Australian Literature, so that all formalities will be completed and it will be established immediately this Labour Government is returned in the first week in December?

Mr. HEFFRON: For years there has been considerable agitation for the establishment of a Chair of Australian Literature in the University of Sydney. As the hon. member knows, the University of Sydney is an autonomous body, which arranges its own courses and chairs, and I am unable to say what action is contemplated by the Senate. The hon. member's question is an important one, and at the first opportunity I shall raise the matter with the Vice-Chancellor, and let the House and the hon. member know what is intended.

PRINCE HENRY HOSPITAL.

Dr. PARR: I ask the Premier, in the absence of the Minister for Health, whether the Prince Henry Hospital has many empty beds and whole wards are closed? Is it a fact that a large number of doctors have recently resigned from that hospital? Is it a fact, also, that the remaining doctors are heavily overworked? If these are facts, will the Premier inform the House of the number of empty beds in the hospital, the reasons for the abnormal number of resignations by doctors, and what measures he proposes to take to increase the number of doctors at the hospital and to make the empty beds available for patients?

Mr. J. J. CAHILL: In the absence of my colleague, the Minister for Health, I shall have to make detailed inquiries from the Department of Public Health. While the question was being asked, my colleague the Deputy Premier, who is President of Prince Henry Hospital Board, informed me that the first two statements made by the hon. member for Burwood are quite incorrect. I understand, also, that the Royal Prince Alfred Hospital is negotiating to use the beds. I will have officers of the Department of Public Health prepare a detailed reply to the question.

WAR SERVICE LAND SETTLEMENT.

Mr. ROBERTSON: I ask the Minister for Lands whether he is preparing a bill to amend existing war service land settlement and closer settlement legislation? If so, does it provide that when land is acquired for war service land settlement, compensation shall be assessed on the basis of fair market value? Does it also provide for an increase in the value of the land that may be retained by an owner whose property is resumed for soldier settlement? If these are facts, will the Minister give an assurance that the bill will be passed during the current session?

Mr. HAWKINS: A bill is in course of preparation which provides that where no basis of compensation is agreed upon between the closer settlement advisory board and the owners, for land compulsorily acquired, compensation shall be the fair market value, assessed by the closer settlement advisory board or, on appeal, by the Land and Valuation Court. The measure also increases the value of the area to be retained by an owner. There has been no compulsory acquisition of land during the past three and a half years. Since I have been Minister for Lands the whole of the lands for soldier settlement have been acquired by negotiation with the owners, and this arrangement which is generally acceptable to the owners will be continued. When people speak of "just" prices they should consider not only the owner but also the needs of returned soldiers. Regard must be had to fair market values based not upon social values but upon the productive capacity of the land. That must be done if the interests of returned soldiers are to be preserved. The closer settlement advisory boards have given excellent service and I am sure that they will continue to do so.

Some owners have made land available at a generous price, and by negotiating with the closer settlement advisory board they have retained for themselves a much larger area of their properties than if the land had been compulsorily acquired. By agreement with the owner the department has taken perhaps only half his land and the owner has generally been satisfied with the

arrangement. One owner recently came to the department to thank the officers concerned for the manner in which he had been dealt with by a board. He said: "In the light of all the circumstances, having made four farms available, I feel that I have done my share in soldier settlement. However, in appreciation of the way in which the matter has been dealt with I am going to cut £500 off the value of each farm." In this way he made a donation of £2,000 to returned soldier settlers who were entering into occupation of his land. I believe that most owners will continue to make land available by negotiation with the closer settlement advisory boards. The bill is at present in the hands of the Parliamentary Draftsman. I regret I am unable to give an assurance that it will be passed this session because of the number of other measures coming forward, but I assure the people and the House that the present arrangement, under which negotiations are entered into between the boards and the owners, will be continued. Where owners reach agreement with a closer settlement advisory board they will continue to retain a much larger proportion of their properties than would be possible if the land were compulsorily acquired.

This year the Government has £4,500,000 available for soldier settlement. I am anxious to spend it all, as I have done in each preceding year. The owners of land that is being acquired through negotiation with the closer settlement advisory boards can rest assured that they will be liberally treated, as in the past. There will be no compulsory acquisition of land until the Act has been amended, but if I find it is necessary, in order to spend the funds available, compulsory acquisitions will be commenced immediately the measure becomes law. If I am unable to get the measure passed this session it will receive priority during the next session and it will be one of the first measures dealt with.

Mr. PELLY: I wish to ask a supplementary question. Will the Minister give the House an assurance that the provisions of the bill that he is having prepared will apply to estates negotiations for the acquisition of which are now being conducted?

Mr. SPEAKER: Order! The question asked by the hon. member for Wollondilly is not supplementary. He is asking the Minister to take some action in relation to projected legislation.

KURRI KURRI: HEADMASTER'S RESIDENCE.

Mr. BOOTH: I ask the Minister for Education whether it is a fact that the departmental real estate office has notified the headmaster of Kurri Kurri school that the house he occupies is likely to be sold? If this is a fact, and as there are no other homes available in the town for the headmaster, will the Minister consider the advisability of the Education Department's purchasing the house and putting it in reasonable repair, thus providing a home in the town in which the headmaster of the school may reside permanently?

Mr. HEFFRON: The government real estate office apparently has the management of the property to which the hon. member refers, so it would not belong to the Department of Education. I will ask the Area Director to look into the matter. The Education Department would be pleased to examine the building but, of course, it would not be interested in its purchase unless it is in a good state of repair. If there is another suitable residence for sale in Kurri Kurri the department would consider purchasing it.

GLOUCESTER HIGH SCHOOL.

Mr. FITZGERALD: I ask the Minister for Education whether it is a fact that in the last session of Parliament, in reply to a question that I asked, he stated that a start would be made during this financial year on the new high school at Gloucester? If this is a fact, will the Minister inform the House when a start is likely to be made?

Mr. HEFFRON: I advised the hon. member that the department hoped to proceed this year with the building of the new high school at Gloucester. That hope has not yet been realised, and it is doubtful, unless there is some material development from another meeting of the Loan Council,

whether there will be enough funds to go ahead with the school this financial year. I am anxious to proceed with the building of Gloucester high school, and the other schools in the hon. member's electorate have not been neglected. Last Friday I had the pleasure of opening a new school at Raymond Terrace, and while there I observed that the new high school at the same centre is in an advanced stage of construction. The Raymond Terrace high school is needed, as is also, of course, the promised high school at Gloucester. The hon. member may depend on it that just as the building programme has been progressing in other parts of his electorate, work on the new high school at Gloucester will proceed as soon as opportunity affords.

LEICHHARDT EVENING COLLEGE.

Mr. COADY: I ask the Minister for Education whether several classes have been curtailed at the Leichhardt Evening College? Is it a fact, also, that there is local demand for these classes and that the enrolments in each class at the college number about twenty? If these are facts, will the Minister review the position?

Mr. HEFFRON: It is quite possible that there has been some slight curtailment in classes at the Leichhardt Evening College. These evening colleges are the most popular institutions in the State. They began only in the last decade and have grown until New South Wales can now rightly claim to have the best system of adult education in the world, with classes for youths and adults in almost any subject. The present enrolment in evening colleges is over 30,000 and the department has been embarrassed financially to provide all that is required for the classes. Last year the Colonial Treasurer made available to me £117,000 for evening colleges, which are doing an excellent job. It is not my wish that there should be any curtailment of classes but their ever-growing popularity has demanded expansion at a rate that is difficult to meet. I have been reliably informed that if the classes were available another 20,000 persons could be

enrolled. I will look into the hon. member's question and ascertain whether anything can be done about the curtailment that has occurred at Leichhardt.

WINDSOR-RICHMOND DISTRICT: FLOOD REMEDIAL WORKS.

Mr. DEANE: I ask the Minister for Local Government whether it is a fact that Windsor Council and the residents of the Windsor-Richmond district were promised by the Minister that flood remedial measures would be taken in that area? If so, will the Minister now inform the House whether it is the intention of the Government to give relief to that district by making available to the Windsor Council a grant to enable it to perform such works?

Mr. RENSHAW: The promises that this Government has made to councils have always been honoured. In the assessment of grants toward flood mitigation or remedial works, the needs of all councils are gauged by the same measuring stick. This takes into consideration the degree of damage suffered, the possibilities of recurrence of damage, the effect that flood damage has had upon the local municipal or shire councils and their financial ability to overcome the situation.

WATER SUPPLY: GYMEA BAY.

Mr. J. J. CAHILL: Yesterday the hon. member for Sutherland asked me a question about the water supply to certain residents in his electorate, and not having heard the full text of his question I replied by referring to the position at Menai. The Metropolitan Water, Sewerage and Drainage Board has reported that the failure of water supply last week-end in the areas referred to by the hon. member as well as in Coonong-road, GyMEA Bay, was due to the inability of Sutherland reservoir to continue to meet the unusually heavy demand which occurred when the consumption exceeded 200,000,000 gallons on each of three consecutive days and culminated in a record usage for October with a figure of 243,600,000 gallons on Sunday last. This is among the highest consumptions ever

recorded. Because of the sustained draw-off over the period of hot, dry weather, the reservoir could not be filled at a sufficiently rapid rate, and serious depletion occurred; the water level in the reservoir has now been satisfactorily restored. Over recent years the Board has laid many miles of amplification mains in the Sutherland-Cronulla area to meet the extensive residential and industrial growth that has been taking place since the end of World War II. Despite all that has been done, however, it has become increasingly difficult for the Board to keep pace with the enormous building development in this locality, which has been one of the two most rapidly expanding districts in the Board's area of operations.

In planning to keep abreast of the district's water supply needs the Board included a number of proposed works in the construction programme for the current financial year and is at present engaged in laying larger additional inlet and outlet mains for Sutherland reservoir. These works are of some magnitude, involving the construction of 20-in. pipes from the 48-in. Woronora pipeline which will double the inlet capacity of the reservoir, thus enabling a high water level to be maintained and permitting the operation of the Sutherland booster at all times. It has not been possible to operate this at some times because of the low level in the reservoir. It is expected that on the completion of these mains in about six weeks' time, a definite improvement in the supply to the whole district will result. The Board reports that it will be necessary to lay a 15-in. main along Gympsea Bay road and a 4-in. main in Coonong-road to overcome the difficulty in the Gympsea Bay area. Final plans in this regard have almost been completed and it is hoped to be able to make a start on both jobs in the near future. The Board has pointed out, however, that what can be done will depend on the availability of construction resources, particularly men and materials. As regards the latter, the Board has lately been hampered by the non-delivery of sufficient 4-in. pipes to satisfy all its requirements. The Board has been making every effort to carry out the necessary amplifications before the

warmer weather sets in and has assured me that it will continue to press ahead with these works so that they can be placed in service at the earliest opportunity.

CANCER: RESEARCH AND TREATMENT.

Mr. J. J. CAHILL: On 11th October the hon. member for Burwood addressed questions to me in the absence of the Minister for Health, concerning the special unit proposed to be constructed at the Prince of Wales Hospital, Randwick, as an annex of Sydney Hospital. I have made inquiries concerning this matter and now supply the following details:—(1) The position of Senior Pathologist was advertised as stated by the hon. member. (2) The New South Wales State Cancer Council Act, 1955, provides for the control of any cancer institute constructed by moneys provided by Parliament, a government department or the Cancer Council and under the circumstances set out in section 14 of that Act. (3) The special unit has no relation to the proposed institute. It is not intended that the proposed special unit be expanded so as to become the cancer institute contemplated in the legislation. (4) At this stage there is no proposal to set up special units for the investigation and treatment of cancer at other hospitals. Whether other units will be set up is a matter for later consideration by the New South Wales State Cancer Council. (5) The special unit being established is to be used solely for the investigation of the newer methods of treatment, study and research in cancer. This will cover surgical methods, chemotherapeutic developments, and so on. In the proposed institute, activities in the initial stages will almost solely be confined to radiotherapeutic treatment, including treatment by supervoltage equipment, when available. The proposals as to the future expansion of activities within the institute will be carefully examined by the Cancer Council, following an overseas study that is to be made in the near future.

WELLINGTON HIGH SCHOOL.

Mr. HEFFRON: Yesterday the hon. member for Mudgee asked a question about the proposed new high school at Wellington, and I undertook to supply him with

details of the accommodation to be provided. The new brick high school on the ground floor of the main building will have eight classrooms; a clinic, a staff study room, a staff toilet, a room for a careers' adviser and counsellor, and offices for the principal and deputy principal. There will be a separate toilet to serve these two rooms. Also on this floor there is to be a clerk's office, a storeroom fitted with shelving, and a cleaners' change room. On the first floor are three classrooms, a science demonstration room, a science laboratory, with a preparation room between the laboratory and the demonstration room. There will be a library with workroom and a librarian's office adjoining, a staff common room, with an annex fitted with a sink and drainer, also cooking facilities, lockers, and so on. Provision is made for a staff study room and a storeroom. Also there will be an assembly hall-gymnasium, with change rooms, toilets, shower rooms, and so on, connected with the main block. In a separate single-storey brick building the home science unit will contain a kitchen with dining annex and pantry, a laundry, a needlework room, a fitting room, a needlework store-change room, a staffroom, and a storeroom.

The manual training block, which will also be a single-storey brick building, will contain a technical drawing room and store, a woodwork room, with office and store, a metalwork room with forge annex, as well as an office and a store. There will be a separate staffroom and staff toilet, and also a cleaners' room. A separate building will house a toilet and wash basins, and will provide shelter for boys and girls. It will contain also a food-preparation unit. Bicycle shelters and an incinerator will also be built.

TOBACCO: BRANDING FOR QUALITY.

Mr. LANDA: On 27th September the hon. member for Fairfield asked a question about stems and stalks being used in the manufacture of tobacco. I informed the hon. member then that I would have inquiries made. All tobacco and cigarettes manufactured have a proportion of stems, but stalks are not included. It is a world-wide practice to utilise the stems of the

tobacco leaf, because it is claimed that their use does not detract from the quality of the tobacco and that they form a common component of all high-class tobaccos. The production of tobacco entirely free from stems presents technical difficulties. It would prove costly and make tobacco much more expensive. It is not the practice of the trade to grade tobacco. Any grading, if it can be so called, is in price only. Investigations have not revealed any departure from the normal process of manufacture in the use of stem. It is the practice of manufacturers to maintain a constant ratio in its usage in all cigarettes and tobacco. Therefore, there will not be any substantial variation in stem content, irrespective of quality. I am satisfied that manufacturers are exercising all reasonable care in the manufacture of tobacco, and that no good purpose would be served by introducing some rigid form of grading.

MOTOR TYRES.

Mr. LANDA: On 5th October the hon. member for Concord asked a question about the existence of restrictive trade agreements in the sale of motor tyres, and, if they exist, whether I could assure the House that they do not operate against public interest, particularly in regard to price. The question followed an article that appeared in the *Daily Mirror* on 3rd October, 1955. Inquiries have failed to reveal the existence of any trade agreement that would support the information published in the *Daily Mirror*. Tyre manufacturers do not adopt a policy of "tied houses" and tyre dealers and garages are perfectly free to sell competitive brands of tyres. Tyre manufacturers themselves control a few retail outlets in New South Wales, but even then products of other manufacturers are also sold. Therefore, there is no question of the public being exploited. Mr. Kevin Dalton of the Dalmac Tyre Company, to whom the published statement was attributed, claims that he was misreported.

EMPLOYMENT OF DISABLED PERSONS.

Mr. LANDA: On 22nd September, 1955, the hon. member for Byron raised the question of employment of disabled persons,

and directed attention to legislation on this matter enacted in Great Britain. Some years ago a similar question was raised with my predecessor, the Hon. Hamilton Knight, by the same hon. member and a little earlier by the hon. member for Croydon. The position was surveyed and some consideration was given to the advisability of following the English legislation, which approaches the problem from four different angles. First, employers are required to employ a minimum quota of disabled persons as a percentage of their total employment. This involves the government's maintaining a disabled persons register in conjunction with the National Employment Service. This principle was discussed several times by Australian authorities, including representatives of this State, and the conclusion reached was that a quota system was not desirable since it involves attaching to the persons in question the permanent classification of "disabled". It is thought that this is psychologically undesirable. It is also likely that the minimum percentage would become the maximum, and it is preferable for employers voluntarily to employ as many disabled persons as their businesses permit.

Second, certain occupations are known as "designated employment" and are reserved for registered disabled persons. Australian opinion is that the result of this would be a feeling that only the most menial and lowest-paid tasks are suitable for disabled persons, such as lift driving and basket weaving, whereas it is most desirable to make full use of the unimpaired faculties of a disabled person. Third, the British Government has undertaken a scheme of medical and industrial rehabilitation and retraining. Some of this is done at residential centres where medical treatment and vocational training are available. Other disabled persons travel from their homes to the centre each day. The Commonwealth Government has undertaken something similar in its rehabilitation centres throughout Australia but these have been restricted chiefly to invalid pensioners. Now the Federal Government has proposed to expand this scheme to cover other disabled persons.

The final activity on the part of the English Government is to provide about fourteen factories operated by the government exclusively for disabled persons. Special arrangements are made to ensure that the persons working in them receive adequate wages, and that their output does not compete unfairly with private enterprise. There are, of course, substantial differences between conditions in England and those in New South Wales. Our population is smaller and distances are much greater between larger centres of population. It is difficult to say to what extent sheltered employment is needed or could reasonably be provided in the State. The Government has instituted a committee under the chairmanship of a member of the Public Service Board to examine all aspects of the employment of the blind, and if this committee can devise a comprehensive and successful scheme for their employment it may be possible to apply the same principles to other groups of disabled persons.

REGISTRATION OF MOTOR VEHICLES.

Mr. WETHERELL: On 29th September the hon. member for Redfern asked me a question concerning residents of New South Wales who have acquired motor vehicles from other States but have failed to register them in this State. If a motor vehicle registered in another State where the owner ordinarily resides is used in that State and also in New South Wales, it is regarded as a visiting motor vehicle when it is in this State, and separate New South Wales registration is not required. If the owner takes up residence in this State or the vehicle is acquired by a resident of New South Wales the vehicle ceases to be entitled to the concession given to visiting motor vehicles and has to be registered here. The police have taken proceedings against a number of New South Wales residents who have acquired motor vehicles from other States and have failed to register them in this State. I regret that it has not been possible to ascertain details of the cases mentioned by the hon. member. Motor registries throughout the State are aware of requirements and are in a position to

advise New South Wales residents acquiring possession of registered motor vehicles from other States of their registration responsibilities in New South Wales. With a view to removing any misapprehension that may exist amongst motor traders in regard to this matter, it is proposed to ask trade organisations to insert suitable publicity on the subject in their journals circulating among second-hand car dealers.

PERSONAL EXPLANATION.

THE ROYAL NEWCASTLE HOSPITAL. •

Dr. PARR: Mr. Speaker, I desire to make a personal explanation. Last night the hon. member for Lake Macquarie attacked me in this House by saying:

Only a week or so ago a meeting of the New South Wales Branch of the British Medical Association was called to decide the association's policy towards hospitals. That meeting decided, amidst acclamation, that doctors should be allowed to charge insured patients in public wards and that the onus was on the patient to prove that he was too indigent to insure; also that the principle should be adopted that there should be no full-time specialists in public hospitals and that all positions—pathologists, biologists, and so on—should be filled on an honorary basis.

The hon. member imputed a motive to me that forms the main reason for my personal explanation when he then said:

Those are not the exact words of the resolution, but they convey the intention of the meeting. There is the motive! The hon. member for Burwood was acting as the willing tool of this Association

Because of a busy time in Parliament I did not know that there had been a meeting of the New South Wales Branch of the British Medical Association two or three weeks before. No details of this meeting came to my notice; I have no knowledge of it. Therefore, this was not the motive for my remarks about The Royal Newcastle Hospital. Also, I cannot be the "willing tool of the association" when I had no knowledge of the facts referred to by the hon. member. He has imputed motives to me of which I am entirely ignorant.

Mr. SPEAKER: The hon. member is not entitled to say that by way of a personal explanation, but he is entitled to say that he has been misrepresented.

Dr. PARR: Therefore I submit that I have been misrepresented.

SYDNEY TURF CLUB (AMENDMENT) BILL.

Mr. KELLY (Bathurst), Colonial Secretary, Minister for Immigration and Minister for Co-operative Societies [3.29]: I move:

That leave be given to bring in a bill to remove the restrictions on borrowing and the acquisition and sale of land by the Sydney Turf Club; to abolish the Racing Compensation Fund established by the Sydney Turf Club Act, 1943; for these and other purposes to amend the said Act; and for purposes connected therewith.

The bill is a simple one, and is introduced because of representations from the Sydney Turf Club for the introduction of legislation to assist it. The Act at present requires the club to obtain Government consent to purchase, sell or mortgage real estate, to issue debentures, or to obtain money by overdraft. The club is now in a sound financial position and it is considered that it should be permitted to conduct its business without the restricting provisions mentioned. Another amendment is aimed at terminating the Racing Compensation Fund that was created by section 15 of the Act. Under that section the Sydney Turf Club, the Australian Jockey Club, Tattersall's Club and City Tattersall's Club are each required to pay to the credit of the fund a contribution calculated at the rate of 5 per cent., or such lower rate as the Governor may determine, on its income from racing each year. The moneys in the fund may be applied by the Colonial Treasurer towards the redemption of debentures issued by the club, the liquidation of the club's overdraft and, generally, the payment of any compensation under the Act following the acquisition or delicensing of certain racecourses. All debentures issued by the

club have now been redeemed and the provisions of the Act in regard to compensation to proprietors of delicensed racecourses, employees of such proprietors, and so on, have been fully complied with.

From time to time, the balance in the fund has been applied in reduction of established overdrafts which, it is expected, will be fully liquidated from payments to be made to the fund for the year ending 31st December, 1955. Provision is made in the bill for the repeal of the sections relating to the Racing Compensation Fund from a date to be appointed by the Governor. Subsection (2) of section 9 of the Act provides that the Colonial Treasurer may advance such moneys to the club as the Governor may approve, upon such terms and conditions as to repayment and interest as may be agreed upon. In view of the sound financial position of the club, it is considered that this power is no longer necessary and it will be repealed.

Mr. PELLY: What is the total amount of compensation paid?

Mr. KELLY: I have not the figures with me. They are immaterial because the money has been paid out.

Mr. PELLY: I mean, the amount of money paid by the other racing clubs to the Sydney Turf Club?

Mr. KELLY: Surely the hon. member means the money paid by the Sydney Turf Club to the other racing clubs?

Mr. PELLY: The total amount paid by the other clubs into the compensation fund.

Mr. KELLY: I do not know, but it has been satisfactorily accounted for.

Mr. PELLY: Could the Minister give the House that information at the second-reading stage?

Mr. KELLY: I shall be glad to do so if it is necessary.

Lt.-Colonel ROBSON: What is the credit in the fund and what is to be done with it?

Mr. KELLY: To-day the fund is virtually exhausted. No further compensation is to be paid.

Lt.-Colonel ROBSON: Can the Minister let the House know at the second-reading stage what is in the fund?

Mr. KELLY: Yes. I suppose that it is important to know what has been paid out of the fund. The point is that all these obligations in which the Government was interested have now lapsed, and the club is desirous of acting on its own behalf. Its membership is at present limited to 1,500, and it is proposed to remove this restriction to enable the club to increase its membership if it so desires. The measure is non-contentious and there should be no great opposition to it. The hon. member for Wollondilly and the hon. member for Vacluse want to know the present financial position of the fund. That is a fair request, and I will try to get the information for the House at the second-reading stage. I commend the bill to hon. members.

Mr. ASKIN (Collaroy) [3.35]: On the surface, the proposal outlined by the Minister appears unobjectionable. The issues raised are quite important for large sums of money are involved. Although the Minister has said that the bill is not contentious, it is the prerogative of the Opposition to decide that when the bill is available and the Minister has given his second-reading speech.

Mr. DICKSON (Temora) [3.36]: On the information given by the Minister in his introductory remarks, which, naturally, cannot cover the bill in detail, it seems that the Sydney Turf Club has now reached a financial position in which it no longer desires any financial restrictions in its activities. I gather that the Racing Compensation Fund was set up in 1943 and has from time to time received contributions from the Australian Jockey Club, the Sydney Turf Club and other clubs for the purpose of buying out proprietary clubs. There is no longer any need for the other clubs to contribute to this fund. I am sure that the Australian Jockey Club has found that the annual levy has borne heavily on its finances, and that club and others will now be relieved of the necessity to make these annual contributions. I was impressed by the interjection of the hon. member for Vacluse. The House

should be told what will become of any surplus in the fund. Will the clubs that have contributed to the fund receive *pro rata* refunds, or will the Sydney Turf Club absorb the surplus? My colleagues and I must await the second-reading stage before making any further comment on the measure. I do not expect that there will be any great opposition to the bill. Probably we can congratulate the Sydney Turf Club on the fact that it is now in a position to rid itself of these restrictions.

Mr. PELLY (Wollondilly) [3.38]: All hon. members will welcome the Minister's statement that the Sydney Turf Club is now firmly enough on its feet to be able to manage its own finances. I gather that each year the Australian Jockey Club and other clubs pay 5 per cent.—presumably of their receipts from racing—into the Racing Compensation Fund. No doubt the bill will be received with much satisfaction by the Sydney Turf Club and the other racing clubs concerned. The Minister seemed rather puzzled at my interjections. I should like him to let the House know what amounts have been paid by the clubs into the fund and the way in which the money has been spent. Also, I ask him to give at the second-reading stage a brief history of the reasons for the creation of the fund. It has always puzzled me why other racing clubs in Sydney should have to pay into a compensation fund so that another turf club could obtain possession of property, racecourses, and so on, throughout the metropolitan area.

Motion agreed to.

Bill presented and read a first time.

LONG SERVICE LEAVE BILL.

Mr. LANDA (Bondi), Minister for Labour and Industry and Minister for Social Welfare [3.41]: I move:

That leave be given to bring in a bill to make provisions entitling workers to long service leave; to amend the Industrial Arbitration Acts, 1940-1955; and for purposes connected therewith.

This bill provides that long service leave benefits already conferred under State industrial awards shall be extended to all workers whether employed under awards or

not. This could cover domestics, gardeners and miscellaneous workers not covered by any award. It also covers managerial or executive employees. Hon. members will recall that under amendments made to the Industrial Arbitration Act in 1951, 1952 and 1953, State awards could be varied to include long service leave as set out in those amendments. The Industrial Commission of New South Wales was authorised to work out a set of conditions to make the leave effective. This bill, which amends the Industrial Arbitration Act, will closely follow the "standard clause" inserted by the Commission in most awards. The principle of allowing exemptions from the provisions of the Act in respect of pension or other schemes will be continued. Such schemes must, in the opinion of the Commission, confer benefits not less favourable to the workers than the provisions in this bill. Under the law as interpreted by the High Court the terms of this bill will apply to workers covered by most Federal awards.

Mr. BLACK (Neutral Bay) [3.43]: This bill is part of the triennial spate of industrial measures that are always brought down just before an election. The Minister has given an outline of the provisions of the bill but, without examining it and considering its implications, it is not possible for me to say what the attitude of the Opposition will be at the second-reading stage. From what has already been said it appears that it will be rather like the curate's egg. Part of the bill follows the recent decision in Victoria—where long service leave is provided for in State legislation—about the impact of long service leave provisions on men working under Federal awards. Opposition members will examine the measure in due course, and it will be our duty to point out what its economic impact will be. There are other provisions that have come as a surprise, and before the attitude of the Opposition can be stated, the bill will have to be examined closely.

Mr. DICKSON (Temora) [3.45]: In principle my colleagues and I believe in long service leave provided that industry can sustain it. The universal forty-hour week already gives much leisure to workers

and whether this is an opportune time to impose a further burden on industry will have to be considered carefully in view of what is happening to the economy of this country and in view of the impact of other legislation before the House. I doubt whether a greater burden can now be imposed on industry without hurting those whom it is sought to benefit by granting long service leave.

Mr. LANDA: This bill grants leave only to "other people".

Mr. DICKSON: It is still an impact on industry. We look to the second-reading speech as an opportunity to examine the full impact of this measure on industry, and from that point of view we cannot quietly put aside our responsibility and say that we believe in the principle of long service leave, whether or not it hurts the economy. If it hurts the economy, the man who will be hurt most is the man it is sought to help. Until we examine the bill carefully it is impossible to say whether we shall oppose or support it.

Mr. HOWARTH (Maitland) [3.47]: In addition to the question whether industry can carry the burden, there is another aspect of this bill that is important—its effect on private individuals. The Minister said that the bill will cover domestic servants, gardeners and miscellaneous workers not covered by awards. These are mostly employed by private persons, and if this bill becomes law it will impose the same burden on them as it does on industry. Someone may have been employing old servants for many years, more as a charity than to give gainful employment, and he will be compelled to pay in a lump sum for the long service leave that these servants have accrued. I should like the Minister, in his second-reading speech, to make that aspect clear and to say to what extent it will affect private persons who have had domestics or gardeners employed for long periods.

Motion agreed to.

Bill presented and read a first time.

INDUSTRIAL ARBITRATION (BASIC WAGE) AMENDMENT BILL.

SECOND READING.

Debate resumed (from 18th October, *vide* page 1081) on motion by Mr. Landa:

That this bill be now read a second time.

Upon which Mr. Morton had moved:

That the question be amended by leaving out the word "now" with a view to adding the words "this day six months."

Mr. BLACK (Neutral Bay) [3.50]: Mr. Deputy Speaker— [*House counted.*] When the Minister for Labour and Industry was speaking last night on this bill I asked him at what stage he would make out a case for abrogating and, in fact, making a statutory attack upon, the industrial arbitration system in this country.

Mr. LANDA: Does the hon. member want me to answer that now, or will he wait?

Mr. BLACK: I shall wait until the Minister speaks in reply—I understand that is in accordance with the procedure of the House. I should like to make it perfectly clear, however, that this question still occasions me considerable concern. The Leader of the Opposition expressed the view that is held by all members of the Opposition—that the main objection to the bill is that it constitutes a further attack on the system of industrial arbitration and a further undermining of its authority. This has been going on in this House for years.

Mr. MURPHY: Why is the hon. member not willing to give the workers a few bob?

Mr. BLACK: I shall demonstrate to the hon. member for Concord that, far from giving the workers a few bob, this bill will result in a few quid being taken from them.

Mr. MURPHY: What rot!

Mr. BLACK: However, it is not my intention to be diverted from my purpose by stupid and ill-founded interjections by the hon. member for Concord. I affirm with all my strength that the bill is part of a pattern of legislation whereby the Government is gradually destroying industrial

arbitration in this country. If Government members believe in arbitration—and about three years ago the then Minister for Labour and Industry had a lot to say about his convictions on it—let them uphold arbitration. If they want to destroy it, as in fact they are doing, let them go to the people and say that that is their objective. Why do they not tell the truth? They know that by their legislative actions they are destroying industrial arbitration. Evidence comes forward day by day that those who sit opposite are in close co-operation with Communists and other extreme trade union leaders who, by their every action, seek to destroy industrial arbitration. However, as the Government apparently is determined to proceed with the bill, it devolves upon the Opposition as a matter of duty to analyse some of its effects on the economy.

Last night I listened with great interest to the speech of the Minister for Labour and Industry. His remarks, as the official spokesman for the Government, indicated again a lack of will to support industrial arbitration. He introduced all sorts of economic aspects. What he said about these matters might have gone over very well on a street corner in some mid-western town in the United States of America in the "boom and bust" days of the 1890's, but it did not make good hearing for members of an enlightened British parliament in the year 1955. If the Minister believes in "boom and bust" he should say so openly and not pose as one who believes in restriction. Everything that he said last night at the economic level was "boom and bust" talk. Australians have learned the effect of "boom and bust" over the years; they know that there is no need for it and they do not want it. They want stability, and that is exactly what the Opposition is trying to achieve by some of its arguments on this measure. The Minister said that the Government has held its hand against interfering by statute with the basic wage in the hope that pegging would stabilise the economy. I believe that I can establish that the pegging of the basic wage during the last two years has gone almost the whole way to stabilise the economy of this country.

Mr. Black.]

Mr. MURPHY: Less 10s. a week.

Mr. BLACK: If these extraordinary people on the Government side can keep quiet until it is their turn to speak—

Mr. DEPUTY SPEAKER: Order! I ask the hon. member for Neutral Bay to address the Chair and not hon. members on the Government side. If he does so, he will get on very much better with his speech than he has been doing.

Mr. BLACK: I was addressing you, sir, and I shall repeat what I said. If these people will wait until it is their turn to speak, and let me get on with my speech while it is my turn to speak, I shall continue to address you, sir, and to make my speech. The Minister for Labour and Industry asked hon. members seriously to believe that the raising of the salaries of some high Federal public servants had had a real impact on inflation in this country. Irrespective of whether it was good or bad to increase those salaries, anyone who claims that that made a real impact on inflation is completely irresponsible and obviously has not the slightest idea of what economics are.

Mr. McCaw: This Government did the same thing on 4th February last.

Mr. BLACK: Yes, it was done here also. Among other extraordinary statements that the Minister made was an admission that the proposed adjustment of 10s. to the basic wage would lead to substantial increases within the ensuing quarters of the present financial year. What does he believe? That statement, which can be read in reports of his speech, shows what an extraordinarily irresponsible attitude was adopted by the Minister when he made his speech last night. To understand the situation, hon. members should cast their minds back to the days before 1937. Then, men and women in New South Wales worked under varying awards, some Federal and some State. As all hon. members know, the result was that people doing identical jobs were working side by side on different wages. This became a source of friction, and because of that the Stevens-Bruxner Government introduced the 1937 legislation that tied the State basic wage to the

Federal basic wage. When that measure—introduced by a non-Labour government—was being debated in this Chamber, the Labour Opposition of the day did not oppose it; Labour members expressed their willingness to co-operate in achieving uniformity for trade unionists in New South Wales working side by side. The only misgiving that the Labour Opposition of the day had about the bill was that at that stage the Federal arbitration court had made a declaration that the basic wage should vary slightly in various districts of New South Wales. An attempt was made by the then leader of the Opposition, Mr. Lang, in Committee, to establish a uniform basic wage right throughout New South Wales. The Opposition of the day was so concerned that complete uniformity should exist throughout the State that they even moved in Committee to establish the principle that in New South Wales the workers, irrespective of the area in which they lived, should all be on a uniform wage. What has this Government done? At a stroke, it has destroyed that uniformity, deliberately, in an attempt to blackmail the Commonwealth Court of Conciliation and Arbitration.

Hon. members should read the debate on the 1937 bill and see the great concern of the Labour Opposition that there should be a uniform basic wage not only between State and Federal awards, but also between district and district. To-day this Government is blackmailing the arbitration court by establishing by statute that various men and women in New South Wales shall work side by side on the same job and receive different levels of wages. A well-known trade union leader, Mr. Dougherty, has said that he will exploit the discontent that must result in order to put further pressure on the court. Yet this Government has the effrontery to say it stands for arbitration!

Mr. PELLY: It is contemptuous of arbitration.

Mr. BLACK: It is contemptuous of it and wants to destroy it. Why does it not come out in the open and say so instead of speaking so much humbug?

Mr. EARL: You have never worked in your life.

Mr. BLACK: That ill becomes the hon. member for Fairfield, but if he wants that reported in *Hansard*, he is welcome to it. It is extraordinary how with the approach of an election the attitude of leaders of the Government has changed. According to a newspaper report, the Premier, in July, 1952, when there was an adjustment of 12s. in the basic wage, said:

These periodical rises are becoming fearsome. Nobody wants these higher wages because of what they always portend.

They foreshadow further increased prices and a speeded-up downward slide in living standards.

What the public urgently desires is stabilisation of the wage on a reasonable basis.

It is not the amount of the wage which matters, but what the wage will buy.

To-day £1 won't buy the equivalent of what 5s. did a few years ago.

Prices don't chase the wage—it is always the wage chasing prices.

Prices will again spiral viciously as a result of this latest delayed increase, then, tardily, we can expect the wage to be increased.

And so it will go on while the people progressively will become so much the worse off.

The 12s. rise brought the then Sydney basic wage to £11 15s. a week. On 9th August, 1955, three years later, the Premier said:

Cabinet has decided to reintroduce the adjustment in accordance with changes in cost of living, as indicated in the Federal Statistician's C-series index.

The report continues:

The legislation, which would amend the Industrial Arbitration (Basic Wage) Amendment Act would be introduced at the next session.

"It will be among our earliest business," he said.

Mr. Cahill said that the Government's aim was to restore the standard of living to what it was before the basic wage was pegged.

The pegging of the wage had not stabilised prices and the cost of living had risen steadily.

Mr. Cahill did not discuss the inflationary effect of the quarterly rises on this occasion.

What does the Premier mean? There is much common sense in what he said in July, 1952. Statistics show that he was correct in what he said then. It illustrates that far from the Liberal party's trying to deny the

workers a few bob, if this legislation is not proceeded with, the workers will in fact gain a few bob.

Let me now examine the effect on real wages in Australia at the moment of pegging, in conjunction with marginal increases. When the quarterly adjustments were suspended, the basic wage was £12 3s. That figure represented an increase of 70 per cent. in prices since November, 1950—a period of two years and nine months.

Mr. R. S. JACKSON: Under the Menzies-Fadden Government.

Mr. BLACK: I do not know whether the hon. member suggests that that Government can influence the Federal arbitration court. However, he will have his little "yammer" later on. In two years and nine months, wages, with the automatic adjustments rose from £7 6s. to £12 3s., nearly 70 per cent. Since the basic wage was pegged in August, 1953, average wages have moved from £14 19s. to £16 8s. a week—a rise of 29s., which is almost 10 per cent. During the same period, the cost of living has gone up 4 per cent. Admittedly, those figures include the impact of the marginal increases.

Does the Government wish to see every margin for skill received by men and women to-day wiped out by the reintroduction of the vicious uplift in prices that occurred between 1950 and 1953? Perhaps that is what it does want. Last night the hon. member for George's River said that the pensioners had received 10s. increase; why should not the basic wage go up by 10s. An increase of £3 10s. to £4 as against one from £12 3s. to £12 13s.! The pensioners will not have an adjustment in three month's time. They will have to wait for twelve months and will have to pay dearly for the incredible and cynical stupidity of this Government. The average wage earned by men and women in the whole of Australia from the time that the wage was pegged in August, 1953, until the present time, was increased 29s., 10 per cent., as against an increase in cost of living of 4 per cent. That has a very significant import in this debate.

Mr. R. S. JACKSON: For how many years were the workers being robbed?

Mr. BLACK: The hon. member may ask his questions later. I am making my speech and I will not be diverted. Hon. members opposite have spoken in terms of the basic wage rising only from £12 3s. to £12 13s. In 1937 a statistical survey showed that in New South Wales less than 1 per cent. of workers were in fact on the basic wage. The remainder had some form of margin. I suggest that one could not find a handful of trades unionists in New South Wales who are actually on the basic wage of £12 3s.

Mr. STEWART FRASER: I doubt whether there would be one.

Mr. BLACK: The evidence is very strong. There is no record of any person on the basic wage appearing before the New South Wales Industrial Commission or the Federal arbitration court since 1950. Virtually every man and woman has some margin over the basic wage. In industrial circles the mysterious basic wage earner has become almost a joke of classic significance among both employers and employees. The overwhelming majority of the people of this State have margins, and they are the people whose interests must be protected; otherwise their margins will be corroded away and they will be left in the situation that the Premier himself was dreading in July, 1952. They will be getting more and more, which will purchase less and less.

Has any Government supporter the effrontery to say that my colleagues and I are trying to deny the workers a few shillings? How incredibly cynical. This bill contravenes arbitration. Everything that has been said from the Opposition side of the Chamber, and everything that will be said by my colleagues and myself is directed to appealing to the Government to preserve what the workers have already. The Minister for Labour and Industry and Social Welfare last night said that adjustment will follow adjustment. We will thus get back to the situation that the Premier was dreading in 1952. Average wages have gone up 10 per cent. and actual prices have gone up 4 per cent. during the last two years and three months. They are significant figures, and cannot be contradicted.

Since we must look further into the economic effects of this bill, let us examine the impact on State undertakings. Everyone knows that the railway service has been subjected to all sorts of pressure from increased costs, which are largely bound up with increases in wages. If better authority is required, let me quote a recent statement made by the Premier. He said that last year's budget estimates would have been held had it not been for two things—one of which was the impact of wage increases granted in State services. Will anybody suggest that anybody will be better off because for a short time, a matter of weeks, he will have 10s. a week more in his pocket? Of course not. The Premier himself has intimated that he is quite terrified of the impact of increased wages on the running of State services. An increase of 10s. a week would cost the Department of Railways £1,250,000 a year. All experience of automatic adjustments indicates that it will be infinitely greater than that, for the simple reason that in the first three months of the ensuing year the increase will be 10s. a week, but in the second quarter there will be a greater increase, and in the third quarter it will be greater still. I shall be surprised, and it will argue against all available statistics, if the wages bill of the Department of Railways has not increased to something nearer £2,000,000 than £1,250,000 at the end of a year.

Now let us look at the effect on road transport services, which is a perfect illustration. Last year the metropolitan transport services earned £10,200,000, of which £9,900,000 was absorbed by salaries, wages and similar charges, without taking into account depreciation, oil, tyres and other necessary replacements. Wages and salaries and allied expenses represented 97 per cent. of the total earnings. Assume that over a year the basic wage is increased by 10s. a week—although I believe it will be more after the first quarter, as does the Minister for Labour and Industry and Social Welfare—the increased cost to the metropolitan road transport services will be £300,000. If there is no further adjustment of the basic wage within the next twelve months, the transport undertaking, using last year's figures as a guide, will earn £10,200,000

and will pay out £10,200,000 in wages, salaries and similar expenses. It is a pretty bad outlook. The taxpayer will have to foot the bill for depreciation, oil, tyres and all the other expenses associated with running buses and trams.

Mr. WILLIS: The 10s. a week will be increased.

Mr. BLACK: That is the point I am making. The 10s. increase will last only for the first quarter. Last night, the Minister for Labour and Industry and Social Welfare said that the increase would be for only the first quarter, after which there would be another adjustment, and then a still further adjustment. Can the Government seriously suggest that it is acting responsibly by introducing this measure at this stage? Does it seriously say that it still believes in arbitration? Of course it is not interested in arbitration, or in anything other than being returned to office. Does it care two hoots about the men who have recently received margins based on two and a half times their 1937 margins? Does it care two hoots about pensioners? It does not. The hon member for George's River last night almost said it in words: "Pensioners are being paid an extra 10s., therefore the basic wage should go up 10s." Is not that nice, especially when one remembers that last Tuesday week the hon. member for Kogarah shed crocodile tears about the pensioners. Does this Government want to help pensioners? Again the answer is "No". Stabbing pensioners in the back will return it to office. That is good; it could not be better. If, on the other hand, fawning on the pensioners will return it to office, that is just as good.

It was reliably estimated by the Leader of the Opposition last night that the total cost of this proposal to New South Wales will be £10,000,000, plus £2,600,000 for government-owned utilities. Of that £2,600,000 about £1,600,000 will be accounted for by Newcastle and metropolitan road transport services and railways. Then it will increase the cost of all public works and State services to the tune of £1,000,000. I should like to know whether the Government has given any real thought to who will have

to pay for it. It is no good any hon. member on the Government side saying in an "airy fairy" way that the Opposition wants to take 10s. from the workers. I have already pointed out that following the suspension of quarterly adjustments overall wages in Australia increased by up to 29s. a week. The Opposition applauds that. That is not taking 10s. a week away from the workers; it is giving them 29s.

Somebody is going to pay for this legislation, but one of the significant features is that the business tycoons, the men whom Government members vilify, are not going to pay for it.

MR. DEANE: The workers are going to pay for it.

MR. BLACK: Of course they are. The first to suffer will be those who recently had their margins increased, in an orderly way, through arbitration. An increase of 10s. this quarter and an increase of 10s. during the remainder of the year will worsen the position of a man with a margin of, say, £5. The pensioners, also, are going to pay for it. Apparently the hon. member for George's River thinks that that is a good idea.

MR. R. S. JACKSON: He did not say that.

MR. BLACK: He said that if pensioners received an increase of 10s., the basic wage should rise by 10s. What of the position of the retired civil servant? What a tremendous debt all governments and the people of New South Wales owe the civil servants who have served the State so faithfully over the years. Will they receive any benefit from this measure? Of course not. Their meagre superannuation payments are going to be corroded because of the increase in the cost of living. What will be the effect on the loan market? Will people who have invested in Commonwealth loans at $3\frac{1}{2}$ per cent. interest be happy? They will be most unhappy. The rate of interest will probably soon rise to $4\frac{1}{2}$ per cent., and eventually the various governments will be hard put to it to raise sufficient loan funds at 5 per cent. Since the war there have been great loan campaigns to induce people to invest in loans, yet this House is now being asked to destroy the

interest revenue that investors are drawing from Commonwealth loans. All those people who have accumulated a small competence to help them in their retirement and have invested their money will pay because they have invested in fixed securities and there will be a reduction in the value of money. Others who will pay are those who have been thrifty and invested in insurance policies.

MR. DEANE: The Government will have to bump up parliamentary pensions.

MR. BLACK: That will probably have to be done. Our experience during the post-war years indicates that the ordinary folk of New South Wales will pay.

MR. MURDEN: Perhaps the Government is building up a case for an increase of £500 in parliamentary allowances.

MR. BLACK: It probably is doing that.

MR. ACTING SPEAKER: Order! It is distinctly out of order for the hon. member to impute motives against the Government. That matter is not before the House and has not been mentioned.

MR. BLACK: I did not impute motives. I merely speculated. It is obvious that discontent similar to that which existed before 1937 will flow from the introduction of this measure. This can be avoided if the House accepts the amendment moved by the Leader of the Opposition. There is every chance that the whole matter of basic wage adjustments will be determined by the Commonwealth Court of Conciliation and Arbitration during the next six months. Why deliberately introduce discontent into industry in New South Wales? Why does the Government not leave the matter to the Commonwealth court or, if it believes that the matter can be dealt with more expeditiously in that way, refer it to the New South Wales Industrial Commission? Although hon. members on this side may think that that is not an ideal solution, we could not possibly vote against an attempt by the Government to refer the matter to the New South Wales Industrial Commission. We have always stood by arbitration. There is nothing in the records

of the Liberal party to indicate that at any stage we have not been prepared to abide by the decisions of the court.

The Minister for Labour and Industry challenged my colleague and me to say whether we really believed that the forty-hour working week is a good thing. Our attitude is simple. It is a decision made by the arbitration court, and we accept it. We are not going to panic and bring statutory pressure on the court in order to win a few votes. That is an easy way out, but it is not the responsible way. The charge that is made against the Government in this matter is that it is irresponsible and is flouting the authority of the court.

Mr. PELLY: It shows contempt of the arbitration system.

Mr. BLACK: Of course it does. This Government over the years has clearly shown that so long as the court does things that are calculated to win votes for Labour the court is right, but immediately it does anything that may tend to the loss of votes for Labour it uses its legislative power to stick a knife into the back of the arbitration court.

Mr. R. S. JACKSON: What happened during the depression?

Mr. BLACK: The hon. member is going into ancient history. If he will be reasonable he will agree with me that since the depression all political parties are sadder and wiser. They have learned a great deal by their experience. Whatever happened during the depression years was cured by the 1937 legislation. The non-Labour parties have stuck loyally to arbitration ever since. Even if at times it has been felt that the court may have made a mistake it has never been suggested that legislative power should be used to destroy our arbitration system. Members of the Opposition are keenly aware of the irresponsibility of this Government and our concern is heightened because the Government obviously has nothing better to substitute for the arbitration system that its actions will destroy. It has embarked on a course that will wreck arbitration and let loose the law

of the jungle in industrial relations in Australia, without heed to the consequences of its actions.

Mr. WILLIS: Caucus will replace the court.

Mr. DEPUTY SPEAKER: Order!

Mr. BLACK: That is right. This bill will cause a resurgence of the discontent that existed before 1937. Why will the Government not do the honest and decent thing and hold the second-reading of this bill in abeyance until the Commonwealth Court of Conciliation and Arbitration has made a determination on basic wage adjustments? No one would suggest that the members of that court and of the New South Wales Industrial Commission are not men of the highest integrity whose training and function enable them to weigh evidence in a dispassionate fashion. Purely and simply because the Government has been subjected to some political pressure it is by this bill taking another vital step towards the destruction of the industrial arbitration system in Australia. It might be that later experience will shape in our minds a better system than existing arbitration and conciliation methods, but until a better system is found all concerned must strengthen in effectiveness and authority the industrial system that functions now.

The only way to strengthen the industrial arbitration system is to achieve uniformity in all the States of the Commonwealth. That can be done in two ways—by a central Federal arbitration system embracing all the States, which would have to be created by a referendum, or a nationwide system giving the industrial tribunals of each State full jurisdiction to hear all claims of all persons in industry. I lean to the second method. For a host of reasons it would be the better. If any State industrial tribunal made a mistake, that State would suffer accordingly and undoubtedly the industrial tribunal itself would be the first to realise that the mistake must be corrected. In 1937, with the blessing of a militant Labour Opposition led by the Hon. J. T. Lang, this Parliament passed legislation to bring about uniformity in Federal and State basic wage

systems, and it is almost unbelievable that in this ticklish year of 1955 any government would be so completely irresponsible as to create by legislation competition between wage-fixing systems, which must lead to discontent in industry.

Mr. RYAN (Marrickville) [4.35]: It has become abundantly clear, particularly after the speech of the hon. member for Neutral Bay, that members of the Opposition are in a dilemma. Traditionally the parties to which they belong have been opposed to wage justice for workers. The Leader of the Opposition and the hon. member for Neutral Bay have been endeavouring frantically to balance loyalty with reality. Their loyalty is to the traditional policy of anti-Labour parties to maintain profits at all costs and to deny wage justice to workers, and the reality of the situation is that the approaching elections make a declaration in accordance with their policy politically unwise. Consequently hon. members opposite have taken the unwise and unconvincing course of sheltering behind an amendment aimed at postponing further consideration of the bill until after the elections. Then they would be able to tell the truth about their policy without fear of penalty. They could announce to the public that they are no different from their predecessors; that they are opposed to wage justice for the workers and are pledged to support the interests that exploit workers. They are pledged to maintain profits at the expense of working people—

Mr. CRAWFORD: What interests exploit workers? Do they include the arbitration courts?

Mr. RYAN: I will deal with that interjection in a moment. Hon. members opposite base their opposition to this bill on grounds that are completely false, as I will demonstrate. The Leader of the Opposition says that he believes workers should share in the profits of industry and that they should have some wage justice, but he wants further evidence of the need for this bill. He says that the decision of the Government to bring down the measure is made for political purposes and he wants it deferred for six months so

that further consideration can be given to it. All hon. members are obliged to the Minister for Labour and Industry for the information he gave the House in his second-reading speech, and if hon. members opposite are sincere in their arguments, they will find in the Minister's speech ample facts and figures to satisfy them that the bill is necessary. [*House counted.*] The Leader of the Opposition declared that this bill is a threat to the arbitration system and the hon. member for Neutral Bay supported his expression of view. Both hon. members said that the measure interferes with a vital principle of arbitration. Obviously they have not considered the legislation, or are wholly insincere in their arguments. The bill does not interfere in any way with any principle of industrial arbitration. On the contrary, the Government rightly contends that it will support and strengthen the arbitration system. In the minds of workers of this State to-day there is grave dissatisfaction, not particularly with the absence of basic wage adjustments, but with arbitration generally in its other aspects. The Government in bringing down this bill is dealing with only one of the problems that are causing concern to workers. Compulsory arbitration and conciliation was introduced in 1901 by the Australian Labour party, or at the behest of the Australian Labour party.

Mr. WILLIS: That's better.

Mr. DEPUTY SPEAKER: Order!

Mr. RYAN: The hon. member for Earlwood might not be so well aware of the history of conciliation and arbitration as are hon. members on this side of the House. Hon. members on the Opposition side speak of conciliation and arbitration, tongue in cheek. Had they any regard for history they would understand, as do all members of the public, that traditionally the anti-Labour parties are opposed to the efficient working of compulsory conciliation and arbitration in this country. The history of industrial arbitration legislation itself accurately reflects the various changes of government that have occurred. Labour has always built on that legislation and strengthened it; anti-Labour parties have rendered only lip service to industrial

arbitration and wherever possible have nullified its effective operation. The settlement of industrial disputes is the fundamental purpose of conciliation and arbitration, though wage fixation and other related matters have been added in later years.

When the Leader of the Opposition quotes statements made by the Premier when the basic wage was frozen to support an argument that the Government has changed its policy, again he is inaccurate. The Premier's statement was in line with the facts at that time, because the freezing of the basic wage was supported by all responsible people, who hoped that this sacrifice by the workers would stabilise costs. That this hope has not been realised is shown by the extent to which workers have been denied wage justice—at least 10s. a week! It is quite inaccurate and hypocritical for the Opposition to claim that the Government has shown a reversal of policy. Because the arbitration court's promise has not been fulfilled, the Government, in the interests of wage justice, is obliged to introduce this bill. I was sorry that the Leader of the Country party joined in this criticism. He claimed, as did the Leader of the Opposition, that industry could not carry an additional burden, and in support of his argument quoted at length from the 1953 judgment of the Federal Court of Conciliation and Arbitration when it froze the basic wage. The court considered not the needs of the people as the guiding factor, but the ability of the economy to stand an increase in the basic wage. Up to that stage hon. members on this side agreed with him, but the Leader of the Country party was out of date with his information. Had he examined the matter further he would have found that in 1953, on the grounds of the effect on the economy, the Federal arbitration court decided to freeze the basic wage in an effort to stabilise costs. However, on 5th November, 1954, this same court, when considering an application of the Australian Council of Trade Unions for an increase in margins, using the same figures supplied by the Government Statistician and applying the same formula, granted an increase of 25s. a week.

The court said in its judgment:

Having examined the material at hand, we have come to the conclusion that the economy can support what we have proposed.

Yet the Opposition's argument is that the proposed amendment is not justified because it is contrary to the 1953 decision of the court! It is because of the effect of freezing of the basic wage on the lower-paid workers of the community that this Government is obliged to take action to ensure that they receive wage justice.

Mr. WILLIS: Is the hon. member suggesting that the Government knows better than the judges of the arbitration court?

Mr. DEPUTY SPEAKER: Order!

Mr. RYAN: I am not suggesting anything of the sort; and neither does the amendment suggest it. It is completely erroneous and hypocritical to suggest that the Government is setting itself up as judge of what should be the basic wage. The Minister quite clearly told the House that the amendment is to continue what was done prior to the freezing of the basic wage in 1953. The same formula, procedure and statistics adopted by the Federal arbitration court will be used to determine the basic wage. The only difference is that this Government will authorise the Industrial Registrar, on the information supplied by the Commonwealth Statistician, to adjust automatically the basic wage. In no way can it be construed that the Government is setting itself up as the authority to determine the value of quarterly basic wage adjustments in this State. Had the hon. member for Burwood paid attention to the Minister he would have heard that adjustments will be automatic. The Leader of the Opposition and the Leader of the Country party combined to say that the increase in wages will cause costs to rise and that this will mitigate against the workers; further, that the economy cannot carry the additional burden of a 10s. a week increase. However, neither gentleman attempted to prove his point. Obviously they did not have an argument! The facts prove the contrary. By a long way wages are not the major factor causing increased costs. I will quote authoritative figures to prove my point. The "C" series index of the Commonwealth Statistician—so reliable an authority

that he is accepted by the Commonwealth court, the highest authority responsible for wage fixation—shows that from June, 1953 to June, 1955 costs have risen in this State by 3 per cent. However, in the same period wages have risen by less than .3 per cent.

Mr. WILLIS: That is not right.

Mr. DEPUTY SPEAKER: Order!

Mr. RYAN: The figures I have quoted are those of the Government Statistician, and I accept them. This analysis is fortified by statistics from the States of Queensland and Victoria, where the basic wage has not been frozen. New South Wales is the only State that has tied itself to the Commonwealth arbitration court's decision to fix the basic wage. The workers of Queensland and Victoria have received the increases that have been revealed by the "C" series index. Our opponents opposite have not referred to this fact when speaking about industrial discontent in this State. Workers here have seen their mates in other States receiving adjustments to which they too are entitled, and so this Government has introduced the amendment. The price rise in Queensland and Victoria is about the same as that in New South Wales, despite the freezing of the basic wage in this State, a fact that should dispose of the claim that wage increases are a major factor causing price rises.

Mr. WILLIS: What is the hon. member's authority for that statement?

Mr. DEPUTY SPEAKER: Order!

Mr. RYAN: The Government Statistician is my authority. Many economic experts have said that high prices are caused not so much by wage increases as by management in industry, trade practices, imports, exports, customs duties, and so on. Hon. members cannot validly argue that an increase in wages will make costs soar. On 23rd July last *The Sydney Morning Herald* wrote:

Too many trade and manufacturing groups do all they can to further reduce production by private agreements among themselves.

Free, unrestricted competition is a great factor in maintaining a stabilised economy but in this State, as the Opposition knows,

free enterprise is becoming very much restricted. Hon. members opposite champion that principle but cannot deny the evidence that private enterprise is no longer free. Private enterprise can play its part in national development only when assisted by State capital works. These are being provided by the Government so that private enterprise may make its contribution to the progress of New South Wales, but the Government will encourage it only while it remains free and there are no monopolies, cartels or trade agreements, to which the opponents of Labour turn a blind eye. They try to lay the blame for all cost increases on wages.

Mr. WILLIS: That is not so.

Mr. DEPUTY SPEAKER: Order!

Mr. RYAN: One example of this unsavoury development in private industry will demonstrate that restrictive trade agreements deny a fair deal to the public and do much to increase costs. A reciprocal trade agreement exists between the New South Wales Furniture Guild, an organisation of manufacturers, and the Furnishers Society of New South Wales, a retailers' organisation.

Mr. WILLIS: And the union.

Mr. DEPUTY SPEAKER: Order! I have warned the hon. member for Earlwood at least five times in the past quarter of an hour. I have warned him for the last time. If he interjects again the standing orders will be rigidly applied.

Mr. RYAN: I admit that, to some extent, wages are a factor in increased costs; but these deplorable trade agreements are a more important cause of high prices. In the maintenance of low costs of production manufacturers have a greater responsibility than the workers. To-day manufacturers are banding together to make the greatest profit possible at the expense of the public. The full text of the agreement to which I have referred is published in the *Furnishing Trades Review* of April last. Clause 12 reads:

No member of the Society shall advertise any standard trade line in current production by a member of the Guild at less than a price

advertised by his competitors unless otherwise mutually agreed on by the member of the Society and the Guild concerned.

That is a fair sample of what is going on to-day. The first retailer to advertise a line of furniture can fix the price, knowing that all his competitors must follow the lead that he has set. As a consequence, the public is paying inflated prices. Much the same situation exists in the paint, hardware, roofing tiles, cement, tobacco, and timber industries. The figures and facts that I have given of sharp practices in industry demonstrate clearly that wage increases are only a small factor in the cost of production. Hon. members opposite have forgotten that the Commonwealth Government's withdrawal of subsidies on items such as butter, cheese and tea have added considerably to the cost of living. In fact, that Government's insane financial policy has obliged the State Government to bring down this amending bill. The House is well aware that when the re-introduction of quarterly adjustments to the basic wage became a burning public question, the Premier, solely in the interests of the community generally, sought a top-level conference with the Prime Minister to investigate the general question of industrial relations. The Prime Minister refused his request and said, in effect, that industrial troubles in New South Wales were no concern of the Commonwealth Government. The leading citizen of the Commonwealth wiped his hands of any responsibility in the matter. He was more intent on imposing additional restrictions on the community and devising ways in which to dispose of his £70,000,000 surplus! I believe that the Commonwealth Government has no sound financial policy and that it has more money than it knows what to do with. It will not accept its responsibilities in arbitration, about which the Opposition has been shedding so many crocodile tears.

To-day, the great arbitration system of this country is under fire in relation both to the fixation of the basic wage, and also to the method of compilation of its ingredients, penalty clauses in awards and other matters of vital concern to workers. This State accepted in good faith the decision of the Federal Court of Conciliation

and Arbitration to freeze the basic wage. It was thought that the arrangement should work. With a responsible government at Canberra, it would have worked. The fact is that notwithstanding the court's decision two years ago, the inflationary trend has continued and the State Government has been compelled to bring down the amendment to give wage justice to workers. The Opposition has used arguments that will not stand critical analysis. Its argument on increased costs, which I have referred to briefly and which the Minister dealt with in detail when he introduced the bill, has not been substantiated. No attempt has been made to support the Opposition's claim that because of this bill the arbitration court is in jeopardy. I can understand that, because facts to substantiate the claim do not exist. This amendment does not in any way interfere with the principles of arbitration and conciliation. The Opposition is not sincere. It has opposed this measure in the same manner as it has opposed all attempts to improve the conditions of workers. It opposed the introduction of the forty-four-hour week and of the forty-hour week, yet Opposition members voice concern for the workers and for the great system of arbitration.

Mr. CRABTREE: They are against all reforms.

Mr. RYAN: That is so, particularly where reforms would improve the conditions or wages of the workers. The insincerity of the Opposition and the dilemma in which it finds itself are shown in *The Sun* newspaper this afternoon in an article that says the Ministers of the Federal Government will be forced to take the politically unwise decision of opposing the Australian Council of Trade Unions' move for the restoration of quarterly adjustments of the basic wage. The Opposition's Federal colleagues continually oppose these measures, and have now apparently declared that they will oppose the application of the Australian Council of Trade Unions for quarterly basic wage adjustments, an application that is fortified by all the facts that it is possible to assemble. This bill

is supported by the arguments for economic wage justice for workers and by the decision in 1954 on marginal increases given by the very court that Opposition members say they are protecting. The Government Statistician's figures, which are incontrovertible, also support the amendment.

The increase in the basic wage to be given by this bill is not fantastic; it is the minimum that the workers are entitled to receive. That would be readily admitted by anyone who analysed the regimen in the "C" series index. The Leader of the Country party outlined the history of that regimen, which includes a selected number of goods normally used in a household. It is an incomplete list because it does not include many of the essential items used in the home. The assessment is not made on the basis of the things that are normally used. I shall not take up the time of the House by listing all the items included in the regimen, but shall quote the words of the Commonwealth Statistician on this matter. Food is only one important item of the household budget, and it is a very important item in the determination of the basic wage. Dealing with this item, and with the method of compiling the regimen, the Commonwealth Statistician in *Labour Report, 1948*, said:

Foods of some importance, such as fresh fish, and fresh fruit and vegetables other than potatoes and onions, are not included in the regimen because comparable prices for a standard grade cannot be obtained from time to time or place to place and because of marked seasonal fluctuations in supplies and consumption. The inclusion of such items, therefore, would impair the accuracy of the index.

The same applies to clothing and other items upon which the basic wage is assessed. The regimen is the barest minimum, and consequently the wage increase assessed from that regimen is the absolute minimum. As Chief Judge of the Commonwealth Court of Conciliation and Arbitration, Judge Beeby, in 1940, said:

In regard to the popular idea that the basic wage of the Commonwealth Court of Conciliation and Arbitration was identified with a specific family unit, the Chief Judge made the following statements to clarify the position: "The Court has always conceded that the 'needs' of an average family should be kept in mind in fixing a basic wage. But it has

never as the result of its own inquiry specifically declared what is an average family or what is the cost of a regimen of food, clothing, shelter and miscellaneous items necessary to maintain it in frugal comfort, or that a basic wage should give effect to any such finding."

It is abundantly clear that this bill will give to the worker only the very minimum that he is entitled to receive, and for the opponents of the Government to oppose it demonstrates their failure, for political reasons, to face the facts. They are traditionally opposed to this measure, but they will not say so at this stage because of the imminence of an election, though they know that the public is suffering an injustice. Opposition members are prepared to criticise the bill on issues that have no real relation to the problem. Arguments about the principles of arbitration, the cost of living, and industry being unable to pay, have been shown to be fallacious not only by Government speakers, but also by the supreme authority that is the guide to the Commonwealth arbitration court itself.

The Government is to be commended for giving a measure of wage justice to the workers of this State, but I regret the necessity for its action. I sympathise with the Commonwealth arbitration court. That body of honourable judges has a difficult task to perform. They are charged with the responsibility of assessing wage conditions and the cost of living in the community, and they have to deal with a set of circumstances over which they have no control. The fiscal policy of the Federal Government determines the economic condition of the community, which influences the determination of the court. Though facts might prove that the workers are entitled to an increase in the basic wage because of an increase in the cost of living, the court is influenced in its judgment by the economic condition of the country, a condition brought about by a government that shows no sense of responsibility in the discharge of its public duties.

The dissatisfaction that exists to-day has to be faced. Although this measure will give temporary relief in the form of basic wage improvement, it will make no contribution to the solution of the overall problem, for which the Federal Government must accept responsibility. The Premier

Mr. Ryan.]

suggested to the Prime Minister that certain things must be done in the near future to remove the general dissatisfaction with the industrial arbitration system in the interests of industrial harmony and increased production, about which the opponents of Labour continually cry, and so that the workers of this State may look forward with confidence to the continuance of a system of arbitration that has already made a great contribution to the social and industrial improvement of the community. This system is still not perfect and will have to be altered as circumstances from time to time dictate. The bill is to be commended because the Government has accepted its responsibility to ensure that the workers of the State shall receive wage justice, which has been denied them by a Federal court, influenced as it has been in its decisions by economic conditions brought about by a Federal Government that has been unable to direct and control the affairs of Australia in such a way as to enable the court to give to the workers the deal which facts and figures prove they are entitled to receive.

Mr. DICKSON (Temora) [5.12]: The hon. member for Marrickville cannot conscientiously believe that this measure will help the wage-earner, because he must recall that before quarterly adjustments to the basic wage were discontinued, every time wages went up prices increased even further. Although the wage-earners may get some slight temporary benefit, surely the hon. member knows that eventually they will be worse off. I do not believe that the hon. member himself is sincere when he says that the Opposition is not sincere in its arguments. At least we on this side of the House show something to back our sincerity, but the hon. member has demonstrated nothing to support his claim. He misunderstands the amendment by the Leader of the Opposition which seeks the postponement of the second reading of the bill for six months. The hon. member suggested that the purpose of the amendment is to allow time for further consideration of the measure. Nothing was further from the mind of the Leader of the Opposition. The objective is to allow this matter,

which is already the subject of an application to the Commonwealth Court of Conciliation and Arbitration, to be dealt with by that tribunal as it ought to be.

The hon. member for Marrickville made the extraordinary statement that we of the Opposition parties have always opposed industrial reforms. This is entirely incorrect. He then tried to bolster his argument by saying that members of the Liberal and Country parties voted against the legislation for the forty-four-hour week and the forty-hour week. Of course we did; Opposition members do not believe that hours, conditions of work and wages should be a political football, and they voted against the principle of having these matters determined by legislation.

Mr. R. S. JACKSON: What about the actions of the Government that the hon. member supported in the 1930's.

Mr. DICKSON: Such action was justified then because of the great depression. The hon. member for Drummoyne is like the man from the city who says that because we country men do certain things when a bushfire occurs, we should do them all the time. The hon. member is speaking of the depression—a tragedy that was almost equal to war. He cannot say that such drastic measures as had to be adopted in those days can be taken as a precedent for what should be done in normal times such as these. I admit that the Opposition parties voted against the forty-hour week legislation. If the Legislature of this State had not introduced a forty-hour week, the Federal arbitration court might have made a different finding. It was greatly influenced by what had been enacted in this State, and the same will apply again in regard to this matter.

No one has been deceived by the introduction of this measure. All hon. members, and the general public, know that its purpose is not to help the wage-earner—because finally he will find himself much worse off—but is a desperate attempt by a dying government to curry temporary favour as it nears the end of its inglorious regime. If proof were needed of that I need refer hon.

members only to the Minister's second-reading speech. I have been a member of this House for a long time; I have heard many second-reading speeches, but never one that contained so much political propaganda. It is unsurpassed as a political speech; it was obviously intended for the consumption not of hon. members but of the electors, because of the impending general elections. If the measure is justified, why was it not introduced twelve or eighteen months ago? Why was it kept until now so that it would make a temporary impact on voters at the elections? The Minister had a frightful argument with himself in an attempt to convince himself that what the Government is doing is right, but he failed dismally. He spoke about the inefficiency of industry in England, and when I objected he denied having done so. He said that an "Americanised" Englishman on a ship had said to his English friend, "The trouble with the people in England is that they are not efficient. We in America have put in new machinery"——

MR. LANDA: The hon. member tried to say that I said that.

MR. DICKSON: No; the Minister quoted what had been said.

MR. LANDA: Certainly, I quoted a conversation.

MR. DICKSON: What the Minister said implied that the "Americanised" Englishman of whom he spoke thought that England was inefficient. Despite the great destruction there during the war, no other country has recovered so quickly and so marvellously. England has shown how a country beaten to its knees can rise again. The Minister, in an effort to bolster the case for the introduction of this measure, mentioned the profits of secondary industries. He chose those that suited his purpose, but he ignored the primary industries, particularly the two major ones of wool and wheat, the returns from both of which are lower than they have been for perhaps ten years but certainly for the last few years—and goodness knows whether they have yet ceased going down! The Minister forgot that not only the secondary industries but also the whole economy of this country are dependent on its primary industries. It is all

very well to ignore them, but it must be remembered that last year Australia's exports fell by £70,000,000, and her imports rose by £180,000,000, leaving an adverse trade balance of £250,000,000. The most recent fall in prices of primary products has not yet made its impact; the figures that I have given are those for last year only. Since then prices in the major primary industry of wool have dropped considerably, and the full effect of that will not be felt until next year. When the added cost for which this bill will be responsible and the impact of those falling prices are felt on industry, who will get it in the neck? None other than the wage-earner; who might believe temporarily that he will get something out of this Government—but he will soon wake up! After all, the Government does not meet the bill for these increases. When the economy is loaded to such an extent that the Government of this State has to pay £2,600,000 a year extra on its wages bill, and industry generally has to pay another £10,000,000, it all comes out of the people's pocket. The amount paid by the Government will come from taxation and that paid by industry will have to be passed on to the consumer. The wage-earner will get it in the neck!

When the Commonwealth arbitration court suspended the quarterly basic wage adjustments its action met with the approval of every political party in Australia. The Australian Council of Trade Unions was most laudatory in its remarks about the benefits that would come from the pegging of the basic wage by the elimination of quarterly adjustments, even when the court was still considering the application and taking evidence. Hon. members should not forget that the application concerned not only quarterly adjustments, but also an increase in working hours, and a reduction of the prosperity loading. In its wisdom the court said that it would leave the prosperity loading as it was, leave the hours as they were, but, to bring stability, would peg the quarterly adjustments. Before it gave its decision, the Premier, in 1952, said:

These periodical rises are becoming fearsome. Nobody wants these higher wages because of what they always portend.

They foreshadow further increased prices and a speeded-up downward slide in living standards.

What the public urgently desires is stabilisation of the wage on a reasonable basis.

It is not the amount of the wage which matters, but what the wage will buy.

Today £1 won't buy the equivalent of what 5s. did a few years ago.

Prices don't chase the wage—it is always the wage chasing prices.

Prices will again spiral viciously as a result of this latest delayed increase, then, tardily, we can expect the wage to be increased.

And so it will go on while the people progressively will become so much the worse off.

What has changed the Premier's opinion now? Those were his words before the court had even delivered its judgment, and they must have influenced the court. No reasonable man would believe that the Premier has changed his opinion; he has merely changed his actions to suit his own purposes. This measure was introduced for no purpose other than to achieve a temporary favour, but the Government will not get it. What is to happen to the pensioner? Recently the Commonwealth Government increased the pension rate by 10s. a week, but the whole of the increase will be "sabotaged" by this legislation. Everyone eventually will be affected by it, but it will affect pensioners immediately. The next to be hurt will be the superannuated civil servants, who rely on fixed incomes, and the man who has slaved all his life and invested his savings in insurance for the benefit of his widow and children. Income from insurance is at a fixed rate. This legislation will hurt everyone who cannot pass on the increase, and the Government knows perfectly well that is so. It has not tried to deceive itself. Members on the Government side have tried to justify the bill by implying that the Opposition has no regard for the working man. I have a great deal of regard for his judgment; I know that he has experienced the inflationary spiral, and the housewife knows how she was placed when quarterly adjustments followed one upon the other. The businessman who has difficulty in budgeting for his business will again be in the doldrums. He will not know what he must

allow for wages. Eighty per cent. of employees in New South Wales work in private industry, and the Government could not be surprised if its wholly selfish action resulted in unemployment, because the private employer must cut his coat according to his cloth. All because of this Government's action!

Mr. JORDAN: This legislation will result in unemployment in the shire councils.

Mr. DICKSON: That is so, and in the Department of Railways. All these people will catch it right in the neck. The Minister for Labour and Industry has been made by this Government the instrument for the introduction of all the noxious and notorious legislation imaginable. He brings in a measure that is distasteful to the people of New South Wales. He introduced the compulsory unionism legislation, and now he has this bill hanging round his neck. If he seeks fame of that kind, he is welcome to it, but he has not deceived himself and will not for long deceive the electors. It is all very well for the working man to say that he has an extra 10s. in his pocket, but he will find, when he buys his food and clothing, that he is much worse off.

Mr. McCaw: And when his wife goes to hospital!

Mr. DICKSON: Hospital fees have been increased by 50 per cent. Before the bill was introduced the increased fares and freights, and rises in hospital fees, were a foregone conclusion. This was well known to the Government. Will the public say "thank you" for an extra 10s. a week when it has to pay 50 per cent. more in hospital fees? Are they to say "thank you" when they are called upon to pay the increased prices for food due to the 50 per cent. impost on rail freights? Any advantage that the Government may gain will not last till the 3rd December. I have great faith in the public's powers of discernment, and I will tell them exactly what will happen. Over the air to-day I heard a statement of the Premier that he is now convinced that the Commonwealth arbitration court will have to re-introduce quarterly wage adjustments.

Mr. BLACK: That is political blackmail.

Mr. DICKSON: Exactly. Hon. members opposite speak about industrial unrest and the Premier obviously expects that there will be more. This measure affects only those working under State awards—approximately 40 per cent. of wage earners of New South Wales. Temporarily, 60 per cent. will not get the rise, but will have to bear the increased costs. They will have to pay more for everything that they buy until such time as the court has either re-introduced the quarterly adjustments or made its finding against any alteration. What a surprise the Government will get when the court makes its finding to reintroduce the quarterly adjustments but to wipe out the prosperity loading! Then how far will the 10s. increase go to compensate the wage earner? The adverse trade balance, the fall in the price of wool, and the difficulty of selling wheat and many other primary commodities, indicate that the "holiday" is over and that the situation must be faced with resolution if Australia is not to move towards a slump. The Commonwealth Government is unpopular in the mind of the Government of New South Wales for one reason only—it is courageous enough to take action to stop further spending when primary income is falling. The Commonwealth Government, where necessary, will do things that make it temporarily unpopular—things the exact converse of this legislation. This Labour Government does not care what the impact of this measure will be on industry, or whether the worker will get any benefit from it. What a contrast to the Federal Government that has the courage to do the things that are unpopular but will, in the long run, save the country in spite of the New South Wales Labour Government!

Mr. R. S. JACKSON (Drummoynes) [5.29]: As one who has had nearly twenty years' experience in industrial arbitration courts, I want to assure the House and the people of New South Wales that I still uphold the functions of the arbitration court. As one hon. member said, until something better is introduced in its stead, every reasonable man will admit that it is the workers' only protection. All

hon. members will agree that the arbitration court has its limitations, and there are occasions on which workers have to wait a long time to get wage justice from it.

I support the bill with all my heart and soul. The Government has not introduced it because it is critical of, or wants to dictate to, the arbitration court. It is a short cut, anticipating a decision of that tribunal, based on the figures of the Commonwealth Statistician, who is one of the court's advisers. Those figures indicate that the basic wage should be £12 13s. The hon. member for Vaucluse has not yet spoken, but the arguments that have been advanced by other members of the Opposition suggest that there should be no increase in workers' wages if it can be proved that industry cannot carry it. Later I shall quote a judgment of the arbitration court in 1931 when it reduced the basic wage by 5s. on the ground that industry could not afford to pay more. I am sure that hon. members will agree that the late Mr. A. B. Piddington was one of Australia's most learned authorities on arbitration and the basic wage. He was human, a man who understood arbitration far better than I do, and infinitely better than most of those who profess to know so much about it. I shall quote from his work *The Next Step; A Family Basic Income*. In a chapter headed "No Reducing Wages During Depression," under a sub-heading "Variations of the Basic Wage According to Prosperity", Mr. A. B. Piddington—in direct contrast to the statement by the Deputy Leader of the Country party—says:

Obviously the legal right to a living wage is nullified by a decision which makes a man's right to that wage depend, not on his right to live, but upon his employer's capacity to prosper. But apart from this, such a practice could never be part of a stable economic system. For those businesses which are branded as incapable of paying a living wage will be avoided in favour of those who can pay it, or else will attract less capable workers. And thus, under the very circumstances of struggle and difficulty, when a business most needs efficient labour, it runs the risk of being deserted or not well served.

Contrary to the opinions held by some arbitration court judges, Mr. A. B. Piddington held that if the basic wage is fixed at the

minimum amount upon which a person should be asked to live, that wage should be paid, and that it is not the worker who must always make the sacrifices.

I have listened attentively to the debate. In my opinion this bill involves a vital principal in which I have been interested for many years. The "C" series index, which was the basis used by the Commonwealth Statistician to fix the basic wage, may have many defects, but its weaknesses do not favour the worker; they lean more or less to the employer. The arguments of the Leader of the Opposition and the Leader of the Country party against the measure were based on the idea that it is wrong for Parliament to fix wages. At the same time, they justify the legislative action taken in 1937, by governments of their political persuasion, increasing hours without reference to the arbitration court. Because this Government is attempting to do what is just and right it is subjected to fierce criticism by the Opposition. If this were treated as a non-party measure, as it should be, and each hon. member voted according to his own conscience, I believe that more than half of the members on the Opposition side, believing it was right, would vote with Government supporters. The Leader of the Opposition may well be in that category. I have a great respect for him, but I believe that he is acting under instructions from the Ash-street bosses of the Liberal party, who direct the activities in this House of Liberal party members. One could tell by his attitude that his heart was not in his task. He said that the question should be referred to the arbitration court, that Parliament should not pass this measure, and that if the Opposition were returned to the Government benches they would immediately give higher wages to the workers.

Mr. H. E. JACKSON: Higher real wages.

Mr. R. S. JACKSON: The Leader of the Opposition said that he would give the workers higher wages; he did not mention the word "real". I listened to the hon. member for Neutral Bay holding forth, but I believe that hon. members who have not a proper knowledge of arbitration affairs should not attempt to debate the measure.

According to the *Statistical Bulletin* for the March quarter, 1955, the basic wage was 124s. in February, 1949, and in the three years prior to that it rose from 100s. to 124s. That was a natural increase, and the position seemed to be well under control. It was nothing spectacular. If members of the Opposition claim that it was spectacular, let me refer to the position a few months after the present Federal Government assumed office. That Government said that it was going to put value back into the £ and stabilise our economy. It was going to arrest inflation. From February, 1949, to February, 1952, the basic wage rose to £10 16s., and when it was pegged in August, 1953, it had increased to £12 3s. Those figures speak for themselves. The basic wage had almost doubled in those years under the Menzies-Fadden Government, yet the hon. member for Neutral Bay sneers at the Government of New South Wales, which has been subjected to the inflationary trend caused by the mismanagement of the Federal Government.

Members of the Opposition continue to say that the Commonwealth Government is giving this State more money although they know that its value has decreased. They misquoted the hon. member for George's River, who referred to the position of pensioners. Both the hon. member for Neutral Bay and the hon. member for Temora misrepresented the position in respect of the pension. In 1953, the basic wage was pegged at £12 3s. In 1955, the Commonwealth Statistician said that it should be £12 13s., therefore between 1953 and 1955 the pensioners for whom hon. members opposite are shedding crocodile tears had to meet the increased cost of living without any increase in their meagre pensions. Since 1953 every worker in this State has been deprived of an increase in his wages because of the rise in the cost of living. I wish that the bill could provide for retrospectivity so that they could get back the money of which they have been robbed during the last two years.

Hon. members opposite have declared that the Premier said that he was worried about what would occur if the basic wage were increased every quarter. How often

have Government members quoted the danger of the inflationary spiral in which wages continue to rise but are not worth as much as they were several years ago. Opposition members deliberately failed to give the reason, which is elementary. Apparently they have received their orders from Ash-street to oppose wage justice. The basic wage is based on the cost of living for the previous quarter, which is determined by a survey that is made of the cost of commodities before the declaration. The wage is fixed so that the people can purchase goods at the prices that existed prior to the adjustment. Hon. members opposite say that if the workers are given the proposed increase of 10s. a week prices will immediately rise and our economy will be seriously affected. They say that the pensioner and the man in receipt of superannuation payments will be penalised. They make the threat, which is designed as an election bogey to frighten the housewife, that as a result of the increase in the basic wage prices of commodities will rise to such an extent that the 10s. increase will be of no use to the worker. That is a dastardly suggestion and one that should receive the condemnation of every member of the community.

Mr. H. E. JACKSON: How many people is the Government going to put out of work?

Mr. R. S. JACKSON: How many people have been put out of work since the basic wage rose from £6 12s. to £12 3s.? If the court determines that a certain wage is a minimum upon which a worker can live—whether it is a period of full employment or of unemployment—that is the wage that the worker should receive.

Mr. H. E. JACKSON: The hon. member is confusing the Government Statistician with the court.

Mr. R. S. JACKSON: The hon. member for Gosford is confusing his eggs with his fodder. I wish that he would be quiet. The Leader of the Country party said that a prosperity loading had been awarded by the court. That loading was a sum of 5s. a week. The Leader of the Country party has already read the judgment delivered

by the court in 1950, so I shall not weary the House with it. I have here volume 68 of the *Commonwealth Arbitration Reports*, in which the judgment is recorded. The court held that the wage should be increased by £1. Its first intention was to include the war loading of 6s. in its award, but after a further reference to the court at the instigation of the employers a flat rate of 5s. was applied throughout Australia. This made the over-all increase 25s. a week, which included the 5s. a week that workers were already getting.

The system of industrial arbitration does not always work so well as to leave no room for criticism. That hearing which meant an increase in the wages of workers took eighteen months! The employers dragged it on for month after month and for a year and a half deprived workers of the reasonable increase to which they were entitled and which was in fact ultimately awarded to them by the court. During the war years wages were fixed, but employers did not care because they were working on cost-plus contracts. They did not worry about how many hours a man worked or how much he earned in overtime. They did not care how much material was wasted or what their costs of production were. They were paid 10 per cent. profit on whatever a job cost, and that arrangement suited them. Workers sacrificed wage increases during the war years, but when the war was over it took them eighteen months to get a favourable decision in the Commonwealth Court of Conciliation and Arbitration. On page 31 of vol. 30 of *Commonwealth Arbitration Reports* for the year 1931 is a judgment of the Commonwealth Court of Conciliation and Arbitration that reduced the wages of workers by 10 per cent. The employers began their action in August, 1930, and obtained judgment in February, 1931! It took them less than six months to obtain a reduction in wages, but the workers had to strive for more than eighteen months to gain an increase! That is why there is every justification for this Government to say that as an increase in wages is involved, it will act to see that wage justice is speedy.

If this matter went before an arbitration tribunal the employers would do just as they have done before; they would employ barristers at a hundred guineas a day to call hundreds of witnesses, whether their evidence was relevant or not, and probably another eighteen months would pass before the workers would get the increase to which they are clearly entitled. Hon. members of the Opposition represent the Chamber of Manufactures, the Metal Trades Employers' Association, the Employers' Federation, the Master Builders' Association and many other similar bodies. All those organisations look to Ash-street for their political representation. The Opposition asserts that this bill interferes with arbitration, but have not the employers themselves done this for year? When tradesmen were scarce, "poaching" by employers was common. They got away from the arbitration system then by offering skilled men up to £2 a week above award wages. I did not object to workers' taking those extra payments, but they were making a rod for their own backs. When increases were granted by industrial tribunals the same employers said to their workmen, "You have already got your increases". Employers who "poached" men by offering over-award wages were not loyal to their own colleagues. As they could not be loyal within themselves, how could they possibly be loyal to anybody?

The criticism of this Government is empty. Employers in the metal trades admitted that they went behind the backs of their fellow employers to offer inducements to working men. Workers would have been foolish to reject these inducements, but they led to industrial complications. The men in some factories rightly said, "The workers in that factory round the corner are getting £2 a week over the award wage. We want the same." Wages went up and up and eventually the employers themselves became frightened of the situation they had created. In time things settled down, and now members of the Opposition as the political representatives of employers' groups want to delay an increase in wages to which working people are entitled.

I defy hon. members opposite to deny that workers sacrificed conditions and wages

for the sake of the war effort, but when an increase of 25s. was awarded to make up to some extent for those losses, employers sought to argue that as workers were already getting more than the basic wage no increase was justified. Such an attitude must lead to discontent and unrest. I have been associated with industry all my life. I have been a member of the executive of the Australian Labour party and have appeared before industrial tribunals for twenty years. I am certain that the increase in wages that will result from this bill is justified. When the basic wage was pegged after it had been rising rapidly the Premier expressed his trust in the persons who had control of prices and charges and he is justified now in saying that his confidence was misplaced. The men who could have saved the situation were dishonest. They took advantage of the suspension of quarterly adjustments to feather their own nests. They did not play the game but the Premier of New South Wales will play the game by workers and see that they get their just entitlement. The arbitration system has laid down a minimum on which all wages shall be based, and this bill ensures that that minimum is in conformity with the cost of living. Workers and housewives who have to make ends meet on the wages that come into the household each week will be pleased that this Government has had the courage to act. I understand the worry that members of the Opposition feel about the bill because it drives another nail into their coffin.

[Mr. Speaker left the chair at 6 p.m. The House resumed at 7.30 p.m.]

Mr. ASKIN (Collaroy) [7.30]: I wish to make some contribution to this debate because of its importance. Undoubtedly this legislation will have a considerable effect on the decision as to which party is to govern this State for the next three years. On the one hand the Government makes an appeal of a superficial kind and offers what appears to be a benefit, but is really illusory; on the other hand the Opposition appeals to common sense and points to the dangers of inflation and reminds the electors of what happened when there were quarterly adjustments of the

basic wage two years ago. When I first heard the news that the Government intended to introduce legislation to restore the system of quarterly adjustments I was in Adelaide with the hon. member for Vacluse. The first thing he said when he read in the press of the Government's intention was, "There must be an election in the offing!" How true was his statement! I am opposed to the bill because I regard it purely and simply as an election bribe. The Government claims that it wishes to ensure wage justice for the lower-paid workers. Why then has the Government waited so long to introduce this bill? Various reasons have been advanced by members on the Government side, but to me all are flimsy. The truth is that this alleged wage justice has been delayed for two years to be brought forward a few weeks prior to an election. Its real significance is not wage justice but election propaganda pure and simple.

A Labour government did exactly the same thing prior to the 1947 election when, by legislative process, it reduced the hours of the working week in this State from forty-four to forty. Both actions represent an intrusion by the Government into the field of proper arbitration processes. The Government made a political football out of the hours question and forced its legislation through, despite authoritative advice that the economy of the country was not then ready for such a reduction in working hours. To-day, as a consequence, the country faces many difficulties, including such problems as the housing shortage. The Minister for Housing has stated that there are 30,000 people waiting for accommodation from the Housing Commission; and, also, the hon. member for Gordon said the other day that 20,000 people want to become members of co-operative building societies so that they may borrow money to build homes. Also, this State has a shortage of schools and hospitals and an inefficient transport system. I need hardly remind hon. members of the grave overcrowding in this State's mental hospitals. A State cannot build the things it wants if working hours are reduced. To transfer a few million pounds from one ledger to another

does not create things. The answer to the problem is work. The reason people are denied essentials is because the Government continues to interfere with arbitration processes. One would think that the Government, having found itself in trouble once already through its interference with the arbitration system, would have avoided making a political football out of such a vexed question as wages. But the Government does not hesitate, when it suits its political purpose, to over-ride the court and to interfere blatantly with a system of which all hon. members are proud, which has done so much good for the community.

Another instance of governmental interference with a decision of the arbitration court occurred recently when the court gave its decision on the working hours of firemen. Pressure was brought to bear on the Government, and its capitulation resulted in their hours being altered by legislative action. What is more natural than for this union to stand over the Government again now on the matter of wages? All hon. members know of the current threat to the community and of the danger to property and life because of the strike by the firemen. The Government's chickens have come home to roost! Serious dangers flow from governmental interference in the processes of arbitration, yet so long as the Labour party gains some votes, it does not worry about the consequences. The Government knows full well that the Australian Council of Trades Unions, the governing body in the trade union movement, intends to make an application to the Commonwealth Court of Conciliation and Arbitration for restoration of quarterly adjustments of the basic wage. This body has also foreshadowed that it will ask for a complete review of the system on which the basic wage is computed—a matter of national importance. Obviously the proper thing for the Government to do is to wait until the court has given its decision on the merits of this application. Nobody will deny that the Commonwealth Court of Conciliation and Arbitration is an impartial tribunal—something that cannot be said of any government which must, of necessity, have a political colour. This question should be decided, not by the Government,

Mr. Askin.]

but by the court where employers, employees and governments can put their case. Apparently, the Government of New South Wales does not believe in the arbitration system.

Mr. J. J. CAHILL: The "boys" in the banks have been waiting a long time for this 10s. rise!

Mr. ASKIN: Some of them may have been waiting for it, but the more discerning who understand a little economics do not want any increase in the basic wage. I remind the Premier that only two years ago he himself did not want constant quarterly adjustments in the basic wage—and he made out a very good case why they should not be granted. The hon. member for George's River was quite frank about the Government's reason for bringing down this measure: he admitted that the purpose of the bill was to win the coming election. The Government, by trying to gain political capital in this way, is striking a damaging blow at our system of arbitration.

Mr. FOWLES: Surely the hon. member does not mean what he says?

Mr. ASKIN: I certainly do. Moreover, if the Government continues to interfere with the normal processes of arbitration, as it has done so often in the past, it must accept the blame if the system eventually collapses. Another bad result of the bill will be the existence of two separate basic wages in the State. Only 40 per cent. of workers in New South Wales are covered by State awards, and not all of them will benefit under the bill. Those workers making up the remaining 60 per cent. are covered by Federal awards and will receive no increase under the measure. There must be discontent, rivalry and conflict between these two sections of workers. Those in the larger group, who will receive no increase in wages, will be faced with an increase in prices consequent on the 10s. rise in the basic wage and subsequent quarterly adjustments, which, no doubt, will cause prices to rise still further.

I cannot over-emphasise that the Opposition believes in the arbitration system. The purpose of the amendment moved by

the Leader of the Opposition is to enable this matter to be considered by the proper arbitration tribunal. The Government is not the instrument to decide this matter. If the arbitration court, having fully considered all the evidence placed before it, decided to grant an increase of £1 a week in the basic wage, calling it a prosperity loading or by some other name, I should accept the decision unhesitatingly. In the past the court has granted prosperity loadings which have been accepted without question by hon. members on this side of the House. Notwithstanding that the virtual governing body of the Australian Labour party, the Australian Council of Trade Unions, has lodged an application with the Commonwealth Court of Conciliation and Arbitration for a review of the basic wage and that it will be considered by that tribunal in the near future, the Government wants to beat the gun. The reason is obvious—an election is imminent. Our system of arbitration cannot succeed unless its twofold basis is appreciated. Apparently the Government regards the system as a sort of one-way thoroughfare. If the cost of living had dropped since September, 1953, would the Government have brought down legislation to reduce the basic wage?

Mr. FOWLES: No.

Mr. ASKIN: All hon. members know the answer. Obviously the Government believes only in "one-way" arbitration, as the interjection of the hon. member for Illawarra reveals. In my opinion the application by the Australian Council of Trade Unions could be successful; but it is for decision by the court after hearing all the economic, statistical and other evidence.

Mr. FOWLES: Does the hon. member know that, according to to-night's press, the Federal Government has announced that it will oppose the application?

Mr. ASKIN: I did read what was reported in the press. I refer the hon. member to what appeared in the column adjacent to the article to which he refers. I quote from the decision of the court when quarterly adjustments were abandoned a short extract to substantiate my argument

that the court has considered the matter carefully and exhaustively and that its decision should not be upset lightly as a matter of pure political convenience. The court said:

Whatever justification there may be for applying such an adjustment system (of a wage assessed according to national economic capacity) in a closed economy, there can, so it seems to the Court, be none in an economy such as ours where so much of our productive effort depends for its value upon prices of exports and imports beyond the control of any Australian authority.

The court recognised that there would be fluctuations. The decision continued:

Adherence to the principle of fixing the highest wage that the capacity of the community as a whole can sustain means, of course, that the Court will be always prepared when disputes arise concerning the justness and reasonableness of a basic wage to examine evidence put forward of the indications of prosperity or adversity in the productive effort on the Australian community.

The importance of the finding of the court lies in the words "the Court will be always prepared when disputes arise concerning the justness and reasonableness of a basic wage to examine evidence." There is nothing to prevent anyone from taking a grievance to court, but this Government, instead of doing so, has decided to rush in and try to force the court's hand. That is reprehensible and certainly not in the best interests of the community. The Government has waited for two years before giving what it terms "wage justice" to employees. There is no reason why it could not wait a little longer and put the case before the tribunal together with anybody else who has a case to present. In arguing against the action of the Government in introducing quarterly adjustments of the basic wage, I remind the House of the remarks of the Premier about the evils of the system when it was operating before. Two years ago he asked why the Commonwealth Government did not do something about the "fearsome" system that was doing so much damage. I agree and I think it is still fearsome, and many workers in the community also think so.

Mr. LANDA: The hon. member does not believe that.

Mr. Askin.]

Mr. ASKIN: I do and I think the Minister believes it too, otherwise he would have made a stronger case than he did last night. After the 12s. increase in the basic wage that came into operation in July, 1952, the Premier said:

These periodical rises are becoming fearsome. Nobody wants these higher wages because of what they always portend. They foreshadow further increased prices and a speeded-up downward slide in living standards Prices will again spiral viciously as a result of this latest delayed increase. . . .

Undoubtedly they will spiral again. The Premier knows they will spiral, and he will cause them to spiral again. Finally, he said,

. . . we can expect the wage to be increased. And so it will go on while the people progressively will become so much the worse off.

Mr. STEWART FRASER: The Minister will "rubber stamp" price increases, as he did before.

Mr. ASKIN: That is a very apt interjection. That is the way the Premier felt about it and the arguments he advanced then still hold good. In the *Daily Telegraph* of 18th April, 1952, the Premier said:

"Where is it all going to end?" asked the Premier when told of to-day's basic wage rise. Mr. Cahill said, "Something must be done to end the perpetual wage-price see-saw. Every time the wage goes up, prices race to a new peak. In the final check it is found always that wage and salary earners are proportionately so much worse off . . . It is a vicious spiral demoralising our economy and undermining our rural and industrial stability."

I do not know how the hon. gentleman can so lightly change face. All the arguments that he used on that occasion still hold good. The Opposition agreed with him then and agrees with him now. I do not think he would have introduced this measure if there had been no election in the offing. The Premier's own words prove the insincerity of the Government in this matter. This measure reduces the margins of the skilled worker, and that is serious. No one will deny that every time the basic wage is increased, margins for skill are reduced. A report on the matter had this to say:

Margins do not increase proportionately to the increases in the total wage which follow adjustments. This is because the wages of

unskilled men are adjusted by exactly the same amount as those of skilled men, although the total wage is lower.

Whatever else it achieved or did not achieve, the suspension of quarterly adjustments by the Commonwealth Arbitration Court in September, 1953, established a firm platform upon which worthwhile margins for skill could be built.

This Government is destroying that platform. The report continued:

The Courts then proceeded to establish such margins, highly skilled men generally having their margins increased to two and one half times the margin applying in 1937—

That was done with great benefit to the employee, and the skilled worker in particular. The report said further:

according to the principle laid down by the Full Bench of the Commonwealth Arbitration Court in the Metal Trades Case.

This was a very welcome development for skilled tradesmen. Between 1939 and the suspension of the adjustments in 1953, they had seen an almost three-fold increase take place in the basic wage, while many margins rose less than two-fold. Restoration of quarterly adjustments would certainly reduce the value of these new margins by commencing anew the old whittling-down process.

Those arguments support my contention that this measure cannot do anything except whittle down the margins for skilled workers. How farcical it is for the Government to sponsor a special Apprentices Week, as it is doing, to encourage young men to enter skilled trades when its own action in introducing this measure will reduce margins for skill and discourage people from entering skilled occupations. The Minister for Labour and Industry said that the cost of living has increased and that wage justice had to be given to the workers. He did not mention, however, that in two years the total increase has been 10s., whereas under the old system the cost of living increased regularly—by as much as 12s. in one quarter. Undoubtedly this will happen again, and I fail to understand why the Minister argues that this bill will help in any way to stabilise costs and to preserve prosperity. One small point that is worth mentioning to show the unsound lines along which the Minister and his colleagues think is his reference to statistics on increased

production. The fact is that the community is expanding, the population is increasing, and in those circumstances one does not expect production to remain stationary. If industry did not progress and production did not increase there would be something radically wrong. To quote increases in production of 5 per cent. or 10 per cent. serves no purpose.

Mr. STEWART FRASER: Incidentally, industry is becoming more efficient all the time.

Mr. ASKIN: That is a very pertinent fact. The Minister's speech was not convincing. I thought that he would do much better; he has had much to do with outside industry, and I am sure that his heart was not in his task.

Mr. J. J. CAHILL: Wait until you hear him a few weeks hence.

Mr. ASKIN: That will probably be the last time I shall hear him. The Minister and his colleagues constantly criticise the Menzies-Fadden Government, saying what a terrible government it is, how misguided its efforts are and what dreadful things it does to New South Wales. However, it is significant that term after term, in 1949, 1951, and 1953, the people re-elected it. That is the test of whether the Federal Government is doing right or wrong. Any one who believes in democracy must accept the people's verdict, and three times in succession the Federal Government, which has been much maligned by hon. members on the Government side, has been re-elected. It would probably be impossible to persuade Ken Ranger to lay the odds on the result of the approaching elections—and I believe that he is rather liberal in these matters. The next Government speaker in this debate was the hon. member for George's River who, to develop his argument, went back to 1932.

Mr. LANDA: For very good reasons, which the hon. member for Collaroy does not like to hear.

Mr. ASKIN: He went back almost a quarter of a century and quoted what Mr. Dunningham had said. Not satisfied with that, he went back to Disraeli's time. No doubt, if he had had a

little more time he would have gone back to William the Conqueror. That is always the attitude of this Government—to dwell in the past, and to harp on the depression. We on this side of the House look forward, not backward. The hon. member for George's River made two significant remarks, and hon. members must regard him and his colleague, the hon. member for Auburn, as responsible spokesmen for the Government. According to a note that I took, the hon. member for George's River said: "It is absolutely certain that it (the bill) will mean the return of this Government." As I said at the time, that let the cat out of the bag properly. The return of the Labour Government is all that he is interested in, but his party's plan will misfire. The hon. member said also: "If I had my way I would introduce monthly adjustments."

Mr. O'NEILL: If necessary.

Mr. ASKIN: The hon. member agrees that he said it. If ever a statement showed a shocking lack of appreciation of the economic position and a disregard of responsibility, that is surely it. The hon. member's confirmation of that statement condemns the whole of his speech. The third Government member to speak was the hon. member for Marrickville, who thumped the table and said that all that the members of the Opposition thought about was profits. That is not true, as even the hon. member himself knows. We on this side of the House do believe in profits, as does every other sensible person.

Mr. STEWART FRASER: There would be no wages without them.

Mr. ASKIN: That is so. The worst crime that employers can commit in the eyes of employees is to fail to make a profit, because then the employees have no jobs. Hon. members recall what happened in the 'thirties—which Government members are so fond of talking about—when industry was not making profits and there was a shortage of jobs. A Labour government was in office both in New South Wales and at Canberra—the Lang Government here and the Scullin Government in

Canberra—yet this State suffered the worst depression in its history. Jobs were scarce because businesses were not making profits. When industry fails to make a profit it is time for the worker to look out for his job. The hon. member for Marrickville spoke a lot about the capacity of industry to pay, but that is not the argument upon which the Opposition bases its case. Our case is that matters such as those dealt with by the bill must be determined by the proper industrial arbitration tribunal; not by the Government, which has an axe to grind. The appropriate tribunal should decide the issue of capacity to pay. The hon. member repeated several times the catch cry about wage justice, but the real cry should be "wage bribery"! The next speaker for the Government was the hon. member for Drummoyne. Strangely enough, I find that I have made no notes of his speech—he could not have said much of importance.

I have no objection to any increase in wages, no matter how substantial, that is awarded by the appropriate arbitration court, and I am sure that my colleagues feel as I do. I object to the fixation of wages by legislative action, because though at first glance this may appear to give some benefit to the worker, it is purely illusory and brings in its train all sorts of evil effects for the workers. Furthermore, it leaves the way open for all kinds of pressure groups and for the eventual destruction of our arbitration system. I support the amendment aimed at deferring the question until the arbitration court has had the opportunity to deal with the matter on a national basis. An application is now before the court, filed by the Australian Council of Trade Unions on behalf of employees as a whole. That application will be carefully considered by the court. In its judgment the court said that it is prepared always to consider these matters on their merits, and we on this side of the House say that the Government, instead of rushing in to make political capital for election purposes, should wait and, with the Australian Council of Trade Unions, present its case through the proper channels. When this matter is fully thrashed

out, the overwhelming majority of the public will support the attitude of the Opposition.

Mr. CONNOR (Wollongong-Kembla) [8.12]: I support the measure. I am conscious that I represent a major industrial constituency, and to me legislation of this type is of vital importance. I support it not as a partisan, but as one who has had a lifetime of experience of industrial legislation and industrial litigation. I might preface my remarks with the observation that this measure goes even deeper than an attempt to give belated and tardy wage justice to a section of the community least in strength and most important in economic value. Many approaches can be made to such a problem; to me the whole future of arbitration is under stringent review, because it must be obvious to any profound thinker and to anyone who can adopt a non-partisan approach that there are many defects in our arbitration system.

Mr. STEWART FRASER: The Government wants to destroy it!

Mr. CONNOR: My remarks mean not that I wish to destroy the system, but that no member of this Assembly, or any other Australian citizen with a sense of responsibility, should continue to tolerate the imperfections of arbitration as revealed to-day. I support arbitration both personally and as a pledged member of the Labour party, and I believe that the principles on which it is based are sound. In the past, Australia's system of arbitration has redounded to the credit of our social system. Obvious limitations are becoming more apparent with the impact of a new social order and new social problems. Approaches to the interpretation of history are many, and not the least important approach is the economic. History is, in the main, a recital of economic relations—of relations of production. Without going too far back, throughout the centuries a substantial majority of the human race has been in a position of economic and social disadvantage, because, since almost primitive times, they have not owned the means of production. These were the vassals under feudalism, who on the decay

of that system went to the towns and worked under the guild system. From there through the vicissitudes of the industrial revolution they became units in a system of production that sometimes failed to give them the barest means of subsistence. They exist to-day, and the battle waged on their behalf through the centuries is still waged, not by means of economic coercion but by legislation, through their elected representatives. The Labour party stands to-day as the representative of trade unionism and all it stands for. It stands pledged to the principle of arbitration, but it will not accept the nonsense uttered a short time ago before members of this House.

The industrial revolution speeded up the means of production more than anything previously known in the history of the human race, and the advances of industrial technology to-day and the benefits that will undoubtedly flow from the utilisation of atomic energy, will further add to the problems of the distribution of abundance. Further increases in living standards and further reductions in hours of work can be expected. I say that not as a starry-eyed idealist but as one facing facts. Unless a social system can provide the wherewithal for its members to consume the goods they produce, it cannot survive, and it is the duty of arbitration so to regulate the functions of production that this is possible. Australia can provide its workers with the highest standards of any workers in the world. Weaknesses have been revealed in the arbitration system. That is not to say it should be discarded. The system has revealed itself as rather inflexible; it is not as speedy as it might be, having regard to the needs of modern times; it is not as efficient as it might be, and the oft-repeated criticism that its decisions represent tardy and belated wage justice is fully vindicated by what has happened in Australia since September, 1953. In particular, arbitration has suffered from the absence of any system of economic "fact finding". The arbitration court can found its decisions on nothing but the usual processes of litigation. This is an obvious imperfection that the formula provided by this bill in some measure will remove.

I notice with increasing regret a remarkable tendency automatically to refer to the court for decision every matter, every log of claims. These are not investigated on their merits, but are automatically referred to the court in the hope that time will be gained, and if and when ultimate and tardy justice is done the worker will be deprived of a substantial reward for his labour. I repeat that in recent years vested interests in litigation have shown an increased tendency to make the arbitration court their happy hunting ground. Honest attempts have been made by both political parties, here and in the Federal sphere, to avoid that, but constantly the legalistic approach has triumphed. Litigation is meant for the ascertainment and definition of legal rights. Arbitration has always had as its main function the definition of economic relationships. In particular, I consider that the decision of the Federal arbitration court of September, 1953, in principle, if not in reality, destroyed the most fundamental and vital parts of the "Harvester" judgment.

For over forty-seven years, since 1907, there were certain well defined principles on which the arbitration court acted. In particular, the question of a needs basic wage was established, and in the first place that did not depend on the ability of industry to pay. The definition, as far as I can remember, was that the wage to be paid by industry should be enough to keep a man, his wife and one dependant in frugal comfort. It is true that in September, 1953, we were facing a unique position, when the system of price fixation, which had been destroyed deliberately by the Menzies-Fadden Government, had resulted in an unending self-generating price spiral. There were responsible leaders of trade unions whose private belief was that price fixation might put an end to wages chasing prices, but the feeling of relief was false because, behind the verbiage of the judgment was an abandonment of fundamental principles. It was not successful; and the resultant increase in the "C" series index is the best proof of that. Wages are still continuing to chase prices, as they always have under our system of arbitration. Every wage increase has been made

Mr. Connor.]

the pretext for a further increase in prices, and a further increase in profit margins to the limit the traffic would bear. This Government is determined to see that, while this system of wages chasing prices continues, some measure of justice is done to the most important members of society. The reasonable alternatives have been exhausted. The Commonwealth Government has had every opportunity to legislate and, if the arbitration court chose to abandon its powers, this Government had no alternative to making up the deficiency.

Lt.-Colonel ROBSON: The hon. member knows that the Commonwealth Government has no power to legislate on this matter, and he should be honest about it.

Mr. CONNOR: I do not know that.

Lt.-Colonel ROBSON: The hon. member does know. Why does he not cease misleading the House?

Mr. CONNOR: The hon. member may speak for himself on that. The day when I mislead this House—

Lt.-Colonel ROBSON: The hon. member is doing it now.

Mr. CONNOR: I am not.

Lt.-Colonel ROBSON: The hon. member is.

Mr. DEPUTY SPEAKER: Order!

Mr. CONNOR: The Federal Government had its opportunity. This Government approached the Commonwealth but it would do nothing, and that situation continues. The New South Wales Government was faced with the alternative of allowing the "C" series index and prices to continue rising, or of giving belated wage justice. Any system of increasing wages must be associated with a system of price control. The finding of the Gallup poll published last month indicated that no fewer than 75 per cent. of the people of Australia believe that prices should be controlled. I am no advocate of controls for their own sake. I believe that a reasonable and sensible system of controls can be devised, but I believe equally that the States are, in the words of the Minister for Labour and Industry and Social

Welfare, ill equipped for that purpose. Earlier I made reference to the importance of this legislation to my constituents. While I do not query the statement of the Leader of the Country party that the average wage is approximately £16 18s. a week, I would point out that in my electorate the average wage—and I quote figures given to me by the secretary of the local branch of the Ironworkers' Association—is £13 10s. a week. Eight thousand members of that association receive an average of £13 10s. a week. A large proportion of them live in Housing Commission homes. Four thousand of these have been built in my electorate, and we are happy to have them. It must be remembered, also, that the average rental paid varies from £3 to £4 5s. a week and despite rental rebates—which are largely negated by the family income formula—that bears very hard on the workers in the district with an average wage as low as the one I have mentioned.

In Greater Wollongong most steel workers work on shifts, and thanks to that they get their relatively small margin over the basic wage. The steel worker's £13 10s. a week includes overtime, and it is grimly necessary in many instances for his wife to abandon her ordinary duties of looking after the home and family to go out and work to supplement the family income. Any trader in this district will agree that the great majority of the local residents live from pay day to pay day, and it is a grim, earnest and real struggle to make ends meet and keep body and soul together. An increase of 10s. a week will afford them much relief. I have listened with great interest to the comments made on this legislation by Opposition critics, who say that it is more than industry can bear. May I quote from the August issue of the *Bank of New South Wales Review* in which appears this statement:

... portion of these increases is attributable to higher prices, which according to the "C" series index of retail prices just doubled during the period, and would therefore indicate a rise of about 20 per cent. in real production

per head of population. Average weekly earnings have risen from about £6 10s. to £15 14s.—

that is in reference to the period from 1946 to 1954—

equivalent to a 17 per cent. increase in real wages, eliminating the effect of price changes. Statistics of factory production between 1945 and 1953 show an annual increase of 2.5 per cent. per worker, which compares with an average 1 per cent. annually in the two pre-war decades.

In other words, production in the seven years from 1946 to 1953 has increased by 20 per cent. and average wages by only 17 per cent. The difference of 3 per cent. was precisely the amount by which it was intended, up to the increase announced yesterday, to increase the basic wage. The merits of this measure are self-evident. I speak with profound sincerity on behalf of those who would like a little more of the world's treasure, a little more of the world's pleasure, and a little more of the world's leisure.

Mr. STOREY (Hornsby) [8.29]: Ever since 1952 I have been in favour of the stabilisation of the basic wage, because I believe it to be in the best interest of the workers. I believed in it when such statements were unpopular in some localities, because at that stage it was thought that the basic wage would fall a couple of pounds a week. In the days when such statements were made to me I said unhesitatingly that I was opposed to a reduction because young people had entered into fixed commitments for repayments on homes and the like, and it was not right that there should be a rapid decline in the basic wage. The Government's proposal to increase the basic wage by 10s. a week is fundamentally wrong. The Government should consider its decision to proceed with this measure, because it will not benefit the workers.

It has been said that the proposed legislation is a natural concomitant of the increase of 10s. in the age pension by the Federal Government, but surely no such analogy can properly be made. Surely the sections of the community that have been hardest hit by inflation are those that

subsist on pensions, those who have contributed to insurance funds for many years, and those who receive superannuation allowances. There have been some slight increases in the superannuation allowances but not to the extent necessary to compensate contributors to superannuation funds. In many instances the contributors were making their payments when the basic wage was £4 a week, and it is now £12 3s.

The greatest needs in our community are stability, security and superannuation, the three "S's". The Federal Government, by intervention in the Federal court, gave the State governments and the community a lead when the basic wage was stabilised. The Federal Government then intervened in an endeavour to obtain a better deal for the skilled worker, through increased margins, so permitting the skilled workers to get back a little of what they had lost because of substantial increases in the basic wage. The Commonwealth court then decided to have regard to a margin for skill of two and a half times the amount that was paid in 1937. Hon. members know that the Federal and State governments have increased the salaries of high public servants. They know, also, that many applications for increased margins have already been dealt with by the court, that others have yet to be dealt with, that during the last six weeks or so the Industrial Registrar has been unable to print the new awards for some industries and that in many instances the back money that is due has not yet been paid.

Hon. members on this side are in favour of giving the community an opportunity to get on to a stable basis. We do not wish to see a reduction in the basic wage even though, as the Leader of the Country party and others have pointed out, there has been a great drop in the price of wool during the last two or three years. Hon. members, on whichever side of the House they sit, must concede that this ultimately must have a great effect on wages unless, of course, there is a depreciation of the currency through some action of the Commonwealth Bank. However, the Federal Government has wisely decided against such action and most hon. members would not want that to occur. That being so,

Mr. Storey.

they must take into consideration the great drop in the national income during the last year or two. Surely this is not the time to introduce legislation such as this? Do workers in the community generally want to risk a financial upset that would cause a disaster of the kind experienced during the depression? Many hon. members will remember that at that time the basic wage was reduced, by decision of the court, from £4 5s. in 1927 to £3 10s. a week in 1932. Later it dropped to £3 8s. 6d. and then to £3 6s. 6d. All hon. members know what occurred during those years. We do not want that sort of catastrophe to occur again. We do not want to see a young man who has committed himself to the payment of £3 or £4 a week on a house suddenly find that the awards are varied to such an extent as to make it impossible for him to keep up his payments.

I have no doubt that the Minister knows the position much better than I do. Those hon. members who have been in politics for some time know precisely why this decision was made. They know what influence it was that brought it about. The decision was made not only because of the approaching general elections. All hon. members on the Government side who are honest will agree that the decision to introduce this measure was caused by internal dissension in the Labour party. The fact that a decision had to be made at that time is no justification for the Government's proceeding to the point of upsetting the whole fabric of our industrial organisation. The very worst thing that can happen in industry is for two men working alongside each other to be receiving different rates of pay for doing the same work. That happened in the years 1932, 1933 and 1934, the difference being as much as 12s. or 13s. a week.

MR. MURPHY: The hon. member was a member of the government that helped to bring that about.

MR. STOREY: I was then a member of the Railway and Tramway Officers' Association. I was stationed at Dubbo and well remember employees of the Department of Railways working alongside one another, and one man receiving as much as 10s. a

week less than another, although the base rate was then £3 10s. One man was getting £3 10s. a week and another was getting £4. That situation was even more extreme than the one that will obtain when one man gets £12 3s. a week and another gets £12 13s. The difference then was 10s. in 80s.; under this bill it will be 10s. in 253s. I warn the Government that this legislation is unwise. My warning is not dictated by nastiness or by any political motive, because I claim to have the interests of workers at heart just as much as any supporter of this Government.

Mr. CROOK: The workers will not believe the hon. member.

Mr. STOREY: Even in Cessnock I have friends who will believe me.

Mr. CROOK: They will not.

Mr. STOREY: Some of my friends are the hon. member's friends also, and they do not necessarily swallow everything that he tells them or agree with legislation for which he must vote because of an internal wrangle in the Labour party about three months ago. Supporters of the Government know that I speak the truth. I have not asked any of them for information about events of the past few months because I already know something of what has been happening. Members on this side of the Chamber wish the State to have a stable economy. They do not want a position to be reached in which the basic wage might fall £2 overnight. Do supporters of the Government want to bring about that state of affairs? I hope that even for the sake of political advantage they would not court such a danger. They think enough of their country to agree that economic stability is our greatest need. This bill will not help superannuated men and women; it will not help those who have insurance policies coming to maturity. Do hon. members on the Government side not realise that the man who is receiving, say, four guineas a week pension, will be worse off as soon as the basic wage rises by 10s. a week? Under the provisions of this bill the first 10s. a week increase will be followed by others,

and the basic wage, instead of being £12 13s., will rapidly rise to £15. Is that what supporters of the Government want to happen?

As a young man in 1929 and 1930 I often debated with myself whether I should work for a house or a motor car or money in the bank. I decided then that if inflation continued money in the bank would be of little value and that my savings should go into real estate, which will hold its value. This bill means devaluation of currency. Hon. members on the Government side should not delude themselves that they are giving anyone 10s. a week. This bill will destroy the value of wages. My wife pays 4s. 1d. for a return ticket between Sydney and Waitara: it used to cost her 2s. Do hon. members on the Government side believe that she worries about 10s. a week that somebody else is getting? Her reaction is that a government which makes a charge of 4s. 1d. for one journey between Sydney and Waitara is an awful government. She tells me so pretty often, and if this is her feeling what is the reaction of those who have a small income? The Minister spoke last night about Germany and how the people there have worked themselves back almost to a state of prosperity.

Mr. LANDA: And they want to work a forty-hour week.

Mr. STOREY: Correct; but did the Minister not prove my point?

Mr. LANDA: Which point?

Mr. STOREY: Prosperity does not come about through increasing the basic wage, with its certain effect of increasing prices. The Leader of the Opposition pointed out that this bill immediately will cost New South Wales £12,600,000 and of that sum £2,600,000 will be paid by the State Government. Consider the effect that this will have on the State's transport undertakings. This Government has attempted to convince the people that it wishes to balance its budget but cannot do so because the "dreadful" Federal Government will not give it enough money. It complains that it is being starved of

funds but at one fell swoop it increases its payments by £2,600,000! Despite all its assertions about being short of money, it can afford £2,600,000 under this bill. The attitude of the Government seems to be that the transport undertakings shall be left to sink or swim until after the elections and that as they are already losing about £4,000,000 a year, another £2,000,000 will make no difference. Is that the psychology of Government supporters? Do they not realise that their callous indifference to the consequences of their "going the whole hog" might wreck the State?

Most men and women in this country are workers, and their greatest wish is for security, superannuation and comfortable family life. They wish to enjoy prosperity and they realise that this will be their good fortune only if the conditions of the past four years can be maintained. This bill will not help them. Workers want a continuance of long service leave, sick leave, full employment and the other indices of prosperity. Do Government supporters wish to destroy them? The hon. member for Balmain knows that I would get a good hearing if I told this story in his electorate.

Mr. McMAHON: The hon. member talks like a Labour man.

Mr. STOREY: And I could tell this story in Balmain, where I lived for twenty years, as well as anybody else.

Mr. LANDA: Why have not all these dire things that the hon. member mentions happened in Victoria? That State is prosperous.

Mr. STOREY: This legislation is not in the best interests of the community, as the Minister knows. Different wages under State and Commonwealth awards will mean hell in industry. A man who goes to the Department of Railways for employment will be asked "Do you belong to the State union or the Federal union?" before his wages will be determined. I foresee that his answer will be, "I am in the Federal union but I am getting out of it and into the State union because under a State award I will get more money". Years ago

the Railway and Tramway Officers' Association let its registration in the State Industrial Commission lapse and set about arranging an interstate dispute so that it could get a Federal award for its members.

Mr. MURPHY: It never did, though.

Mr. STOREY: It might have done had it received my advice but by then I was in the Association of Railway Professional Officers, which got a Federal award based on the higher Federal basic wage. However, that was not necessarily a good thing. This matter of State and Federal awards has caused more broken friendships among politically-minded people than any other source of friction. The late Rt. Hon. W. M. Hughes, Viscount Bruce and the late Sir Thomas Bavin were three prominent men who learned what trouble can be caused by variations in awards. Many of the difficulties that had obtained for years were resolved by the decision of the Commonwealth Court of Conciliation and Arbitration in 1953, and stability was the result. The hon. member for Concord, as a railway man, knows that I am stating facts. He realises that this bill will harm the railways, both internally and externally, so why persist in support of it? I do not attempt to understand the minds of the men who hew coal in the mines, but I have known some of them. Recently they and the officials of their union have been complaining about the loss of the coal export trade. How can we increase the basic wage by another 10s., with possibly further similar sums to follow, and hope that the export trade can be maintained without a depreciation of currency? This is a case of political expediency. All I ask is that the Government should re-examine this legislation. Even if the bill is passed through this House the Government should see that its passage is stayed in another place, as it does something that is not in the interests of the workers. I have not attempted to traverse the history of arbitration or of basic wages, my wish being to reduce the issue to simple terms. I advocated stability of the basic wage as a primary need for this country in the days when it was unpopular to do so, because

I believed that to be the right course. I ask the Government to reconsider this bill.

Mr. MURPHY (Concord) [8.52]: Naturally, I support the bill. I have never heard such a barrage of dolorous forecasts as those made by the hon. member for Hornsby. No member on this side of the House will for a moment dispute the need for industrial and financial stability; nor will any dispute the hon. member's argument that the worker should have a sense of security. No one on this side of the Chamber will deny the principle that the worker, having reached that period in his life when he can no longer carry on the fight, should be able to look forward to his deferred rest, content in the knowledge that he will have an adequate superannuation for his old age. But that is not the point. It is not sufficient to say how things may be accomplished, nor to accuse the Government of misleading the people, but every argument advanced from the other side of the House does just that.

Every Opposition speaker has opposed this bill on the theory that the Government is interfering with the arbitration machinery. That is not proposed. This measure will restore the position that existed two years ago. Did quarterly adjustments of the basic wage then interfere with the industrial machinery of the State? Of course they did not. The arbitration court did not fix the basic wage; it was the registrar of the court who, from the figures of the "C" series index, determined what the basic wage would be, and the court gave its approval from time to time to these figures. That is exactly the Government's intention in introducing this legislation. It is all very well for the hon. member for Neutral Bay to sneer. All I have heard from him on this bill has been a tirade of abuse about Government members being lined up with Communists and all sorts of other anti-social agents working against the interests of the people. Hon. members on this side have been accused of living in the past. It is because we live in the future that we have been in office for almost fifteen years. The hon. member for Vacluse also sneers. I invite him to come to Concord.

I shall be there and happy to defend everything that I or my Government have done, and particularly to defend the Government's action in introducing this legislation. I assure the hon. member that I am not likely to suffer a fate similar to that recently meted out to him. He should be quiet on this issue because he has the unenviable record of having been deposed by a vote of no confidence by members of his own party. I know that some of my remarks are hurting him, but I do not mind that. The hon. member for Hornsby said that because of the drop in national income, the time is most inappropriate for introducing this legislation. I recommend that he should read the special financial supplement that was published in *The Sydney Morning Herald* two days ago. He would learn from it of the present prosperous state of the Commonwealth. Before he indulges in such jeremiads he should read the articles that are published in that newspaper.

Mr. DICKSON: Did the hon. member read what *The Sydney Morning Herald* said about this bill?

Mr. MURPHY: I am not interested in what it said about the bill. That supplement tells in black and white the story of the financial position of the Commonwealth. It is not written by employees of the *Herald* but by independent authorities from different parts of the Commonwealth, qualified to comment on the facts.

The approach of members of the Opposition, on this and other measures that benefit the worker, is to have "two bob each way". They always say, "We believe in the principle of the thing, but the time is inappropriate". So they level charges of political bribery. They say that an examination of the facts shows that the Government will do an injustice to the worker. Also, they quoted what the Premier said in this House two years ago when legislation was introduced to bring about uniformity in the basic wage. Why do not these members read all that the Premier said on that matter? No one with any commonsense will dispute that a constant rise in wages and prices is undesirable. For this reason the Government agreed to fall

into line with what the Commonwealth Government then did. The Premier predicted that the effect would be what the hon. member for Hornsby claimed—to create a position of stability in wages.

Mr. FOWLES: The Federal Government promised it.

Mr. MURPHY: That is so. The Federal Government said, "We are going to put the brake on, to put a sprag in the wheel, and we will see what will be the effect". The Premier was fair enough to agree that New South Wales would fall into line, with the reservation that the proposal was all right provided that it accomplished its aim.

Mr. DICKSON: So it did.

Mr. MURPHY: That is a sample of the type of thinking indulged in by hon. members opposite. To-day the worker in this State is 10s. worse off than if there had been quarterly adjustments in the basic wage.

Mr. CRAWFORD: Who says so?

Mr. MURPHY: The court—that impartial tribunal about which hon. members opposite constantly prate—has said that the worker is 10s. worse off to-day.

Mr. CRAWFORD: What about the Government Statistician?

Mr. MURPHY: That gentleman announced the quarterly increase in the cost of living before there was any interference with basic wage adjustments. The court merely gave its approval to his announcements. If hon. members opposite do not like my saying that, then I say, instead, that the Commonwealth Statistician makes this assertion—and the hon. member for Barwon can put any construction he likes upon the figures published by that gentleman.

The hon. member for Barwon interrupting,

Mr. ACTING SPEAKER (Mr. TULLY): Order! I call the hon. member for Barwon to order for his persistent interjections. The hon. member for Concord is speaking to the matter before the House, and he is entitled to rights and privileges which must not be denied him

by any other hon. member. The hon. member for Barwon will have ample opportunity to make his contribution to the debate.

Mr. MURPHY: The "C" series index figures indicate clearly that the prediction that the cost of living would be stabilised upon the freezing of the basic wage was not realised. If hon. members opposite dispute that, let them tell their story to the men in the workshops and factories—to the men in the banks, about whom the hon. member for Collaroy made a most unflattering remark. In reply to an interjection he said that bank officers could be divided into two classes—those who had some common sense, and those who had none. According to the hon. member, those with common sense would turn down this increase of 10s.

Mr. ASKIN: No member of the hon. member's party has any common sense!

Mr. MURPHY: The hon. member may not like my reminding him of his remark. He said that the discerning bank officer would not want an increase of 10s. in the basic wage. What are the feelings of the other group of bank officers who want this increase, and have been branded by the hon. member as foolish? Our political opponents' approach to costs in industry is always one-sided. They claim that all our troubles are related to wages and hours, and that no other consideration affects costs in industry. In their view, the pivot of our prosperity is the wages paid to and the hours worked by those in industry. They give no consideration to whether companies are earning excessive profits. Hon. members opposite have accused the Government of bringing down this legislation at a time when it will have the effect of placing a heavy burden upon industry. Over the last two or three days I have taken the trouble to peruse the financial columns of *The Sydney Morning Herald* and I have collated figures of profits recorded in the past twelve months by a number of industries and various businesses. They reveal an interesting picture. This year Butler Air Transport Proprietary Limited recorded a profit of £56,278. This was a drop of £12,803 on the previous year's profit, but in that year the company's profits exceeded the figure for the previous year by £37,000. Federated

British Engineers (N.S.W.) Limited this year recorded a profit of £75,623, a rise of 28 per cent. on the previous year's profit, and that firm increased its rate of dividend from 8 to 9 per cent. Australian Newsprint Mills Limited made a profit this year of £648,092, a rise of £232,347, or 56 per cent. on the previous year's profit. Mayne Nickless Limited this year recorded a profit of £100,399, a rise of £28,593 over the previous year's trading. United Provisions Limited, ham and beef curers in Melbourne, made a profit of £201,830, representing an increase of £144,736 on the previous year's profit. Tomlinson Steel Limited made a profit of £111,929, a rise of £14,884 on the previous year. The profit this year of National Bank of Australasia Limited is £889,355, representing an increase of £147,961 or 20 per cent. on the previous year's trading. Drylec Limited, an electrical appliance firm, made a profit of £56,456, an increase of £2,642 on its previous year's profit. This represents an earning rate of 30.5 per cent. on capital. Bitumen and Oil Refineries (Australia) Limited recorded a profit this year of £515,098, an increase of £41,620, or 9.7 per cent., on its profit last year. Hordern Brothers Limited made a profit of £67,168, a rise of £6,966 or 12 per cent. on the previous year. And Bebarfalds Limited recorded a profit of £183,148, representing an increase of £16,185 or 9.7 per cent. on the previous year's trading.

Mr. BRAIN: What about the losses?

Mr. MURPHY: I invite the hon. member to look through the same papers from which I have taken those figures. He may find four or five firms that have recorded a profit slightly lower than last year. Generally speaking, however, he will look in vain for firms that have made a loss this year.

Mr. BRAIN: What does the hon. member seek to demonstrate?

Mr. MURPHY: Evidently these big organisations are not worried about their wages bills. They will not go broke over an extra 10s.

Mr. BRAIN: Of course they will not.

Mr. MURPHY: That is so, and that is why the Opposition should be supporting the Government in its efforts to give the worker a share of profits. Hon. members should not overlook the need for efficient administration. The hon. member for Gordon had much to say about the increase in efficiency in industry. The hon. member for George's River quoted briefly from an article, and I took the trouble to look at it after he had finished speaking. It pays a glowing tribute to the Australian worker and issues a warning that there may be inefficient management. The article I refer to was written by John Hetherington in *The Age* on 15th August, 1955. He referred to an address by Mr. Jack O'Neil, of the Braun Transworld Corporation, which built the Altona oil refinery. Mr. O'Neil, an independent witness who would know something about the subject, said that we "ought to be proud of what can be done with the Australian worker". Mr. Hetherington made this comment:

This is not the only impartial tribute Australian workmen have won lately. Possibly managers who whine about Australian laziness should look to themselves and their methods.

Mr. Hetherington might have gone further and advised the same people who whine about wages and hours of work to look at their own houses before they start throwing stones at the other fellow. Addressing the Building Industry Congress, Mr. O'Neil said:

When we started the Altona project, one American could do what it took four Australian ironworkers to manage. But the Australian workman is not the culprit for the high cost of construction in Australia. Don't point the finger of suspicion at him, for he is good. He can improve. If you are having difficulties with your Australian worker, take a close look at the problem. You might not have supplied him efficiently with tools, or you don't adequately supervise him, or you are not giving him the materials he requires. And certainly look at the designs and drawings you give him to work from. Since we began the Altona project wage rates have risen by 25 per cent., yet the Australian workers' efficiency has improved so much that the overall cost to the employer is lower.

That tribute to the Australian worker from an independent source should be accepted

at its full value. We as a Labour government believe that in bringing this bill before the House we are restoring wage justice to the workers of New South Wales. If it tends to create inflation, corrective action can be taken. That action was taken before this measure was contemplated, in the request by the Premier to the Prime Minister for an independent inquiry into the factors affecting the general economic position of industry throughout the Commonwealth. The leader of the Commonwealth Government would have nothing to do with it, and the hon. member for Hornsby deliberately misleads the House by saying that this Government's action is the result of some internal dispute in the party. What possible connection is there between any dispute in the Labour party or any other party and this bill? It is too ridiculous for words. I compliment the Government on bringing down this measure. I support it wholeheartedly and am confident that the electors of Concord will be happy that I have supported the Government in the action that it has taken.

Mr. WILLIS (Earlwood) [9.16]: Suffice it at this stage to say, by way of reply to the hon. member for Concord, that he might accept the advice of one who has a little more experience in this House and brush up on his facts if he wants to retain his seat in December. This bill is officially entitled "The Industrial Arbitration (Basic Wage) Amendment Bill, 1955". It is more popularly known as "The Basic Wage Bill", but it will be called by the electors in the next few weeks "The Election Bribe Bill". The Labour party is determined to win votes by this measure regardless of the consequence to New South Wales or to itself, and the Liberal party is equally determined to stand firm on its principles regardless of what might occur.

This bill will have the effect not only of flouting the arbitration system but indeed of wrecking it. If the Government made a sincere request to the House to have the machinery of arbitration discussed impartially on a non-party basis, I would support it because I believe that the arbitration system is in need of overhaul.

It has been criticised because it tends to emphasise the divergence of interest between employers and employees when the emphasis should be on the common interest of those groups. It has also been criticised because, unless disputes are deliberately manufactured, they cannot come before the court quickly and the claims of moderate unions are often delayed. It has been criticised, further, because it is too slow, cumbersome and complex and because it is too legal in its administration. I would be willing to discuss that because the system of arbitration has grown tremendously since its introduction half a century ago. I do not agree with the members on the Government side who want to have the machinery of arbitration overhauled to the extent of removing certain penal clauses, simply because their Communist friends are agitating for this sort of thing on soap-boxes in the Domain on Sundays.

If the Government had introduced this subject seriously at a time when hon. members could have calmly deliberated the issues, the Opposition would have supported wholeheartedly a discussion on whether something could be done to improve the methods of industrial arbitration. After fifty years, industrial arbitration has become an integral part of the Australian way of life; yet overnight, on the eve of a general election, this Government proposes, in effect, to abolish the arbitration system and to substitute for it a caucus-controlled economy, with those in the caucus room as the arbitrators on the economic destiny of the State. After half a century of arbitration this Government has decided to scrap the system, so that members of the Labour party might scramble back into office at the elections. Until a better system than industrial arbitration is found, we in the Liberal party will adhere to it—and that means adhering to it through thick and thin, whether one approves or disapproves the court's decisions. When I was a schoolboy I was taught—as I dare say hon. members on the Government side also were taught—that the decision of the umpire is final. Hon. members of the Labour party and their colleagues in the Communist party accept

only those decisions of the court that suit them; when a decision does not suit them they take direct action by striking, or alternatively they appeal to this caucus-ridden government and get the machinery working to circumvent arbitration and get what they want by another method. No doubt all hon. members on the Government side listened to Mr. Jim Healy on Sunday in the Domain expounding his views, with a prominent member of the Labour party's new executive beside him. These two men are supposed to be arch-enemies, yet they sat side by side.

Dr. PARR: Birds of a feather.

Mr. WILLIS: Yes; they were sitting on the same platform, supporting each other in condemnation of the arbitration system, telling the people gathered there that this system, which has become an inherent part of our life, should be jettisoned—simply because Mr. Healy does not like some decisions of the Federal arbitration court. This Government is in the pocket of Healy because it is election time, and the Labour party wants the support of anybody and everybody, so long as its members are returned to office on 3rd December.

Mr. ASKIN: The Labour party needs their money, too.

Mr. WILLIS: That is so. The erstwhile colleagues of the Federal leader of the Labour party, who now form the Anti-Communist Labour party, have revealed in recent weeks that the Communist party makes big contributions to the Labour party for election campaigns. No doubt that accounts for the fact that Healy and Short were on the platform together last Sunday in the Domain. As the Leader of the Opposition said, this Government is making wages a political football. A system could grow up under which, in a parliament of ninety-four members with a caucus-controlled government in power consisting of as few as forty-eight members, twenty-five men could control the economy of the nation, because the actions of this, the greatest State in the Commonwealth, influence what is done throughout the rest of Australia. Twenty-five irresponsible socialists, at the behest of their Communist

colleagues, could wreck the Australian economy and jettison the arbitration system simply to win an election and retain their seats. If arbitration is to be made a political football and the Opposition were to adopt the same practice as the Labour party, we Liberals would rush to the hustings and say, "We will give you an increase of £1 a week"; Labour would counter with an offer of 30s.; and we would raise it to £2. There would be an auction to decide who would get the most votes on polling day.

The people will not be fooled by this measure. If the hon. member for Kogarah tries to fool the people of his electorate with this type of propaganda he will go the same way as his Federal colleague in that district went in 1954. The people there remember how in that year Dr. Evatt said, "Labour will increase pensions; we will increase this and that, and give you more money than you have had before." But the people are not fools. They saw through Dr. Evatt, and they will see through Dr. (honorary) Cahill in 1955.

Mr. CRABTREE: Apparently the hon. member has been reading the *Century*.

Mr. WILLIS: It would do the hon. member for Kogarah good to read it. Regardless of the effect on the economy, this Government has decided to give 40 per cent. of the workers in this State an increase of 10s. a week in their wages before polling day. The Government is regardless of the effect of this measure on the export markets; on government finances; on employment; on the pensions of superannuated government employees; on loans for public works; and on the devaluation of savings bank deposits. Regardless of all these things, the Government will grant an increase of 10s. a week to 40 per cent. of the people. But they will not be fooled. The Labour party has fallen a long way behind in the last few years if it has so completely lost touch with those whom it professes to represent that it feels that it can put over such a specious argument.

On my way to Parliament House this morning I met four constituents who discussed with me the report of this measure which was headlined in this morning's

press. These four people were what Government members would call working class people—a term I never use. One was a war widow. She was alarmed that inflation would set in and that her pension would lose its real purchasing power. She intends to vote Liberal. The next person I met was a carpenter whose margin for skill had recently been increased by the court. He said, "The snowballing of wage increases that will result from this action will have the effect of shrinking my recent marginal increase, which I appreciated so much and shall now begin to lose." He also was not very happy. The third person I met was a retired public servant who is on a meagre superannuation allowance. He realised that the real value of his pension would be reduced. The fourth person was a clerk, a member of the Federated Clerks' Union, who said, "For a short term it will be a good thing, but I will have to think about it more because I know the inflation that occurred previously." Those four typical people whom I met this morning are awake to the position already, after less than twenty-four hours. What will be the position after six or seven weeks? I predict that this Government will be about as successful at the coming State elections as Dr. Evatt, with similar promises, was at the last Federal elections.

Much has been said, and I do not propose to go over the ground again except in a minor way, about the effect of two basic wages in this State. Over the years that I have been interested in politics and economics I have never heard one person, a supporter of Liberal, Labour or Country party, or without political connections, who advocated two basic wages in this State, or in any other State of Australia. I have heard many people speak about the chaos that prevails when men work side by side but belong to different unions, one under a State and the other under a Federal award and receive different wages. Many people have spoken of the chaos of the pre-1937 days, but never have I heard anyone say that it was good to have two basic wages. That is what this Government proposes to do and it will set back the clock eighteen years and recreate the chaos that prevailed when Mr. Lang,

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a former leader, was in opposition. The Premier will remember, because he was the Whip.

Mr. CRABTREE: The hon. member was in the Labour party at that time.

Mr. WILLIS: I was at school and learning my lessons, especially those on economics. As this Assembly was reminded by the hon. member for Neutral Bay, the then Leader of the Labour party implored the Government of the day to make one basic wage in this State. This Government, for cheap political gain, or what it thinks will be political gain, is prepared to jettison a cherished Labour principle of eighteen years' standing. Hon. members have heard two different speeches from the Premier. Speech number one is that basic wage adjustments are bad and some way must be found to stop them; speech number two is that basic wage adjustments are very good, because they help the worker. Speech number two having been issued before the election, I wonder whether the Government will discover in about six months—if it is successful in its attempt to bluff the people and retain office—that speech number one was the best after all, and will then say, "In the interest of the workers, we will freeze wages"? All hon. members will remember when the Communist party came out with one line of propaganda; it received new instructions, and overnight came out with a different line, which all its supporters followed. We all remember the "imperialistic war" and then the great "defence of the Fatherland". These socialists on the Government benches have said that quarterly wage adjustments are a bad thing. Ring down the curtain; ring up the curtain on act two. They are a very good thing! Either they are bad or they are good, but hon. members opposite cannot have one thing one year and another the next. If that is tried on the people, Heaven help the Labour party on 3rd December! Various Government speakers have attempted to put pseudo-economic arguments to explain away the fact that they now are in favour of quarterly wage adjustment, contending that they do not cause inflation. Unlike the hon. member for Marrickville who had some mysterious statistics from an unnamed source, I have

reliable statistics. When I asked him the source of his, he said "The Statistician". Whether the statistician of Thursday Island or of Antarctica, I do not know, but his statistics were not those of the Commonwealth Statistician or the Government Statistician of New South Wales.

I quote from the *New South Wales Monthly Summary of Business Statistics*, No. 286, of June, 1955, issued by the authority of the Government Statistician. At page 27 the retail price index numbers of certain countries are shown. Hon. members who can understand a complex table of statistics will have everything they need on this very point. These index numbers range from 1938-39 to the present. Taking Canada and the United States of America as one example of countries that do not have, and never have had, automatic basic wage adjustments, and comparing them with Australia where the system of quarterly basic wage adjustments has been in operation, the extent of inflation here can be seen. The average for the three years ending June, 1939 was 100 points; in 1947-48, in Canada, the wholesale price index was 175; in May, 1955, it was 212. In the United States of America, it had risen at the end of the war to 191, and to-day is 208. In Australia the index had risen from 100 pre-war to only 159 in 1948—lower than in either the United States of America or Canada, yet to-day, it is 328, which means that it is 50 per cent. higher than in either of the two countries that do not have automatic quarterly adjustments—or automatic adjustments of any kind. It is in black and white for anyone to see that countries where there are no automatic adjustments have had less inflation than has Australia with its automatic adjustments. I do not know whether hon. members opposite require it, but I should be glad to explain in simple economic terms these figures.

MR. H. E. JACKSON: In words of one syllable.

MR. WILLIS: One or two syllables. This is a simple argument that cannot be refuted. Without going into all the statistics, in Australia between 1946—when the first automatic adjustment after the war

was applied—and 1953, there was a period of inflation. No one can deny that. From 1953 to 1955 when no automatic adjustments operated, because of the "freeze" put upon the wage by the decision of the arbitration court, almost complete stability existed. This year a slight increase in the cost of living has occurred, due entirely to the marginal increases granted a few months ago. No economist would give any other explanation. If left alone these irregularities in the economy would have tapered out and the amount of increase in the cost of living been slight; but if fuel is added to a very small flame by applying automatic quarterly adjustments to the basic wage, away will go inflation again. It will be similar to that of the pre-1953 years. In December, 1950, the basic wage was increased by 19s. This was the biggest increase of all, and was a special increase by the Commonwealth Court of Conciliation and Arbitration. Within the next twenty-four months the basic wage had increased by another £3 12s. When that 19s. went down the hill of inflation it snowballed, and increased by an additional £3 12s. in the next two years.

I prophesy precisely what the hon. member for Hornsby did this afternoon. It is as plain as the nose on one's face that wages inflation must snowball and the proposed 10s. increase now being considered by the House will become 15s., 20s., 25s. or 30s. before another year is out. If this Government can force the hand of the Commonwealth arbitration court—as apparently the Premier wants to do according to this morning's press—it will be not 30s., but 60s. within the next twelve months. To say that this country will benefit from snowballing inflation of that order is to show ignorance of elementary economic facts. Wages inflation has occurred every time there has been an automatic adjustment of the basic wage. I predict that there will be further inflation within the next twelve months or two or three years if this system prevails, and that it will snowball as it has done in the past. I make the further prediction that the effect of it will not be felt before 3rd December. It is proposed that the increase

shall operate from the first pay period in November. However, the increase in costs that will result from it will not be felt for at least a month, or possibly not for six or eight weeks. Let it not be said that this Government is doing this deliberately, but that it is a happy coincidence from its point of view that the election will be held three weeks after the increase has been granted and before its effects are felt! The people will be enjoying the sugar, but will not have come to the bitter centre of the pill. The financial editor of *The Sydney Morning Herald*, in a recent article, has something to say on this subject. As I could not possibly improve on it, I propose to read it. He says:

It will be seen that the Australian cost of living rose considerably more in the two years commencing in July, 1951, than it did in the two previous years. That is, prices continued to rise throughout a period which was mostly characterised by symptoms of a moderate trade recession. They continued to rise after the collapse of wool prices, the overstocking of the economy in 1952, the staff layoffs and the scaling down of scarcity wage margins.

Without going into details and boring hon. members, they are factors that ordinarily cause a decline in standards. The article continues:

The major elements of a "demand" inflation were then either absent or working in reverse. A full study of this remarkable behaviour of the C series index has still to be made. But the results confirm the commonsense view of the overwhelming majority of business people that the statutory wage increases were the main cause of rising prices.

Everyone knows that, but it is heartening to see one economist put it in print. Wages increases exceeded the rise in prices during the period when Government supporters were speaking of being in the middle of a depression. In 1952, they said that there would be unemployment before Christmas, and that men would be walking the streets. The dire predictions made by Government supporters were dreadful to hear. The catch-cry of the 1953 State elections was that this country was in the middle of a depression. In the depression of 1929-34 can one recall any increase in the cost of living due to wages going up? Of course not! All of these things were occurring during the so-called depression

period because of the automatic wage adjustments that were then current. Only after 1953, when quarterly adjustments were discontinued, was any stability achieved.

Mr. CRABTREE: Is the hon. member opposed to automatic increases?

Mr. WILLIS: If the hon. member for Kogarah had listened to my speech he would know the answer to his question. I am not opposed to anything done by the arbitration court. During the period 1953-55 the basic wage was stable. However, if the figures are checked it will be found that the average real wage—that is, its worth in terms of purchasing power—rose from 1,226 units to 1,237 during the two-year period the basic wage was frozen. In other words, the nation became more productive, and in consequence the cost of living began to fall and the effective wage rose. To-day the average weekly earnings are no longer those of the basic wage earner. As the hon. member for Neutral Bay said this afternoon, it is impossible to produce a basic wage earner. I have never met one since the end of World War II. All workers are on some sort of margin. Margins, bonuses of one kind and another, and overtime, have resulted in earnings rising by £2 a week. Government supporters say that the Opposition seeks to deprive the basic wage earner, and other wage earners, of the 10s. a week to which they are entitled because the cost of living has risen by 10s. According to statistics compiled by the Commonwealth Statistician, the average worker is earning £2 a week more than he did two years ago, although the basic wage has been frozen. Therefore, they are a long way ahead of the rise in the cost of living, and the arguments advanced by Government supporters fall to the ground. If the hon. member for Kogarah and other irresponsible members who do not bother to find out these facts for themselves, do not believe me, let them ask the people, who will say "We have never been better off than we are to-day." I have yet to find anyone, except Communists and their friends, who to-day complains about the economy.

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Mr. REX JACKSON: The hon. member should ask the age pensioners their opinion.

Mr. SPEAKER: Order!

Mr. WILLIS: The hon. member for Concord read out an almost interminable list of firms which, he said, had made huge profits. The implication was that, once this bill is passed, those firms will stop paying dividends amounting to £100,000 or whatever they were, and will pay dividends of only £1,000 and will share the other £99,000 with their employees. What utter nonsense; what a specious and stupid argument to put forward! Every Government supporter knows as well as I do that as soon as the 10s. a week basic wage increase is paid every product produced by those firms whose names he listed will increase the price of its products, and the people who will pay the increased prices will be those who get the extra 10s. a week. The hon. member for Dulwich Hill interjected this afternoon that the Opposition parties were fifty years behind the times in their thinking. If any party is fifty years behind the times, it is the Australian Labour party. Its members in this Chamber trot out the arguments of class war and the big fat capitalists who crush the workers underfoot and make colossal profits. That was good propaganda in the depression of the 1890's; it was not so bad about the time of the first world war, but it is as specious to-day as anything could be, because the only way in which the Australian worker can get improved standards of living is by the management and the worker acting in concert to increase production. The only way to get a bigger slice of cake is to make a bigger cake. If the worker says, "This is my share of the cake, but I want some of the boss's as well," he cannot get it.

If the Government members tell the public that the increase of 10s. in the basic wage will mean that some of the profits will be taken from the boss, the people will laugh in their faces because they know that the "bloated capitalist" will merely add the increased cost to the price of his product. A jam factory will increase the price of jam, but its dividends will not be reduced. Hon. members who represent the coalfields, and miners' leaders, have been

vocal over the years. Because of the miners' demands, coal cannot be produced in New South Wales at a price that enables our collieries to compete with those of the other States. The result is that men are being dismissed from the mines. Already in New South Wales the cost of production is higher than in any of the other States due to the inefficiency and waste of the Government. Because of this bill the cost of production will continue to rise to the point where men will become unemployed. Our factories will be unable to compete on the interstate and overseas markets. Another extract from the article in *The Sydney Morning Herald* reads:

But the earnings of this group are so much the preponderant part of the national income that crude attempts to raise it in money terms at three-monthly intervals must affect a nation's trading ability far more than corresponding movements in other earning sectors.

If hon. members who talk about taking money from the "bloated capitalist" and giving it to the workers care to read the Federal Government's White Paper on Australia's economic position they will see that in the years 1938 and 1939 wages and salaries represented 55 per cent. of the national income, and in the year 1954 they still represented 55 per cent. of the national income. As the prosperity of the nation increases, the proportion of the national income that the workers receive remains the same, so that if Government members tell the workers that they will get a bigger slab of the national income as a result of this bill they will be deliberately deceiving them. Who will pay for this election luxury? The people! The Labour party will say that the capitalists will pay for it, but experience has shown that it is the people who will pay for it. The housewife knows that it will cost her much more to purchase the necessities of life a month or two after the basic wage has been increased. The value of the age pension will shrink and the pensioner will be worse off. Wage earners will have to pay taxes at the new rate, and instead of receiving an additional 10s. a week in accordance with the cost of living index figures they will get, because of taxation, only 6s., 7s., 8s. or 9s. As the inflationary spiral continues more

money will be paid in tax, and the workers that the Government says it is trying to help will receive only a part of the increase. Skilled workers in receipt of margins who have for a long time been treated unjustly and were about to enjoy their proper margins, will have their margins reduced because of the rise in the basic wage.

I ask hon. members what is to happen to the finances of the Government. Already the Government has budgeted for a deficit of over £2,000,000, and now the Government, the biggest spender in our economy, is about to increase its expenditure. If this additional cost is included in the estimated deficit, hon. members can conclude that had this bill not been introduced as election bait the Government would have had a surplus this year instead of a deficit. If provision has not been made for an increase in the basic wage, Heaven knows what the deficit will be! I predict that, having created this Frankenstein monster, the Government will be able to feed it only by increasing fares. However, this will not be mentioned before the general elections, just as compulsory unionism was not mentioned prior to the last general elections. Fares, freights, hospital fees and electricity charges will, I predict, all be increased. Everything that the Government touches with its inflationary hands will increase in cost.

The workers who are to receive 10s. a week extra, but who will get only, say, 8s. because of taxation, will have to pay out 12s. or 14s. a week extra because of increased costs, and they will be worse off than they are to-day. However, the Government is not worrying about the worker. It will be returned to office, so it thinks, and what else matters! Government members will have the power to raise their own salaries by £500 a year, and that is what they want. Everyone knows that they wanted to raise their salaries by £500 before the general elections, but they were not game to do so. They are leaving that till later. If, in the meantime, inflation runs riot, they will raise their salaries by £1,000 a year and let the workers fend for themselves. It will be three years after 3rd December before the next general elections, and they believe that the workers

will forget. I predict that as a result of this measure fewer schools and hospitals will be built, and there will be a reduction in public works. Men who have retired from the Department of Railways on pensions and who want relief will not now get it, because every penny will be required to pay for this luxury. The only other thing in which there is a possibility of an increase is parliamentary salaries. This bill flouts and wrecks the arbitration system. It substitutes a caucus for a court. It is a cheap attempt to win votes by fraud. The inflation that this bill will bring in its train will inflict hardship on all sections of the community and particularly on those in the lower income groups. It is an act of robbery of the people and the only hope for the Government is that the sugar coating will not wear off the pill before the elections. I adhere to my principles at all times and they will not permit me to support this legislation.

Mr. COADY (Leichhardt) [10.0]: The hon. member for Earlwood shares with his Opposition colleagues an obsession about 3rd December. Since the Premier announced that date for the elections, hon. members have heard nothing but jeremiads from the Opposition side of the Chamber. Gloom and despair have pervaded the Opposition benches and have been reflected in the dismal contributions from their occupants. The cry has been that the bill, by giving 10s. a week to the workers of this State, will send New South Wales bankrupt overnight. Hon. members opposite have no optimism and certainly no faith in Australia. This bill will give justice to workers but members of the Opposition parties talk fearfully of bankruptcy. Undoubtedly the hon. member for Earlwood read in *The Sun* to-night that the Premier has intimated that his is one of the electorates that will probably return to the Labour fold. This would account for the hon. member's gloomy imagination. Fantasy and fiction have been the other characteristics of his speech this evening. It is a pity that an hon. member who is spending his last days in the House did not take this important debate more seriously, especially as a substantial number of wage-earners live in his constituency. His forecast about the fate

Mr. Willis.]

of the Government as a result of this legislation will rebound on himself. His will be the head to roll.

Most of the arguments that the hon. member for Earlwood put forward have already been answered by hon. members on this side off the Chamber. He sought to compare working conditions in Australia with those overseas, but it is generally accepted that in this country working conditions are more favourable than anywhere else, except perhaps in some portions of the United States of America. The hon. member also mentioned margins, but they are separated from the subject of this bill, which deals with the living wage. Margins are paid to workers for their skill and they will constantly be adjusted by the industrial courts. This measure deals with the basic wage.

Mr. STEWART FRASER: For whom?

Mr. COADY: For all wage-earners. I congratulate the Minister on the able manner in which he presented the case for the bill. Hon. members opposite have asserted that this legislation and the other measure that will be brought down relating to long service leave for workers are introduced on the eve of an election campaign for political purposes. This is not so. They are typical examples of Labour's legislation of the past fifteen years, which has been designed to improve the lot of working people.

Mr. FOWLES: And they have always been opposed by the Liberal party,

Mr. COADY: Yes. Those bills have passed into law in the face of constant opposition from the Liberal and Country parties. The present bill is no different. I repeat, it follows a succession of similar bills that have been brought down since Labour took office fifteen years ago.

Mr. STEWART FRASER: Is it just coincidence that it comes down on the eve of an election?

Mr. COADY: It is appropriate that in the dying days of this Parliament a government that has introduced over the years so much legislation beneficial to the workers should bring down two more bills with the same purpose. One will give wage justice and the other will extend long service leave benefits to all workers. The purpose of this bill is to compensate employees for the increased cost of living indicated by the upward movement in prices since 1953, when both Commonwealth and State basic wages were "frozen". That action was taken two years ago in a belief that it would be for the benefit of all.

Mr. STEWART FRASER: It was.

Mr. COADY: It was thought that it would be but in fact it has been of benefit to employers alone. During the past two years the real living wage has fallen by 10s. a week. This is the finding, not of the Government, but of the authorities responsible for determining the cost of living. Over the last five years wage and salary earnings have increased by 10 per cent. but production has increased by 34 per cent., and the profits of companies have increased by 33 per cent. These results show clearly where the increased wealth of this community has been directed. I have taken out some figures on company profits for 1953, when quarterly adjustments of the basic wage were discontinued, and for 1955. They show almost invariably an increase of 100 per cent. or more in net profits. These are the examples that I have chosen:

	Net Profit.		Ordinary Dividend Rate.	
	1953.	1955.	1953.	1955.
	£	£	Per cent.	Per cent.
Hipsley's Limited	3,456	8,205		
General Industries Limited ..	239,401	407,074		
McDowell's Limited	70,098	121,722		
Loves Limited	47,411	82,561	15	20
Anthony Hordern & Sons Limited	125,030	300,570	6	10
Edwards Dunlop & Co. Ltd. ..	83,632	120,162	12½	15
Woolworths' Limited	454,915	876,383	12	15
Wunderlich Limited	169,393	258,919	10	15
Burns Philp & Co. Ltd.	353,356	452,277		

These represent a cross section of the earnings of employing companies. It is obvious where all the wealth has been going during the past two years. The purpose of the bill is to bring about a better distribution of wealth and to do justice to those who are mainly responsible for these huge profits. During this period the public has seen merger after merger of big companies take place, and this process continues.

I shall quote what has been said by Mr. Monk, the president of the Australian Council of Trade Unions, who is a most important man in the community. He said that almost 2,000,000 Australian workers had lost individually as much as £83 since basic wage adjustments ended in September, 1953. He referred, also, to the position of the lower-paid worker who had received no benefit from the wage formula propounded in the metal trades judgment. Not every worker received the increase in margin by the use of the formula. A number received very little, and some nothing at all. This has concerned the trade union movement, and caused Mr. Monk to make his observations.

Mr. PELLY: The position has been worsened following the court's decision in that case.

Mr. COADY: I shall come to the point raised by the hon. member for Wollondilly in a minute. He is referring to price control. The tragedy of the situation is that to-day there is not national price control. The Chifley £ was without doubt the best £ that the country ever had.

Mr. H. E. JACKSON: Yet the people threw that government out.

Mr. COADY: I feel sure that if the people had an opportunity to-morrow, having had further experience following the suspension of quarterly adjustments of the basic wage and the removal of price control, they would reverse their decision.

Mr. CRAWFORD: I am sure that their decision would be exactly the opposite of what the hon. member predicts.

Mr. COADY: One thing the people have learned is that the traditional law of supply and demand no longer functions. During times of depression when demand is

slight that system certainly works, because businesses must compete one with another. In times of full employment, when there is a constant demand for goods, price fixing agreements are entered into between businessmen. Businessmen will not compete by reducing prices so long as there is a healthy demand for their products. If that demand is taken away there certainly will be competition, followed by reductions in prices, and the business community will be forced to give the people a fair deal. Experience in the past couple of years has shown clearly that the man on top is not doing that. He is reaping the full benefit of a buoyant demand and has no intention of giving anything back to the community. I believed, in common with many others when they voted out price control, that we would get back to pre-war days when there was competition and a healthier price arrangement.

With the Labour policy of constant and full employment there will always be a healthy demand for goods. Therefore, the only way to safeguard the people is to introduce an effective uniform system of national price control. The Government is attempting to enforce such a system in this State, but it is difficult to reap the full benefit because of the lack of uniformity throughout the Commonwealth. The Government controls the price of one product in New South Wales, and Victoria takes similar action in respect of other goods, but because of a lack of uniformity the purpose is not achieved. Nevertheless, I heartily support the Minister in his endeavours, and I shall watch as closely as I can any attempts by big business to exploit the workers following the miserable increase of 10s. a week in the basic wage.

The plight of pensioners has been mentioned. Any member who listened to the motion of the hon. member for Kogarah in this House a couple of weeks ago knows that its purpose was to force the Commonwealth Government to acknowledge its responsibility to age and invalid pensioners.

Mr. CRAWFORD: What did the hon. member say on that occasion about what this Government has done to improve the lot of the pensioner?

Mr. COADY: I related what this Government is doing for age and invalid pensioners—and a most formidable record it is. I am sure that, if the Commonwealth would only attempt to imitate what this Government is doing with the limited amount of money available to it, pensioners would have nothing to fear from any possible effects of the proposed increase in the basic wage. In my opinion the amendment moved by the Leader of the Opposition completely evades the issue. He does not oppose the bill outright, but wishes to lean on the arbitration court. A government composed of Opposition members would not face any problem; they say that everything affecting the worker must go to the arbitration court. The court takes many factors into account but, I am afraid, not necessarily always in the interests of the wage earner. It depends on the judges who constitute the court. The fact is that, after a trial suspension of the basic wage for two years, the cost of living has increased by 10s. a week. The Leader of the Opposition, though not opposing the motion outright, nevertheless spent three-quarters of his speech, as did each succeeding Opposition speaker, voicing opposition to the measure. Because of the lateness of the night, I shall conclude. I give my full support to the bill.

Mr. CHAFFEY (Tamworth) [10.19]: This is a very important measure, and it engages the interest not only of hon. members but also that of the outside public in all walks of life. Usually I do not participate in debates dealing with legal or industrial problems, but I feel that this bill may have such a drastic effect on the general economy that I must express some views on it. On my analysis of the situation I submit two things: first, that the bill is the brain-child of persons who have no respect for the stability of the economy and could justly be accused of political roguery; second, that the implications of the measure and the manner in which it has been introduced demonstrate that the Budget and Estimates so recently dealt with in this Chamber cannot be

accepted as a reliable forecast of the financial activities in this State during the current financial year.

Over the past few weeks the Government has been increasingly complaining about having insufficient funds to carry on its normal services and to proceed with its ordinary capital works programme. Now it brings down a bill to place an additional burden upon the funds already at its disposal! The overall effect of the measure, which runs counter to the principle of arbitration, will be to increase the cost of living substantially and to put out of employment men engaged in the Government's own undertakings. With this additional wage burden it will not be possible for many undertakings to continue to employ the same number of persons that they now have.

Since the adjournment of the House last Thursday, I have taken the opportunity to canvass public opinion in my electorate as well as the views of those persons whom one meets in trains and trams about the metropolitan area. The feeling is abroad that the Government is acting like the rider who dangles a carrot before the donkey so that it will carry him home: the Government is using the bait of reintroduction of quarterly basic wage adjustments to get home at the coming elections. That is not the action of a responsible government running the affairs of the State in a businesslike manner; it is a cheap attempt to win votes and will result in a breaking down of the whole of the arbitration structure in this country. It is significant that although the Government has claimed that the bill is most important, no Minister, other than the Minister for Labour and Industry and Social Welfare, who introduced the bill, has taken part in the debate. No person who, with no prior knowledge of the matter, listened to the Minister's explanation of the bill, would have been convinced by him. Indeed, I gained the impression that the Minister was having a great deal of difficulty in convincing himself that the measure is justified.

The basic wage is not purely the "C" series index figure. If that were so, there might be some merit in the submissions

that have been made by Government supporters; but it is not likely that the earlier finding of the Federal Court of Conciliation and Arbitration would have been what it was. The basic wage covers other ingredients besides the assessed cost of living as disclosed by the Commonwealth Statistician. One is prompted to look at the decisions of the court in previous cases to ascertain its reasons for its finding two years ago. Hon. members on the Government side have sought to cloud the issue and to mislead the House. Clearly, when they go on the hustings they will try to mislead the people, who will have to decide for themselves whether the arguments of the Government in support of its action on this occasion are just or completely unscrupulous, irresponsible and dishonest. They must decide whether the Commonwealth Court of Conciliation and Arbitration fell down on its job. The Minister said that the bill is designed to correct a wage injustice perpetrated by the court. Apparently he and the Government do not believe in arbitration, although they profess that they do. Although the decision of the court to freeze the basic wage was made two years ago, the Government has made no approach to it for the matter to be reconsidered by that tribunal. Instead, it has waited until the eve of a general State election to make this a matter for determination by the people without their having any opportunity to weigh the facts and to decide whether the Government's action is justified. The people will have no opportunity of basing their views on any prior hearing before the court. The Government has deliberately introduced this measure when another body has approached the court and it is doing exactly as it did on previous occasions.

I remember saying clearly during the Budget debate that the cost of living has been increased by the actions of this Government. This is borne out on this occasion. The bill confers benefits only upon a section of the community. Other people will not benefit and pensioners and people on fixed incomes who do not receive these benefits conferred for political expediency will suffer because of increased burdens placed upon them. The

Mr. Chaffey.]

Government claims that it has a great record of achievement and that it will maintain that record, but it is clear that this Government will force people out of work. It played politics prior to the 1953 general election and put men out of work to bolster its cry that the Commonwealth was not giving it sufficient money. It is creating circumstances now that will make it impossible for this State to carry on existing works and services, even at their present limited pace. This measure is the action of a government that does not expect to be returned to the Treasury benches; it expects to lose office and wants to create economic difficulties for the incoming government. The Premier and Colonial Treasurer, when he introduced his Budget a few weeks ago, said that it was based upon legislation that the Government proposed to introduce.

Mr. RENSIAW: Does the hon. member advocate its repeal?

Mr. CHAFFEY: I am referring to the Budget. I do not want the Minister to side-track me. It is one of his old stunts and he is noted for it. The Budget is "phoney". The Colonial Treasurer said that his Budget was based upon legislation to be introduced. There was no intimation of what the legislation was, except from statements made outside the Chamber that quarterly basic-wage adjustments would be restored. What figure did the hon. gentleman use in preparing his Estimates? Did he use the 7s. that was mentioned prior to the last quarter or did he base his Budget upon an estimate of the increase in salaries and wages that the Government would have to meet during the current financial year? The impact of the recent announcement suggests that the provision in the Estimates for increased expenditure has not taken into account everything that can happen during the current financial year if the mad inflationary spiral is let loose again. Either the Estimates have not made full provision for the real increase in costs or it is proposed to put a lot of men out of work. That is the effect that this bill can have on Government activities, but what about other employers? The Government will not give one penny

extra to hospital boards, but what will be the hospital services during the current financial year? The Government has £10,000,000 extra but will not give one penny more to hospitals, the sick will have to pay more. The administrative costs of hospitals will be increased; that cannot be denied.

The costs of local government will be increased. Hon. members on the Government side will try to convince people that they are great friends of local government organisations intent on doing everything possible to help them along, to encourage them to give services to their ratepayers, and to build more roads, but they are making it impossible for the councils. Local government bodies will be placed in a position where on their current revenue they must dispense with the services of some employees, many of whom have been in that employment for years. Either that or rates must be increased at a time when incomes are falling rapidly. The hon. member for Mudgee should realise that. The price of wool and wheat and other primary products has dropped over the last few years, and the economy of the country cannot stand any further burdens. Government supporters will vote for a measure that will not allow every aspect of the question to be resolved in a responsible way by a properly constituted arbitration tribunal. They will vote against arbitration and against their own platform for political expediency because they think a measure of this sort can buy votes. They may get away with it, but I should hate to live with their conscience. They may get away with it temporarily but it will not last very long; the days of J. T. Lang will be back with them very smartly. They cannot accept warnings, but are trying to create a feeling amongst people outside that they are being robbed of something to which they are entitled. The Government is trying to engender a feeling hostile to the principle of arbitration, to destroy the very thing it professes to support. In his second-reading speech the Minister for Labour and Industry quoted some figures showing comparisons between different States. Which State has the highest cost of living to-day?

Mr. LANDA: Western Australia.

Mr. CHAFFEY: Which has the second highest?

Mr. LANDA: Tasmania; and then New South Wales and Victoria are about equal.

Mr. CHAFFEY: Nearly all those States have Labour governments.

Mr. LANDA: They all have Labour governments except one, which changed only recently.

Mr. CHAFFEY: Every action that this Government takes increases the cost of living. It has not taken one action designed to lower the costs of commodities and give this country an opportunity to compete in world markets. Anyone who studies overseas marketing knows the present difficulties of selling goods. The Australian Wheat Board is finding it difficult to dispose of its wheat. The return from other primary products, including wool, is decreasing, yet all that this Government can do is burden the primary producer with increased costs. A country cannot live beyond its means, neither can an individual.

Mr. RENSHAW: Nor can an individual live if he does not have any means.

Mr. CHAFFEY: Of course he cannot, but the Minister who is supporting this measure will go out on the hustings and imply that people on the basic wage do not get the equivalent of the "C" series index. That is what Government speakers have been implying in this debate, and it is not true. This proves that the Government's approach to the question is dishonest. The measure has been introduced as a political expedient, and the Government will try to hoodwink the people to curry favour with them.

Mr. RENSHAW: Will the hon. member advocate the repeal of the measure?

Mr. CHAFFEY: I will show by my vote in this House that I adhere to the principle of arbitration, and that in my opinion the only authority competent to deal with this question is an arbitration court. The vote on this measure will be the test of the sincerity of the Government.

Mr. TULLY: Will the hon. member advocate its repeal?

Mr. CHAFFEY: I will advocate that matters of this nature be dealt with by the arbitration court only.

Mr. TULLY: Will the hon. member advocate its repeal?

Mr. DICKSON: Yes.

Mr. CHAFFEY: The hon. member for Goulburn is trying to get me to say that these matters should be dealt with by Parliament.

Mr. TULLY: The Deputy Leader of the Country party has said that he will advocate its repeal.

Mr. CHAFFEY: It is simple to repeal a measure such as this; the matter need only be left to the arbitration court, which should deal with it in any case.

Mr. TULLY: Will the hon. member advocate its repeal?

Mr. CHAFFEY: The hon. member for Goulburn can speak on this measure if he wants to, but so far he has been conspicuous by his silence, as have a number of other hon. members on the Government side, particularly those representing country electorates, who intend to make it impossible for primary producers to cope with the costs with which they are being continuously loaded by this Government. If primary industry is unable to operate profitably, no other section of the community will have any chance of prosperity. The Minister as a legal man could as logically declare that the judiciary should no longer deal with questions of law or matters dependent on evidence that has to be weighed impartially. To my mind this measure is completely "phoney". Normally I do not take part in debates on measures of this nature; I prefer to leave them to those hon. members who have spent a considerable time in the industrial arbitration field, particularly those who are members of the legal profession. However, basic economic principles, which will have vital effects upon the economy, are involved in the bill. It will have an effect on public works, and the Government

knows that it will put men out of work. I challenge any Minister to say that fewer men will not be employed on Keepit dam three months hence. The Government talks about its developmental programme, the extent to which it has encouraged decentralisation, and how it has improved the lot of the people, but my assessment of the measure is that it is a complete violation of the principles of arbitration; it has been introduced by a political machine consisting of economic wreckers, and the whole budgetary position of this State is "phoney".

Lt.-Colonel ROBSON (Vaucluse) [10.49]: This measure is very important because it relates to the whole of our economy. Many hon. members who have spoken have dealt with the impact of the measure on the standard of living. One would be justified in thinking that the House is entitled to an explanation from the Minister of the ramifications of an important measure of this nature. I heard every word he said in support of it in his second-reading speech, and it is a fair summary of his so-called explanation to say that he dealt with everything but the measure itself. He did not attempt to explain the details of the bill or to point out what its effect would be. With a bill of this nature, that is one of the most damnable attitudes I have seen adopted by a Minister.

Mr. LANDA: No wonder the Liberal party deposed the hon. member as leader, when he talks such rubbish.

Lt.-Colonel ROBSON: The Minister says it is no wonder I was deposed if I talked such rubbish! If I am talking rubbish now, I shall not mind being deposed from any position, because I believe what I am saying is the truth. It is true, and the Minister knows it. He has the capacity to tell the House what is in this measure, but he did not have the courage to do it. This insignificant little Minister stood here last night and said—of all the contemptuous things—that he would pay hon. members the great compliment of explaining this bill in Committee. His responsibility was to explain the measure last night and to take the responsibility for it. This

Government, in its dying days, has done what Hitler did. The Minister who is pulling down the structure of Australia at the moment will know the man to whom I am referring. He is completely regardless of the future of this country and just as Hitler declared that if he went down in flames, he would pull everything else down in flames with him——

Mr. BLACK: And he did!

Mr. ROBSON: He did! There is no doubt about that. The world is suffering for it to-day. The impact of what he did in 1945 in Germany has been felt throughout the world, in far-flung Australia as well as in the centre of Europe. The Government party has not the slightest sense of responsibility; its only concern is the election that has been precipitated in New South Wales. It sees in this bill votes for the Government party. What an issue to go to the people on! That Government did it three years ago and the people believed it. On 3rd December the Government will get its answer and will realise that it has greatly under-estimated the sense of the electorate.

It is incredible that a man with any sense of his duty as a Minister of the Crown, even giving it in that he has to follow a line of policy, could say the things the Minister for Labour and Industry said last night. I wonder whether he realises what he did say. I should like to hear him in his reply tell the House what he said then and what he meant. First of all, he said that inflation is something to be feared. No one will deny that. Apart from physical warfare, inflation is the most insidious and wicked thing that could happen to Australia. The people who are hurt most are those already least able to stand up to it. It will hurt the man who has assets behind him, but what will it do to a man who has the minimum income? The Minister shrugs his shoulders.

Mr. BLACK: He couldn't care less!

Mr. LANDA: I did not shrug my shoulders.

Lt.-Colonel ROBSON: I did not mean that the Minister did not care about it.

Mr. LANDA: The hon. member should not say I am shrugging my shoulders. I suppose I can move in the chair.

Lt.-Colonel ROBSON: That is what the Minister did.

Mr. LANDA: Even if I had, why should I not shrug my shoulders? It is painful enough to have to sit and listen to the hon. member.

Lt.-Colonel ROBSON: The Minister is in pain after listening to me for five minutes! I hope he is in agony when I am finished.

Mr. LANDA: I will answer the hon. member!

Lt.-Colonel ROBSON: The Minister is always going to do something.

Mr. LANDA: I want to know what the Opposition did in 1937!

Lt.-Colonel ROBSON: The Minister will get his answer. What was done in 1937 was with the complete approval of his own party. Is there anything wrong with that? The Minister, having told us that inflation is something to be feared, went on to say that to stop inflation was a wrong policy. That is the Labour Government's statement! To stop inflation is a wrong policy; it is a myth; it will create deflation! That is the reasoning of an hon. member who has had a considerable number of years in Parliament, a Minister of the Government, who comes here and says first that there is something very bad about inflation and then that to stop it is a wrong policy, a myth, and will create deflation. Could anyone listen to more cock-eyed reasoning than that? This sort of stuff is given as justification for bringing this rubbish in here. Members of the Government party have made statements that the Federal Government has deliberately created deflation. The facts speak for themselves. Could anything be more ridiculous? It has been said before, and it is worth repeating, that if the people were dissatisfied with the Federal Government they would have got rid of it before this. It has been returned time and time again and no one on the Government side would advance the theory that if a Federal election

were held in December or early next year anything else could happen to the Menzies-Fadden Government but that it would be returned with a more substantial majority than it has to-day. Do I hear anything from the Government side? Not a word! I did not have time to listen to all that Dr. Evatt had to say in the Federal Parliament on the Petrov matter. This is a matter with which he has a very intimate and close association.

Mr. SHEAHAN: It has nothing to do with this matter.

Lt.-Colonel ROBSON: The Attorney-General can keep his remarks to himself!

Mr. SHEAHAN: That is the first thing I have said.

Lt.-Colonel ROBSON: I am only illustrating, because of the case Government supporters have attempted to make, that the Federal Government has much to fear from inflation. If the Menzies-Fadden Government had not assumed office in 1949, and in 1950-51 and 1951-52 had not taken courageous action based purely on the national interest, this country would be an absolute shambles. The Minister for Labour and Industry and Social Welfare admits that there is inflation, but in the next breath he terms it a myth and says that it is to be encouraged because deflation is the alternative. The people, with their solid common sense, have given their answer, and they will give it again at the next Federal elections and to this Government when it goes to the polls a few weeks hence. There seems to be an idea in the minds of the Attorney-General and the hon. member for Concord that there is some personal animus or bias on my part because of recent events in my own party. I want to put on record that I have no personal animus about it whatsoever.

Mr. SHEAHAN: The hon. member is not a human being if he has no feeling about it.

Lt.-Colonel ROBSON: I am as human as the next, and I am proud of it. However, I am loyal to the cause I represent on this side of the House. The Attorney-General ducked for cover when all the

intrigue and blow-up was on in his own party. If he had not, the groupers would have had him in.

Mr. ACTING SPEAKER (Mr. FOWLES): Order! I would ask hon. members to control themselves, as interjections have gone far enough. I ask hon. members on both sides to hear the hon. member for Vaucluse in silence, and hon. members of the Opposition not to be provocative.

Lt.-Colonel ROBSON: I am in this Parliament because I believe in a cause, and I will stick to it. I do not mind if I am the last person in this House—although I will not be—who speaks for it, believes in it and fights for it. The Minister for Labour and Industry and Social Welfare has said that it is fallacious to try to hold back a tide of inflation. What an extraordinary statement for any hon. member, let alone the Minister in charge of a bill, to make. The Government should be condemned for not trying to hold back the tide. Why does it want to give impetus to the tide and bring it to its flood? The people whose interests this Government claims to serve will be those most affected if inflation is not checked. Government members say that the plight of hospitals is due to rising costs. Everyone will agree with that, but the increased costs are due to the administration of this Government and its policy. Let hon. members on the Government side who have spoken on this measure tell the people in their electorates that the 50 per cent. increase in hospital fees does not mean a thing. It is a simple matter for an hon. member who is in possession of his health and mental faculties to say to the people: "Do not worry about the 50 per cent. increase in hospital fees. Take out a little more cover." Let them say that to the person who is ill! Every hon. member has had unfortunate people come to him for advice and help. How have hon. members of the Government squared off? The Government has done a wicked thing to the sick, the most deserving people in the community. If the Government was compelled to increase hospital fees because of rising prices, what possible reason can it have for increasing costs still further under this measure?

This afternoon I listened to my colleague, the hon. member for Neutral Bay, who made a valuable contribution to the debate. He pointed out the effect that this bill will have on the transport undertakings. Will it not also increase the operating costs of hospitals? Is the Government going to tell the people that it will increase hospital charges still further, or has the additional cost been included in the Budget? These are the things for which the Government must answer, and when it faces the people it will not be able to explain them away merely by saying that the Federal Government has failed to provide sufficient funds. This State Government and not the Federal Government, which has poured millions of pounds into this State under one of the best hospital schemes ever known, is the government that increased hospital charges by 50 per cent. Notwithstanding the benefit that this Government has derived from the scheme established by the Commonwealth Government, it has increased charges by 50 per cent. Let hon. members on the Government side tell the man whose wife is stricken by a malignant disease and has to go to hospital to face a long and lingering illness that the increased cost is due, not to the State Government, but to the Federal Government, and they will get their answer at the ballot box.

Another question that could have been dealt with by the Minister was whether this bill will be restricted to increasing the wages of employees under State awards? The Minister might deal with this matter in his reply, because it is most important. I do not know and will not attempt to forecast what might be the legal result.

All hon. members who have joined in this debate have based their contributions on the presumption that the bill will affect only employees who work under State awards. They number 40 per cent. of workers in New South Wales. It could easily be, however, that the bill will cover also the remaining 60 per cent. who work under Federal awards. I should like the Minister, in his reply, to tell the House the Government's view on this. This House passed a bill to confer long service leave on workers under State awards, and similar legislation in Victoria was held

by the High Court to cover all workers, including those under Federal awards. This bill might have the same result, and if it does the people should be so informed. If it will apply to all workers under both State and Federal awards, its effect on the economy could be even worse than is feared.

Hon. member after hon. member on the Government side has emphasised his belief in arbitration, but the introduction of this measure gives the complete lie to their statements. The bill short-cuts arbitration. In bringing it down the Government has said, "We are not satisfied with the decision of the Commonwealth Court of Conciliation and Arbitration that stands at present. Therefore, we introduce legislation to circumvent that decision". Two years ago the court in its wisdom decided that for the time being quarterly adjustments of the basic wage should be suspended. This Government for its own snide political purposes is determined to short-cut that decision, and it is doing so by this bill. In the face of the facts, how can any hon. member on the Government side truthfully say that he stands by arbitration? That assertion would be ridiculous.

Hon. members will recall that shortly before the 1947 elections the Government led by the Hon. James McGirr brought down a bill for the forty-hour week. It is common knowledge that one of the strongest protesters against that proposed legislation was the late Rt. Hon. J. B. Chifley, who was then the Prime Minister of Australia. There is no denial from the Government side of his opposition to it. Nevertheless, the bill went through this Chamber. It was enacted just before an election, because the Hon. James McGirr knew that the forty-hour week was being considered by the Commonwealth Court of Conciliation and Arbitration, and he hoped by the legislation of his government to win popular acclaim, and to force a decision upon that industrial tribunal. This bill has parallel purposes. In this morning's newspapers the Premier was quoted as saying that he cannot understand how, after this measure becomes law, the Commonwealth Court of Conciliation and

Arbitration will be able to refuse extension of its benefits to those who are covered by Federal awards. There is the true story. The political reason for the measure is contained in *Hansard*. The hon. member for George's River declared blatantly—and one must admire him for his honesty—that it is the coming elections. It would have reflected more credit on the Minister had he told hon. members that from the word “go”. The hon. member for Wollongong-Kembla tried to raise the old bogey by asking, “Why does not the Federal Government legislate in a similar manner?” The hon. member always likes to present himself as one who is a deep student of all matters that affect the people so much, but everyone knows that the Federal Parliament has no power to legislate for a basic wage. Yet Labour supporters will go to the people and blame the Federal Government for not introducing legislation to restore quarterly adjustments of the basic wage—knowing full well that it has no power to do so—and will attempt to delude the people into thinking that, because the Federal Government did not do so, this Government was compelled to introduce this legislation, and that therefore the people owe a debt of gratitude to it. I believe that this measure will be harmful to the economy and to the people, and that its ultimate effect will be to hurt those who can least afford to be hurt. When the Minister tells hon. members that the bill is an attempt to do wage justice he shows that it is a sham because it will do an injustice. Though its effect will not be felt for a considerable time, it will catch up with the wage earners and finally hurt those that the Government professes to represent. The goodwill and well-being of every man, woman and child in the community is more truly represented on the side of the House that I have the honour to serve.

Mr. H. E. JACKSON (Gosford) [11.19]:
Mr. Speaker—

Motion (by Mr. Green) proposed:

That the question be now put.

The House divided:

Ayes, 50; noes, 34; majority, 16.

AYES.

Mr. Armstrong	Mr. McGrath
Mr. Booth	Mr. McMahon
Mr. Fred Cahill	Mr. Maher
Mr. James Cahill	Mr. Mallam
Mr. J. J. Cahill	Mr. Mannix
Mr. Campbell	Mr. Morgan
Mr. Coady	Mr. Murphy
Mr. Connor	Mr. L. M. Nott
Mr. Crabtree	Mr. O'Neill
Mr. Crook	Mr. Powell
Mr. Dalton	Mr. Renshaw
Mr. Downing	Mr. Robertson
Mr. Dring	Mr. Seiffert
Mr. Earl	Mr. Sheahan
Mr. Enticknap	Mr. Simpson
Mr. Ferguson	Mr. Tonge
Mr. Fowles	Mr. Tully
Mr. Freeman	Mr. Walsh
Mr. Graham	Mr. Wattison
Mr. Green	Mr. Wetherell
Mr. Hawkins	Mr. Williams
Mr. Heffron	Mr. Wyatt
Mr. Hills	
Mr. Rex Jackson	
Mr. Kelly	
Mr. Landa	

Tellers,

Mr. R. S. Jackson
Mr. Ryan

NOES.

Mr. Askin	Mr. J. Jackson
Mr. Jack Beale	Mr. Jordan
Mr. Black	Mr. Lawson
Mr. Brain	Mr. McCaw
Lt.-Colonel Bruxner	Mr. Morton
Mr. Chaffey	Mr. Murden
Mr. Crawford	Dr. Parr
Mr. Cutler	Mr. Robinson
Mr. Deane	Lt.-Colonel Robson
Mr. Dickson	Mr. Stephens
Mr. Easter	Mr. Storey
Mr. Fitzgerald	Mr. Treatt
Mr. Stewart Fraser	Mr. Welley
Mr. Gamack	Mr. Willis
Mr. Hearnshaw	
Mr. Howarth	
Mr. Hunter	
Mr. H. E. Jackson	

Tellers,

Mr. Darby
Mr. Pelly

Question so resolved in the affirmative.

Question—That the word proposed to be omitted stand—put. The House divided:

Ayes, 50; noes, 34; majority, 16.

AYES.

Mr. Armstrong	Mr. Earl
Mr. Booth	Mr. Enticknap
Mr. Fred Cahill	Mr. Ferguson
Mr. J. J. Cahill	Mr. Fowles
Mr. Campbell	Mr. Freeman
Mr. Coady	Mr. Graham
Mr. Connor	Mr. Green
Mr. Crabtree	Mr. Hawkins
Mr. Crook	Mr. Heffron
Mr. Dalton	Mr. Hills
Mr. Downing	Mr. Rex Jackson
Mr. Dring	Mr. R. S. Jackson

Mr. Kelly
Mr. Landa
Mr. McGrath
Mr. McMahon
Mr. Maher
Mr. Mallam
Mr. Mannix
Mr. Murphy
Mr. L. M. Nott
Mr. O'Neill
Mr. Powell
Mr. Renshaw
Mr. Robertson
Mr. Ryan

Mr. Seiffert
Mr. Sheahan
Mr. Simpson
Mr. Tonge
Mr. Tully
Mr. Walsh
Mr. Wattison
Mr. Wetherell
Mr. Williams
Mr. Wyatt

Tellers,
Mr. James Cahill
Mr. Morgan

NOES.

Mr. Askin
Mr. Jack Beale
Mr. Black
Mr. Brain
Lt.-Colonel Bruxner
Mr. Chaffey
Mr. Darby
Mr. Deane
Mr. Dickson
Mr. Easter
Mr. Fitzgerald
Mr. Stewart Fraser
Mr. Gamack
Mr. Hearnshaw
Mr. Howarth
Mr. Hunter
Mr. H. E. Jackson
Mr. J. Jackson

Mr. Jordan
Mr. Lawson
Mr. McCaw
Mr. Morton
Mr. Murden
Dr. Parr
Mr. Pelly
Mr. Robinson
Lt.-Colonel Robson
Mr. Stephens
Mr. Storey
Mr. Treatt
Mr. Weiley
Mr. Willis

Tellers,
Mr. Crawford
Mr. Cutler

Mr. Tonge
Mr. Tully
Mr. Walsh
Mr. Wattison
Mr. Wetherell

Mr. Williams
Mr. Wyatt
Tellers,
Mr. James Cahill
Mr. Morgan

NOES.

Mr. Askin
Mr. Jack Beale
Mr. Black
Mr. Brain
Lt.-Colonel Bruxner
Mr. Chaffey
Mr. Crawford
Mr. Cutler
Mr. Darby
Mr. Deane
Mr. Dickson
Mr. Fitzgerald
Mr. Stewart Fraser
Mr. Gamack
Mr. Hearnshaw
Mr. Howarth
Mr. Hunter
Mr. H. E. Jackson

Mr. J. Jackson
Mr. Jordan
Mr. Lawson
Mr. McCaw
Mr. Morton
Mr. Murden
Dr. Parr
Mr. Pelly
Lt.-Colonel Robson
Mr. Stephens
Mr. Storey
Mr. Treatt
Mr. Weiley
Mr. Willis

Tellers,
Mr. Easter
Mr. Robinson

Question so resolved in the affirmative.

Mr. LANDA (Bondi), Minister for Labour and Industry and Minister for Social Welfare [11.40], in reply: One can understand the ferocity of hon. members opposite against the Government because it has introduced a bill that will give to the workers wage justice, which has been denied them for two years. Most of the speeches of hon. members opposite have been of a vitriolic nature, but I do not think that any other member was so personal or so abusive as the hon. member for Vacluse, the former Leader of the Liberal Party. He asked me whether I knew Hitler. The hon. member knew that the innuendo was insulting to me personally, because of the faith to which I proudly own. I wish to tell the hon. member for Vacluse that many members of my faith living in his electorate will tell him that no Jew could ever forget Hitler, and no Jew would every try to emulate him. I have heard that the hon. member for Vacluse was a Hitler in his party and that that is why he was thrown out of the leadership.

The hon. member tried to insult me by referring to my smallness of stature. I may be small in stature but I hope that I am bigger in mind and principle than ever the hon. member for Vacluse has shown himself capable of being. On one occasion when he attacked you, Mr. Speaker,

Question so resolved in the affirmative.

Amendment negatived.

Mr. SPEAKER: The question is:

That this bill be now read a second time.

OPPOSITION MEMBERS: Mr. Speaker—

Motion (by Mr. Green) proposed:

That the question be now put.

The House divided:

Ayes, 49; noes, 34; majority, 15.

AYES.

Mr. Armstrong
Mr. Booth
Mr. Fred Cahill
Mr. J. J. Cahill
Mr. Campbell
Mr. Coady
Mr. Connor
Mr. Crabtree
Mr. Dalton
Mr. Downing
Mr. Dring
Mr. Earl
Mr. Enticknap
Mr. Ferguson
Mr. Fowles
Mr. Freeman
Mr. Graham
Mr. Green
Mr. Hawkins
Mr. Heffron

Mr. Hills
Mr. Rex Jackson
Mr. R. S. Jackson
Mr. Kelly
Mr. Landa
Mr. McGrath
Mr. McMahon
Mr. Maher
Mr. Mallam
Mr. Mannix
Mr. Murphy
Mr. L. M. Nott
Mr. O'Neill
Mr. Powell
Mr. Renshaw
Mr. Robertson
Mr. Ryan
Mr. Seiffert
Mr. Sheahan
Mr. Simpson

he descended to the gutter in personal abuse. It is no wonder that the Liberal party is looking for a leader. It tried one man, who was a gentleman and who had ability. Then it tried the hon. member for Vaucuse, who can never refrain from abuse, especially at certain times. Then it tried its present leader, the hon. member for Mosman, and I can at least say that he is a gentleman.

Mr. McCaw: On a point of order. The Minister's remarks are offensive and insulting and I submit that they are quite uncalled for. You, Mr. Speaker, were not in the chair at the time the incident to which the Minister is now referring occurred. One of the Acting Speakers was in the chair. The first insult came from the Minister, and the hon. member for Vaucuse answered in kind. The Minister is using the circumstances as an occasion to direct at me and all other members of the Opposition insults that are quite irrelevant to the measure and that are unworthy of the Minister. I submit, Sir, that you will disallow his remarks.

Mr. SPEAKER: It is true that I was temporarily absent from the chair when the hon. member for Vaucuse was making part of his speech, but I heard what the Minister said in reply. He said that he resented, as he is entitled to do, an attack upon his nationality and upon his faith. Nothing could be more abominable or lower. I did hear heat in the last part of the speech of the hon. member for Vaucuse and in the circumstances I can quite understand the warmth of the Minister's reply. I am not going to uphold the point of order because I feel that, in the circumstances, the Minister has every right to defend himself.

Mr. DICKSON: You were not even here.

Mr. SPEAKER: I am not going to accept any impudence from the hon. member for Temora. He will not be here much longer if he continues to interrupt, and that applies to every other hon. member.

Mr. LANDA: I wish to refer to a misquotation by the hon. member for Vaucuse in referring to what I was alleged to have said.

Mr. Landa.]

Mr. WILLIS: On a point of order! It is apparent to everybody that the Minister is reading from a current *Hansard*.

Mr. SPEAKER: All I say to the hon. member for Earlwood is that he had better keep his eyes and ears open.

Mr. LANDA: The hon. member for Vaucuse declared that I had said that an attempt had been made to hold back the tide of inflation, and that this statement of mine was fallacious. The hon. member ended the quotation there, and his action did no justice to my words. I referred to persons who get into difficulties in the surf and then said:

This method of swimming against world-wide inflation is not adopted in the U.S.A. or in Canada. Australia should look for a better pattern as we have to face much the same problems as those countries.

An hon. member in the responsible position of the hon. member for Vaucuse should ensure that his quotations from the speeches of other hon. members are correct. He and other hon. members on the Opposition side of the Chamber have asserted that this Government in bringing down this bill is seeking to defeat arbitration. The hon. member for Vaucuse was a supporter of a Liberal party government that brought down in this very House in 1937 a measure doing just what this bill does, and the system so enacted continued until 1953, when it was suspended by the judgment of the High Court. This Government is restoring the position that obtained in 1953 prior to the decision of the High Court "freezing" wages.

Mr. BLACK: On a point of order. The Minister is referring to the suspension of quarterly adjustments by the High Court. This action was taken, not by the High Court, but by the Commonwealth Court of Conciliation and Arbitration.

Mr. LANDA: I meant the arbitration court.

Mr. SPEAKER: Order! In any event to take such a trivial point of order is only trifling with the House. The Minister has named one court when he obviously meant another.

Mr. BLACK: He said it twice.

Mr. SPEAKER: Order! To take such a point of order is only trifling with the House.

Mr. LANDA: The hon. member for Neutral Bay should have corrected me. As a lawyer, he should know what was in the 1937 Act and what this bill contains. If he did, he would know that they coincide word for word. Section 54 of the 1937 Act provided for quarterly adjustments. Section 58 made those adjustments automatic according to the fluctuation of the "C" series index. All the speeches from the Opposition side of the Chamber about this bill's interfering with arbitration were lies and sheer hypocrisy. There are a number of hon. members on that side who have legal ability and they—and particularly the hon. member for Vacluse who was a member of this House and a supporter of the government in 1937—must have known that the 1937 legislation was identical with the bill now before the Chamber. This Government is doing exactly the same as an anti-Labour government did in that year. The quarterly adjustment of the basic wage, according to the "C" series index prepared by the Commonwealth Statistician, was the practice from 1937 until 1953. An attempt has been made to besmirch the Premier and this Government by saying that the bill is brought down on the eve of an election only for the purpose of winning votes.

Mr. STEWART FRASER: That is obvious, is it not?

Mr. LANDA: I have no doubt whatever that if it were necessary to bring down on the last day of a parliament a measure to give wage justice to workers, this Government would do so unhesitatingly because justice for working people is its primary objective. This is the middle of October, and on 20th July this year the Premier wrote a letter to the Prime Minister in which he referred to industrial unrest. I will not quote the whole of it, because it was published in full in the newspapers. To bring about better industrial relations the Premier asked for a conference of the Premiers of all States. He asked for uniformity, and he tried to get it by a conference of all Premiers and

the Prime Minister. He pointed out in his letter that any action taken by any one State government would aggravate the position, and that the steady rises in the prices of commodities within the regimen of the "C" series index in relation to which the basic wage was formerly adjusted, and the rigidity of the formula adopted by the Commonwealth Court of Conciliation and Arbitration, would affect many workers on low margins, upon whom the burden of an increase in price falls heavily. The Premier said also in his letter:

I appreciate, of course, the difficulties with which the Commonwealth Court was faced in a period of inflationary tendency but the fact remains that in this State where some 60 per cent. of the workers are covered by Federal Awards, the suspension of quarterly adjustments of the basic wage and the inability of the low margins workers to secure some improvement in their secondary wage, has created a state of grave unrest.

That was the Premier's attempt to have this important matter resolved not for this State alone but to create uniformity throughout Australia, and to have it done by the Prime Minister.

Mr. MORTON: Will the Minister read the reply?

Mr. LANDA: The reply is in my hands.

Mr. MORTON: Read it.

Mr. LANDA: I have not time to read it. The Prime Minister refused the Premier's request.

[*Interruption.*]

Mr. SPEAKER: The Minister has said that his time is running out. His time would expire at 12 o'clock had there been no interruptions, but I will allow him to have his full thirty minutes. Because of constant interruption from members of the Opposition and some members on the Government side, and points of order being taken, the Minister may not have five minutes' time to reply in the thirty minutes. I have kept a note of the time, and have added on the time that has been wasted.

Mr. LANDA: I shall not read the contents of the letter, with which I disagree, because I think it was wrong in principle

not to call a conference on such an important subject, particularly when so many conferences are held on such trivial matters. However, I shall read to hon. members the result of a Gallup poll that will cause some trepidation to some members of the Opposition. The result of the poll, which was reported in *The Sun* on 30th September last, showed that almost 60 per cent. of Australians believe that the basic wage should rise and fall automatically with the cost of living. It added that Liberal and Country party voters are almost equally divided on the question, with a slight lean towards automatic adjustments, and that adjustments are favoured by 71 per cent. of Labour voters. I wish to reply also to a matter mentioned by the hon. member for Vacluse. I admit that he is a man of extensive training in the law. He pointed out that the Federal Government could not legislate on such questions as the basic wage, but I was somewhat surprised to hear his suggestion that this bill, like the long service leave bill, could not be made applicable to Federal awards.

Lt.-Colonel ROBSON: I asked the Minister to explain it.

Mr. LANDA: I hardly think that a lawyer of the ability of the hon. member for Vacluse is so naive and lacking in knowledge of constitutional law that he needs an explanation of something that is utterly fallacious. An inconsistency between State and Federal awards is something that could not be countenanced for one moment, and the answer to the question is definitely "No". However, I would not mind if there were an inconsistency because that large group of men working under Federal jurisdiction have a right to look to the Commonwealth Government for the wage justice to which they are entitled.

All the talk to-night by hon. members opposite, forecasting the ruin of this country, is so much ballyhoo. I can recall, even before I entered this House, hearing anti-Labour members accuse the Labour party of ruining the country by bringing down the workers' compensation legislation in 1926! The same thing was said about legislation for child endowment and

widows' pensions. The Government, by this bill, is giving wage justice, according to the Government Statistician's figures, to the workers of New South Wales, and it will not mean the ruin of the country. Nothing could be further from the truth. Some time ago the workers in Victoria were granted the same wage justice and that State is not on the road to ruin. There is no legitimate argument against a bill that gives to workers only their just rights. The Government did believe that it would assist in stabilising the economy by refraining for as long as it did from bringing down this legislation. However, the cost of living has increased, and the bill has been introduced. It deserves the commendation of the people of this State because they are at last realising that the worker's wife is entitled to more money in the weekly pay envelope to meet the rising cost of living.

Question—That this bill be now read a second time—put. The House divided:

Ayes, 50; noes, 34; majority, 16.

AYES.

Mr. Armstrong	Mr. Landa
Mr. Booth	Mr. McGrath
Mr. Fred Cahill	Mr. McMahon
Mr. James Cahill	Mr. Mallam
Mr. J. J. Cahill	Mr. Mannix
Mr. Campbell	Mr. Morgan
Mr. Coady	Mr. Murphy
Mr. Connor	Mr. L. M. Nott
Mr. Crabtree	Mr. O'Neill
Mr. Crook	Mr. Powell
Mr. Dalton	Mr. Renshaw
Mr. Downing	Mr. Robertson
Mr. Dring	Mr. Ryan
Mr. Earl	Mr. Seiffert
Mr. Enticknap	Mr. Sheahan
Mr. Ferguson	Mr. Simpson
Mr. Fowles	Mr. Tonge
Mr. Freeman	Mr. Tully
Mr. Graham	Mr. Wattison
Mr. Green	Mr. Wetherell
Mr. Hawkins	Mr. Williams
Mr. Heffron	Mr. Wyatt
Mr. Hills	
Mr. Rex Jackson	
Mr. R. S. Jackson	
Mr. Kelly	

Tellers,

Mr. Maher
Mr. Walsh

NOES.

Mr. Askin	Mr. Darby
Mr. Jack Beale	Mr. Deane
Mr. Brain	Mr. Dickson
Lt.-Colonel Bruxner	Mr. Easter
Mr. Chaffey	Mr. Fitzgerald
Mr. Crawford	Mr. Gamack
Mr. Cutler	Mr. Hearnshaw

Mr. Howarth	Mr. Robinson
Mr. Hunter	Lt.-Colonel Robson
Mr. H. E. Jackson	Mr. Stephens
Mr. J. Jackson	Mr. Storey
Mr. Jordan	Mr. Treatt
Mr. Lawson	Mr. Weiley
Mr. McCaw	Mr. Willis
Mr. Morton	
Mr. Murden	<i>Tellers,</i>
Dr. Parr	Mr. Black
Mr. Pelly	Mr. Stewart Fraser

Question so resolved in the affirmative.

Motion agreed to.

Bill read a second time.

IN COMMITTEE.

Clause 2. (New Division 2A.)

Mr. PELLY (Wollondilly) [12.4 a.m.] :

Mr. Chairman—

Motion (by Mr. Green) proposed :

That the question be now put.

The Committee divided :

Ayes, 49; noes, 34; majority, 15.

AYES.

Mr. Armstrong	Mr. McGrath
Mr. Fred Cahill	Mr. McMahon
Mr. James Cahill	Mr. Maher
Mr. J. J. Cahill	Mr. Mallam
Mr. Campbell	Mr. Mannix
Mr. Coady	Mr. Morgan
Mr. Connor	Mr. Murphy
Mr. Crabtree	Mr. L. M. Nott
Mr. Crook	Mr. Powell
Mr. Dalton	Mr. Renshaw
Mr. Downing	Mr. Robertson
Mr. Dring	Mr. Ryan
Mr. Earl	Mr. Seiffert
Mr. Enticknap	Mr. Sheahan
Mr. Ferguson	Mr. Simpson
Mr. Fowles	Mr. Tonge
Mr. Freeman	Mr. Tully
Mr. Graham	Mr. Walsh
Mr. Green	Mr. Wattison
Mr. Hawkins	Mr. Wetherell
Mr. Heffron	Mr. Williams
Mr. Hills	Mr. Wyatt
Mr. Rex Jackson	
Mr. Kelly	<i>Tellers,</i>
Mr. Landa	Mr. R. S. Jackson
	Mr. O'Neill

NOES.

Mr. Askin	Mr. Easter
Mr. Jack Beale	Mr. Fitzgerald
Mr. Black	Mr. Stewart Fraser
Mr. Brain	Mr. Gamack
Lt.-Colonel Bruxner	Mr. Hearnshaw
Mr. Chaffey	Mr. Howarth
Mr. Crawford	Mr. Hunter
Mr. Cutler	Mr. H. E. Jackson
Mr. Darby	Mr. J. Jackson
Mr. Deane	Mr. Jordan
Mr. Dickson	Mr. Lawson

Mr. McCaw	Mr. Treatt
Mr. Morton	Mr. Weiley
Mr. Murden	Mr. Willis
Dr. Parr	
Mr. Robinson	<i>Tellers,</i>
Lt.-Colonel Robson	Mr. Pelly
Mr. Stephens	Mr. Storey

Question so resolved in the affirmative.

Question—That the clause be agreed to—
put. The Committee divided :

Ayes, 49; noes, 34; majority, 15.

AYES.

Mr. Armstrong	Mr. Landa
Mr. Fred Cahill	Mr. McGrath
Mr. James Cahill	Mr. McMahon
Mr. J. J. Cahill	Mr. Maher
Mr. Campbell	Mr. Mallam
Mr. Coady	Mr. Mannix
Mr. Connor	Mr. Morgan
Mr. Crabtree	Mr. Murphy
Mr. Crook	Mr. L. M. Nott
Mr. Dalton	Mr. O'Neill
Mr. Downing	Mr. Powell
Mr. Dring	Mr. Renshaw
Mr. Earl	Mr. Robertson
Mr. Enticknap	Mr. Ryan
Mr. Ferguson	Mr. Seiffert
Mr. Fowles	Mr. Sheahan
Mr. Freeman	Mr. Tonge
Mr. Graham	Mr. Tully
Mr. Green	Mr. Walsh
Mr. Hawkins	Mr. Wetherell
Mr. Heffron	Mr. Williams
Mr. Hills	Mr. Wyatt
Mr. Rex Jackson	<i>Tellers,</i>
Mr. R. S. Jackson	Mr. Simpson
Mr. Kelly	Mr. Wattison

NOES.

Mr. Askin	Mr. Jordan
Mr. Jack Beale	Mr. Lawson
Mr. Black	Mr. McCaw
Mr. Brain	Mr. Morton
Lt.-Colonel Bruxner	Mr. Murden
Mr. Chaffey	Dr. Parr
Mr. Crawford	Mr. Pelly
Mr. Cutler	Mr. Robinson
Mr. Darby	Lt.-Colonel Robson
Mr. Dickson	Mr. Stephens
Mr. Easter	Mr. Storey
Mr. Fitzgerald	Mr. Treatt
Mr. Stewart Fraser	Mr. Weiley
Mr. Gamack	Mr. Willis
Mr. Hearnshaw	
Mr. Howarth	<i>Tellers,</i>
Mr. Hunter	Mr. Deane
Mr. J. Jackson	Mr. H. E. Jackson

Question so resolved in the affirmative.

Clause agreed to.

Motion (by Mr. Landa) proposed :

That the Chairman do now leave the chair
and report the bill without amendment.

Question—That the Chairman report the bill without amendment—put. The Committee divided:

Ayes, 48; noes, 34; majority, 14

AYES.

Mr. Armstrong	Mr. McGrath
Mr. Fred Cahill	Mr. McMahon
Mr. James Cahill	Mr. Maher
Mr. J. J. Cahill	Mr. Mallam
Mr. Campbell	Mr. Morgan
Mr. Coady	Mr. Murphy
Mr. Connor	Mr. O'Neill
Mr. Crook	Mr. Powell
Mr. Dalton	Mr. Renshaw
Mr. Downing	Mr. Robertson
Mr. Dring	Mr. Ryan
Mr. Earl	Mr. Seiffert
Mr. Enticknap	Mr. Sheahan
Mr. Ferguson	Mr. Simpson
Mr. Fowles	Mr. Tonge
Mr. Freeman	Mr. Tully
Mr. Graham	Mr. Walsh
Mr. Green	Mr. Wattison
Mr. Hawkins	Mr. Wetherell
Mr. Heffron	Mr. Williams
Mr. Hills	Mr. Wyatt
Mr. Rex Jackson	
Mr. R. S. Jackson	<i>Tellers,</i>
Mr. Kelly	Mr. Crabtree
Mr. Landa	Mr. Mannix

NOES.

Mr. Askin	Mr. Jordan
Mr. Jack Beale	Mr. Lawson
Mr. Black	Mr. McCaw
Mr. Brain	Mr. Morton
Lt.-Colonel Bruxner	Mr. Murden
Mr. Chaffey	Dr. Parr
Mr. Crawford	Mr. Pelly
Mr. Cutler	Mr. Robinson
Mr. Darby	Lt.-Colonel Robson
Mr. Deane	Mr. Stephens
Mr. Dickson	Mr. Storey
Mr. Easter	Mr. Treatt
Mr. Fitzgerald	Mr. Weiley
Mr. Gamack	Mr. Willis
Mr. Hearnshaw	
Mr. Howarth	<i>Tellers,</i>
Mr. Hunter	Mr. Stewart Fraser
Mr. J. Jackson	Mr. H. E. Jackson

In Division:

Mr. DARBY: On a point of order. I take the point of order that the count is proceeding and you, Mr. Chairman, have not stated the question.

The CHAIRMAN: The point of order is absolutely frivolous. I stated the question and called the tellers.

Mr. DARBY: You stated the question before the division was called.

The CHAIRMAN: I stated the question and then called the tellers.

Question so resolved in the affirmative.

Motion agreed to.

Bill reported without amendment.

ADOPTION OF REPORT.

Motion (by Mr. Landa) proposed:

That the report be now adopted.

Question put. The House divided:

Ayes, 49; noes, 33; majority, 16.

AYES.

Mr. Booth	Mr. McGrath
Mr. Fred Cahill	Mr. McMahon
Mr. James Cahill	Mr. Maher
Mr. J. J. Cahill	Mr. Mallam
Mr. Campbell	Mr. Morgan
Mr. Coady	Mr. Murphy
Mr. Connor	Mr. L. M. Nott
Mr. Crook	Mr. O'Neill
Mr. Dalton	Mr. Powell
Mr. Downing	Mr. Renshaw
Mr. Dring	Mr. Robertson
Mr. Earl	Mr. Ryan
Mr. Enticknap	Mr. Seiffert
Mr. Ferguson	Mr. Sheahan
Mr. Fowles	Mr. Simpson
Mr. Freeman	Mr. Tonge
Mr. Graham	Mr. Tully
Mr. Green	Mr. Walsh
Mr. Hawkins	Mr. Wattison
Mr. Heffron	Mr. Wetherell
Mr. Hills	Mr. Williams
Mr. Rex Jackson	Mr. Wyatt
Mr. R. S. Jackson	<i>Tellers,</i>
Mr. Kelly	Mr. Crabtree
Mr. Landa	Mr. Mannix

NOES.

Mr. Askin	Mr. J. Jackson
Mr. Jack Beale	Mr. Jordan
Mr. Black	Mr. Lawson
Mr. Brain	Mr. McCaw
Lt.-Colonel Bruxner	Mr. Morton
Mr. Chaffey	Mr. Murden
Mr. Cutler	Dr. Parr
Mr. Darby	Mr. Robinson
Mr. Deane	Lt.-Colonel Robson
Mr. Dickson	Mr. Stephens
Mr. Easter	Mr. Storey
Mr. Fitzgerald	Mr. Treatt
Mr. Stewart Fraser	Mr. Weiley
Mr. Gamack	Mr. Willis
Mr. Hearnshaw	<i>Tellers,</i>
Mr. Hunter	Mr. Crawford
Mr. H. E. Jackson	Mr. Pelly

Question so resolved in the affirmative.

Motion agreed to.

Report adopted.

THIRD READING.

Motion (by Mr. Landa) proposed:
That this bill be now read a third time.

Mr. CRAWFORD (Barwon) [12.30 a.m.]: Mr. Speaker, I would like to move—

Motion (by Mr. Green) proposed:
That the question be now put.

The House divided:

Ayes, 49; noes, 34; majority, 15.

AYES.

Mr. Booth	Mr. McGrath
Mr. Fred Cahill	Mr. McMahon
Mr. James Cahill	Mr. Maher
Mr. J. J. Cahill	Mr. Mallam
Mr. Campbell	Mr. Morgan
Mr. Coady	Mr. Murphy
Mr. Connor	Mr. L. M. Nott
Mr. Crook	Mr. O'Neill
Mr. Dalton	Mr. Powell
Mr. Downing	Mr. Renshaw
Mr. Dring	Mr. Robertson
Mr. Earl	Mr. Ryan
Mr. Enticknap	Mr. Seiffert
Mr. Ferguson	Mr. Sheahan
Mr. Fowles	Mr. Simpson
Mr. Freeman	Mr. Tonge
Mr. Graham	Mr. Tully
Mr. Green	Mr. Walsh
Mr. Hawkins	Mr. Wattison
Mr. Heffron	Mr. Wetherell
Mr. Hills	Mr. Williams
Mr. Rex Jackson	Mr. Wyatt
Mr. R. S. Jackson	<i>Tellers,</i>
Mr. Kelly	Mr. Crabtree
Mr. Landa	Mr. Mannix

NOES.

Mr. Askin	Mr. J. Jackson
Mr. Jack Beale	Mr. Jordan
Mr. Black	Mr. Lawson
Mr. Brain	Mr. McCaw
Lt.-Colonel Bruxner	Mr. Morton
Mr. Chaffey	Mr. Murden
Mr. Cutler	Dr. Parr
Mr. Darby	Mr. Robinson
Mr. Deane	Lt.-Colonel Robson
Mr. Dickson	Mr. Stephens
Mr. Easter	Mr. Storey
Mr. Fitzgerald	Mr. Treatt
Mr. Stewart Fraser	Mr. Weiley
Mr. Gamaek	Mr. Willis
Mr. Hearnshaw	
Mr. Howarth	<i>Tellers,</i>
Mr. Hunter	Mr. Crawford
Mr. H. E. Jackson	Mr. Pelly

Question so resolved in the affirmative.

Question—That this bill be now read a third time—put. The House divided:

Ayes, 49; noes, 34; majority, 15.

AYES.

Mr. Booth	Mr. McGrath
Mr. Fred Cahill	Mr. McMahon
Mr. James Cahill	Mr. Maher
Mr. J. J. Cahill	Mr. Mallam
Mr. Campbell	Mr. Morgan
Mr. Coady	Mr. Murphy
Mr. Connor	Mr. L. M. Nott
Mr. Crook	Mr. O'Neill
Mr. Dalton	Mr. Powell
Mr. Downing	Mr. Renshaw
Mr. Dring	Mr. Robertson
Mr. Earl	Mr. Ryan
Mr. Enticknap	Mr. Seiffert
Mr. Ferguson	Mr. Sheahan
Mr. Fowles	Mr. Simpson
Mr. Freeman	Mr. Tonge
Mr. Graham	Mr. Tully
Mr. Green	Mr. Walsh
Mr. Hawkins	Mr. Wattison
Mr. Heffron	Mr. Wetherell
Mr. Hills	Mr. Williams
Mr. Rex Jackson	Mr. Wyatt
Mr. R. S. Jackson	<i>Tellers,</i>
Mr. Kelly	Mr. Crabtree
Mr. Landa	Mr. Mannix

NOES.

Mr. Askin	Mr. J. Jackson
Mr. Jack Beale	Mr. Jordan
Mr. Black	Mr. Lawson
Mr. Brain	Mr. McCaw
Lt.-Colonel Bruxner	Mr. Morton
Mr. Chaffey	Mr. Murden
Mr. Crawford	Dr. Parr
Mr. Cutler	Mr. Pelly
Mr. Deane	Mr. Robinson
Mr. Dickson	Lt.-Colonel Robson
Mr. Easter	Mr. Stephens
Mr. Fitzgerald	Mr. Storey
Mr. Stewart Fraser	Mr. Treatt
Mr. Gamaek	Mr. Weiley
Mr. Hearnshaw	
Mr. Howarth	<i>Tellers,</i>
Mr. Hunter	Mr. Darby
Mr. H. E. Jackson	Mr. Willis

Question so resolved in the affirmative.

Motion agreed to.

[Personal Explanation.]

Lt.-Colonel ROBSON: My personal explanation relates to remarks that you, Mr. Speaker, made in reply to a point of order taken by the hon. member for Lane Cove. Certain of your remarks could be taken to represent me as having made an attack on the Minister for Labour and Industry and Social Welfare by reason of his religion. As you said, you were not present in the House when I made my speech but you said that you had gathered something. My explanation is that at no stage in my remarks

nor at any other time have I made an attack on the Minister or any other member or anyone else on account of his religion.

Mr. SPEAKER: I think that I was perfectly justified, by the expressions of the Minister and his outraged feelings that were quite obvious to everyone, in taking the stand that I did.

Bill read a third time.

ADJOURNMENT.

Motion (by Mr. Landa) proposed:

That this House do now adjourn.

Mr. DARBY (Manly) [12.42 a.m.]: Mr. Speaker, I have a matter—

Motion (by Mr. Green) proposed:

That the question be now put.

The House divided:

Ayes, 49; noes, 34; majority, 15.

AYES.

Mr. Booth	Mr. McGrath
Mr. Fred Cahill	Mr. McMahon
Mr. James Cahill	Mr. Maher
Mr. J. J. Cahill	Mr. Mallam
Mr. Campbell	Mr. Morgan
Mr. Coady	Mr. Murphy
Mr. Connor	Mr. L. M. Nott
Mr. Crook	Mr. O'Neill
Mr. Dalton	Mr. Powell
Mr. Downing	Mr. Renshaw
Mr. Dring	Mr. Robertson
Mr. Earl	Mr. Ryan
Mr. Enticknap	Mr. Seiffert
Mr. Ferguson	Mr. Sheahan
Mr. Fowles	Mr. Simpson
Mr. Freeman	Mr. Tonge
Mr. Graham	Mr. Tully
Mr. Green	Mr. Walsh
Mr. Hawkins	Mr. Wattison
Mr. Heffron	Mr. Wetherell
Mr. Hills	Mr. Williams
Mr. Rex Jackson	Mr. Wyatt
Mr. R. S. Jackson	<i>Tellers,</i>
Mr. Kelly	Mr. Crabtree
Mr. Landa	Mr. Mannix

NOES.

Mr. Askin	Mr. Dickson
Mr. Jack Beale	Mr. Easter
Mr. Black	Mr. Fitzgerald
Mr. Brain	Mr. Stewart Fraser
Lt.-Colonel Bruxner	Mr. Gamack
Mr. Chaffey	Mr. Hearnshaw
Mr. Crawford	Mr. Howarth
Mr. Cutler	Mr. Hunter
Mr. Deane	Mr. H. E. Jackson

Mr. J. Jackson
Mr. Jordan
Mr. Lawson
Mr. McCaw
Mr. Morton
Mr. Murden
Dr. Parr
Mr. Pelly
Mr. Robinson

Lt.-Colonel Robson
Mr. Stephens
Mr. Storey
Mr. Treatt
Mr. Weiley

Tellers,
Mr. Darby
Mr. Willis

Question so resolved in the affirmative.

Question—That this House do now adjourn—put. The House divided:

Ayes, 49; noes, 33; majority, 16.

AYES.

Mr. Booth	Mr. McGrath
Mr. Fred Cahill	Mr. McMahon
Mr. James Cahill	Mr. Maher
Mr. J. J. Cahill	Mr. Mallam
Mr. Campbell	Mr. Morgan
Mr. Coady	Mr. Murphy
Mr. Connor	Mr. L. M. Nott
Mr. Crook	Mr. O'Neill
Mr. Dalton	Mr. Powell
Mr. Downing	Mr. Renshaw
Mr. Dring	Mr. Robertson
Mr. Earl	Mr. Ryan
Mr. Enticknap	Mr. Seiffert
Mr. Ferguson	Mr. Sheahan
Mr. Fowles	Mr. Simpson
Mr. Freeman	Mr. Tonge
Mr. Graham	Mr. Tully
Mr. Green	Mr. Walsh
Mr. Hawkins	Mr. Wattison
Mr. Heffron	Mr. Wetherell
Mr. Hills	Mr. Williams
Mr. Rex Jackson	Mr. Wyatt
Mr. R. S. Jackson	<i>Tellers,</i>
Mr. Kelly	Mr. Crabtree
Mr. Landa	Mr. Mannix

NOES.

Mr. Askin	Mr. J. Jackson
Mr. Jack Beale	Mr. Jordan
Mr. Black	Mr. Lawson
Mr. Brain	Mr. McCaw
Lt.-Colonel Bruxner	Mr. Morton
Mr. Chaffey	Mr. Murden
Mr. Crawford	Dr. Parr
Mr. Cutler	Mr. Pelly
Mr. Deane	Mr. Robison
Mr. Dickson	Lt.-Colonel Robson
Mr. Easter	Mr. Stephens
Mr. Fitzgerald	Mr. Storey
Mr. Stewart Fraser	Mr. Treatt
Mr. Gamack	Mr. Weiley
Mr. Hearnshaw	<i>Tellers,</i>
Mr. Hunter	Mr. Darby
Mr. H. E. Jackson	Mr. Willis

Question so resolved in the affirmative.

Motion agreed to.

House adjourned at 12.48 a.m. until 11 a.m.