Legislative Council

Tuesday, 17th November, 1953.

CONTENTS.

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

QUESTIONS.

RAILWAYS.

(a) As to Mr. White's Trip and Contract.

Hon. R. J. BOYLEN asked the Chief Secretary:

In view of the following interjection made by Mr. Simpson during a speech on the Address-in-reply on the 25th August ("Hansard", p. 244):— "The hon. member should not forget that we sent Mr. White to England at the expense of the Government in order that he might be trained for our railways":

(1) Would the Minister inform the House of the amount incurred by the Government on Mr. White's behalf as a member of the overseas delegation to gain this experience?

(2) What amount was actually repaid by Mr. White by way of deductions from moneys owing to him?

(3) What was the period to which Mr. White was bound by his contract as a member of this overseas delegation?

(4) What actual period did he serve after his return before joining the Commonwealth Railways?

(5) For what further period of service was Mr. White bound by his contract?

(6) If the answers to Nos. (1) and (2) are the same, would the Government be prepared to give consideration to Mr. White's case?

The CHIEF SECRETARY replied:

(1) Salary, £499 9s. 4d.; fares and expenses, £833 12s. 9d.

(2) £833 12s. 9d.

(3) Three years from date of return from overseas, namely, the 24th March, 1951.

(4) From the 24th March, 1951, to the 27th May, 1952.

(5) From the 28th May, 1952, to the 23rd March, 1954.

(6) This case was dealt with by the previous Government, and it is not intended to make any alteration to the decision made.

(b) As to Workshops Repairs, Managers and Permanent Way Gangs.

Hon. A. R. JONES asked the Chief Secretary:

Will he inform the House—

(1) How many man hours were taken to completely overhaul the following types of locomotives in the Midland Junction Railway Workshops in 1938—
  (a) "D" class;
  (b) "P" class;
  (c) "F" class?

(2) How many man hours were taken to completely overhaul the following types of locomotives in the Midland Junction Railway Workshops in 1953—
  (a) "D" class;
  (b) "P" class;
  (c) "F" class?

(3) How many separate departments are there in the Midland Junction workshops?

(4) How many departmental managers or heads of departments, including foremen, are there who do not do any actual manual work?

(5) How many men were employed in all permanent way gangs prior to March, 1953?

(6) How many men were employed in all permanent way gangs in October, 1953?

The CHIEF SECRETARY replied:

(1) This information is not available. Records maintained cover repair history of each locomotive and cost only.

(2) This information is not readily available.

(3) 20.

(4) 25.

(5) 1,829.

(6) 1,994.

ROYAL VISIT.

As to Transport of Northern Children.

Hon. L. A. LOGAN asked the Chief Secretary:

Has the Government given any consideration to making provisions for excursion fares for children travelling by special

trains during the Royal visit, having in mind that these trains will be filled to capacity?

The CHIEF SECRETARY replied:

This has been considered, and it was decided not to grant any special excursion fares.

BILLS (2)—THIRD READING.

1, Electoral Act Amendment (No. 1).
Transmitted to the Assembly.

2, Companies Act Amendment (No. 2).
Returned to the Assembly with amendments.

BILL—TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS ACT AMENDMENT (No. 2).

Second Reading.

HON. H. HEARN (Metropolitan) [4.40] in moving the second reading said: I would like to give the House some information which I think will prove that this small amendment to the Act is necessary from the standpoint of at least one industry. The Furniture Trade Convention of Australia, which comprises the Australian Council of Furniture Manufacturers, the Federal Council of Retail Furnishers Association, and the Federated Furnishing Trades Society or Union of Australia, agreed to administer a voluntary furniture-marking scheme for indicating to the public of Australia compliance with the provisions of Australian Standards Specification No. S.1. Household Furniture, given to the trade by the Standards Association of Australia.

The administration of this scheme by the Furniture Trade Convention of Australia is exercised through a Central Furniture Labelling Committee, representative of the bodies comprising the convention, as well as the Standards Association, assisted by a local committee set up in each State. The Central Furniture Labelling Committee has prescribed a form of label for indicating compliance with the Australian Standards Specification for Household Furniture, known as S.1. Permits to use such labels are granted to furniture manufacturers who make application on the form and sign a declaration, provided the appropriate State Labelling Committee is satisfied as to the capacity and bona fides of the applicant.

The State labelling committees have power to suspend and withdraw permission to use labels issued to any applicant whose product, in their opinion and after proper investigation, fails to comply with the provision of the Australian Standard No. S.1. Household Furniture specification, as amended from time to time by the Standards Association of Australia. The decision to manufacture furniture conforming to standard is quite voluntary; and I want to emphasise that there is no compulsion, except that once a firm has applied and been accepted as one who manufactures furniture conforming to the standard specification, then it is obligatory on that firm to conform to the Australian standard with regard to all its products.

Hon. A. L. Loton: All of them?

Hon. H. HEARN: Yes. For instance, it cannot be said that this article is approved by the Australian Standards Association and that one is not. A factory that voluntary goes into the scheme must make the whole of its products on the basis of the formula set out by the Standards Association.

Hon. A. L. Loton: The whole of the factory's products?

Hon. H. HEARN: Yes. The reason why standards were introduced was to protect the public in the purchase of furniture. At the end of the war, shoddy furniture reappeared on the market, the public suffered, and the industry became concerned at the situation; and with the support of the Furniture Trade Convention of Australia—a body incorporating manufacturers, retailers, and trade unions—the Standards Association drew up and issued the Australian Standard label. The Australian Standards Association label is a guarantee that what a person is buying is of sound quality, and its sole function is to protect the public from "shoddy" furniture.

Incidentally, the Standards Association of Australia is financed by grants from the Federal and State Governments and the Furniture trade itself. It should be remembered that the Australian Standards Association deals with other types of commodities, and it was called in to do this job for the furniture trade. I want to emphasise that the standard set down is only a minimum standard. In short, it is, as I said before, to protect the public from exploitation.

Quite recently, the furniture trade had a case in the courts concerning a manufacturer who had applied to be admitted as a firm manufacturing to Australian standards. He was accepted by the local committee, and then went on to manufacture substandard goods and to apply the Australian Standards label to his products. The Inspector of Factories prosecuted, and it was subsequently found that, owing to some looseness in the Act, the prosecution failed. It is to remedy this state of affairs that this Bill has been introduced.

Hon. A. L. Loton: Does the Inspector of Factories do the policing?

Hon. H. HEARN: No; it is done voluntarily by the trade, but prosecutions are handed to the Inspector of Factories, and he prosecuted in this instance. Section 8

of the principal Act is to us the vital part of the legislation. I will not read all of the section, but it begins—

> (1) Any person who publishes or causes to be published any statement which—

Then it goes on to give details and penalties. Subsection (2) is the important one, and it is this that we want to amend by adding a paragraph that would have the effect of tightening up the Act in regard to any substandard furniture. The subsection reads as follows:—

> (2) A statement shall be deemed to be published within the meaning of this section if it is—
>
> (a) inserted in any newspaper or other publication printed and published in Western Australia; or
>
> (b) publicly exhibited—
>
> (i) in, on, over or under any building, vehicle, or place (whether a public place or private place, and whether on land or water); or
>
> (ii) in the air—
> in view of persons being or passing in or on any public place; or
>
> (c) contained in any document gratuitously sent or delivered to any person or thrown or left upon premises in the occupation of any person; or
>
> (d) made verbally to any person; or
>
> (e) broadcasted by radio.

It is proposed to add to that subsection the word "or" and a new paragraph, as follows:—

> (f) in the case of an article of furniture, attached to or stamped upon such article in the form of a label or impressed stamp denoting that such article complies with the requirements of the Standards Association of Australia as to Australian standard specification.

This will mean that any person who uses the S.I. label or a rubber stamp showing the words, will have been deemed to have published a statement that the articles in question have been made to the standard of the Australian Standards Association.

To show how completely the standards have been voluntarily accepted, there are, in this State, 134 firms manufacturing furniture that are working under charter. It is supported almost completely by the retail trade in Western Australia. It has had a good effect with regard to lifting the quality of furniture, particularly upholstery, because members will know that when buying upholstery they can see only the outside cover and nothing of what is underneath. The Standards Association has done an excellent job in raising the quality of the goods manufactured.

It is desired that we should now tighten up the Act so that if anyone fraudulently uses the Australian Standards label on his furniture, he will be open to successful prosecution. I trust that members will accept the amendment, which is introduced solely for the protection of the public. Again I emphasise that the specifications laid down by the Australian Standards Association are minimum specifications only. I move—

> That the Bill be now read a second time.

On motion by Hon. A. L. Loton, debate adjourned.

BILL—MUNICIPAL CORPORATIONS ACT AMENDMENT.

Second Reading.

Debate resumed from the 12th November.

HON. SIR CHARLES LATHAM (Central) [4.52]: The Minister explained the Bill fully. The registrar is to be given some discretion instead of being compelled to offer land for sale for the non-payment of rates. The Act provides that—

> . . . . for the purpose of registration the registrar shall, if necessary, make such orders and publish such advertisements as are provided for in the case of dealing with land when the certificate of title is lost or not produced.

The Bill now seeks to give the registrar a discretionary power. I am not sure whether this is advisable, but it is incorporated in the Road Districts Act and, as far as I know, there have been no cases under it with respect to which there has been any doubt. I point out that the beneficiaries of a deceased person may not be aware of the estate, and the fact of its being advertised in the newspapers or in the "Government Gazette" brings the matter to their notice.

A little while ago a large area of land, in the coastal district, was sold by the City of Perth because of the non-payment of rates. Before the sale was actually effected, and after the first advertisement appeared in "The West Australian", a lot of the rates were paid. The probability is that if the sale had not been advertised, the people concerned would not have known about the land.

Care should be taken—I do not say this offensively—about any hole-in-the-corner sale or disposal of land. The provision in the Bill is contained in the Road Districts Act, and whilst I have no experience of it, I want members to appreciate

that such things as I have mentioned can happen. I do not want members to have regrets through not having given some consideration to the amendment, if it will deprive people of land to which they are justly entitled.

On motion by Hon. A. L. Loton, debate adjourned.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

Second Reading.

Debate resumed from the 12th November.

HON. C. H. SIMPSON (Midland) [4.55]: I have gone through the Bill very carefully, and the impression I have gained is that it is an effort to expand the activities of the State Government Insurance Office to allow it to compete in all lines of insurance, which, in my opinion, have been carried on quite efficiently by private enterprise. As I believe in private enterprise, I intend to advise members to vote against the second reading.

In an endeavour to treat the question objectively and impartially, I have compared the Bill with the present Act. I am quite aware that the State Government Insurance Office as at present constituted is handling its business quite well, and what I say is no reflection on the conduct, efficiency or competence of those engaged in its operations. I do hold the view, however, that whilst in some cases it is desirable for the Government to undertake certain functions in the conduct of public utilities, which private enterprise cannot carry out, it should be left to the private individual, as far as possible, to engage in those activities for which he is fitted by experience and knowledge. He should be allowed to carry on with the least possible Government interference.

The Bill, if agreed to, will mutilate the Act considerably. It will, undoubtedly, be debated in the Committee stage, and I think there will be pretty drastic amendments, with the result that it will then contain nothing which will be of benefit to the State Government Insurance Office, whereas if the Bill is rejected on the second reading, matters will be left as they are and will be carried on quite efficiently. The public will be served in just the same efficient way as previously.

Before analysing the Bill, a short history of the background of the State Government Insurance Office might be of interest to members. The office was established in 1926, as part of the Actuarial Department, by the then Premier. Several attempts had been made to obtain legal sanction to establish a State Government Insurance Office, but they had all been defeated. In 1926 the office was established, despite the fact that it had no parliamentary sanction. It was an illegitimate child born outside the law and, in fact, in defiance of the law. Some four attempts were later made to validate the business which was being carried on.

In 1937 a select committee, which included in its personnel the present Leader of the Opposition and the present Leader of the Country Party, was appointed in another place. This committee recommended that a Bill be brought down to validate the business that was then being conducted by the office, but it specifically stated that the office was not to engage in life assurance. Eventually a Bill to validate the activities of the office was passed, but in its final form it confined the functions of the State Government Insurance Office to employers' liability and workers' compensation insurance.

In 1943, an amendment to the Act was passed which allowed the office to undertake motor vehicle risks. That Act was passed subject to the special proviso that the State Insurance Office continue to take such business only as long as that business was compulsory or compellable. The substance of a provision in the 1943 Act was that the office should take that class of business only as long as it was compulsory. In other words, if the business were not compellable, it could be undertaken by other companies and the State Insurance Office would no longer have the right to engage in that particular business.

In 1945, Section 2 of the principal Act was amended, and this amendment allowed the State Insurance Office to expand its activities to take on the business of friendly societies and local authorities. Local authorities were defined as including hospital, vermin and water boards, and any other statutory bodies. The relative provisions of the 1945 amendment read—

> (i) The insurance business authorised by this paragraph shall be undertaken only with local authorities or with friendly societies as the case may be; and
>
> (ii) Such insurance business may be undertaken only with a number of local authorities or a number of friendly societies (as the case may be) seeking the same conjointly pursuant to a pool or other scheme mutually arranged between such local authorities or between such friendly societies as the case may be and with the State Government Insurance Office.

But the decisions arrived at over the years have been to confine the business, and the amount of business that the State Government Insurance Office should be permitted to undertake, within those particular limits. Obviously, the majority of the companies engaging in the class of business to which I have referred, whether general, fire, marine, or life assurance, were doing a particulary good job. There was competition; expert men were engaged in the various classes of business, and the public was being well served.

In 1952, a minor amendment, which validated certain practices which had grown up over the years with regard to the Treasury, was introduced by me in this House. That amendment authorised the State Insurance Office to maintain necessary reserves, to invest its funds and to acquire property if it so desired. This measure now before us drastically revises the old procedure and seeks to establish a fully-fledged office catering for all classes of business—fire and general assurance, and life assurance. To my knowledge, that is something which has never been undertaken by any other concern. A company confines itself to fire, accident, marine, and general assurance, or it specialises in life assurance. I am sure I am right when I say that no other company has ever attempted to engage in both classes of business.

If this measure is passed, it could result in a Government monopoly. I do not say that that is the purpose or that it is the intention of those who have submitted the Bill, but a more socialistically inclined Government, by a short step, could equip the office to undertake all classes of business and declare that all other companies should be wiped out. As we all know, that was the idea behind the introduction of the banking Bill by the Commonwealth Government. That Government framed legislation which, in effect, would have allowed the Commonwealth Bank gradually to absorb the business of its competitors, and it would have resulted in a monopoly bank controlling the whole of the banking business. I am sure members of this Chamber do not wish to create even the beginnings of such a system here, but could happen if this measure were passed.

Generally speaking, Government trading concerns have not had a happy experience. I do not suppose there is anything inherently wrong with the idea that Governments should compete with private enterprise on equal terms; but in actual fact they seldom, if ever, do. For instance, Government trading concerns usually have the benefit of buying the goods they use without having to pay sales tax. That gives them an advantage in competitive trading. They are not subject to income tax and many other rates and taxes which, in the ordinary way, private individuals have to pay. Yet it is extraordinary that over the years State enterprises, by and large, have not shown to advantage in competition with private concerns.

I venture to say that one of the reasons why this has occurred is that there is always a strong tendency towards political interference. That occurs in many ways, but I dare say a member could go to any Government department, particularly one that handles projects of a commercial nature, and, by taking the proposal or request to a higher authority, could obtain some advantage over a private individual. There is always that political factor which interferes with the conduct of a public utility, and that is something from which the private man is exempt.

If one examines the Bill, one finds that under its provisions Sections 2, 3, 4, 5, 6, 7 and 8 of the principal Act are drastically amended. In fact, most of them would be entirely cut out and this would provide for the machinery of expansion to be substituted. The Bill seeks further to provide that the new office shall have a general manager instead of a manager. There will be an assistant general manager, and there is provision for branch managers. Apparently, if it is established as a big office, handling all types of business, there will be branches in all parts of the State. There will be a Government department, with a large number of Government employees, built up to handle this extra business. There is an inducement included in Subclause (12); and, if the office is established along the lines proposed, a token tribute will be paid to the principle of equal competition, because the office will pay in to the Treasury an amount equal to the tax that would be levied if it were a private concern, that amount of tax being determined by the Commissioner of Taxation.

The measure also provides that the office may pay its contribution to the Fire Brigades Association; but there are certain other matters for which no provision is made, so that it would be very difficult to bring the office entirely into line with private companies as regards equal conditions of operation. One of the most dangerous provisions in the measure is that which will enable civil servants in various parts of the country to act as agents for the State Government Insurance Office. Many State civil servants in various parts of the country, by virtue of the jobs they hold, exercise a considerable amount of authority over some sections of the public.

If those civil servants were on a commission basis, it would definitely be to their advantage to secure all the business possible. There might be no threat or attempted threat, but the possibility is always there, and such provision could lend itself to malpractice. That is one of the reasons why I think it would be undesirable for civil servants to act as agents. On the other hand, if no provision were made for commission or payment of some kind, there would be no incentive on the part of those persons to go out after new business. That is something the private companies well recognise. They know it is necessary to pay some incentive in order to secure that drive and energy which a man will always display if he is out after business that will benefit himself.

I ask certain questions with regard to these proposals. I want to know whether they are desirable or necessary and my questions on this point are—

(1) Is private enterprise willing and ready to give the required service?

(2) Are adequate facilities now available to the public?

(3) Is there competition?

(4) Are existing facilities sufficiently stable to meet obligations?

(5) Are the existing conditions of employment in insurance offices fair and reasonable?

(6) Are life assurance companies almost entirely mutual?

(7) Have life assurance societies contributed huge sums to Australian development?

(8) Are the insurers' interests or policy holders' funds adequately protected by the present operators?

The answer to every one of those questions must be "Yes." At present, all insurance operators are efficient; they are competent; they know their job; and behind them they have many years of experience.

Although the number of fire insurance societies in Western Australia totals over 80, in actual fact the number of operators is about 50, because some offices carry on two or three agencies. Sometimes one company is absorbed by another but, because of the business existing at the time of the transfer, it is necessary to carry on the old company in its own name. Those companies naturally feature in the list as separate companies; whereas, in actual fact, they are handled by another operator who is engaged in managing a different company altogether.

Most companies which operate are tariff companies, and they work under schedules fixed by the Underwriters' Association. Others are non-tariff companies, but their rates closely approximate those of the other companies. The State Insurance Office is a third type of concern, and its rates fall into line with the others. It is competition that regulates the rates charged by the various companies. The practice of the private companies in this State is to reinsure with other companies. They have found that the number operating is sufficient to accept the spreading of risks. The State Insurance Office reinsures in London, and it means that to a certain extent funds must go out of the country to meet those payments.

The fire insurance companies pay five-ninths of the contribution towards the upkeep of the fire brigades, two-ninths being paid by the local authorities and two-ninths by the Government. The contribution by the fire insurance companies takes up 20 per cent. of their total premium income. There are also mutual companies which operate under the auspices of such bodies as the Chamber of Manufactures. Such companies rebate the excess premiums at the end of the year on a bonus system. To have a number of companies is distinctly beneficial. It preserves the spirit of competition and it enables them to spread the risk of reinsuring.

We have only to consider the great disasters of the past, such as the San Francisco fire, to realise the value of reinsuring. I daresay that if the fire companies in this State considered it necessary to reinsure with Lloyds of London or some other company, they would not hesitate to do so. In actual practice they have found that the risks which have to be carried can be spread amongst the local companies, and thus this money is kept within the State.

The Bill empowers the Government to carry on general insurance business. The present attitude is for fair and reasonable competition; but, as I stated previously, it could create the machinery to convert it into a monopoly, if a future Government so desired. In another place a Minister hinted that if the State Government were refused an entry to this particular field of insurance, a Labour Government, if returned in the Federal sphere, could enter into this field of business in Western Australia because there is legislation on the statute book of the Commonwealth to enable it to do so.

The suggestion is that it is preferable for a State company to engage in this business rather than for a Commonwealth company to come in. Sir Norbert Keenan, Q.C., has expressed the opinion that the Commonwealth Government has not the constitutional power to do that, and the legislation can be challenged. He said the Government had power to control and regulate but it did not have power to manage and direct. That, of course, is only an opinion, but it indicates that there is something to be said for that point of view.

In years gone by State Savings Banks existed in many States, but that did not prevent the Commonwealth Bank from entering and establishing its own savings bank in competition with them. I do not think for one moment that the existence of a State insurance office would prevent the Commonwealth from coming in if the experience of the past is any criterion. The Commonwealth could come in just when it felt so disposed.

What surprises me more than usual is the proposal to engage in life assurance in addition to general, fire, marine insurance, and so on. If there is any business which is managed particularly well in Australia it is the business of life assurance. The efficiency of management and the

benefits accorded to policy-holders are on a par with those of the best insurance companies overseas, besides which the overwhelming majority of life assurance companies in Australia are mutual concerns. After an actuarial valuation has been made, all estimated profits over the year are returned to the policy-holders by way of bonuses.

Those companies pay taxation. They have been particularly generous to the Commonwealth Government in subscribing to loans. In addition, some have engaged in developing utilities and activities in States, which have proved to be of great benefit. Behind those companies there is a huge amount of capital. It is necessary to have a great amount of capital in conducting life assurance. These companies have had many years of experience. They have their ramifications not only in Australia but abroad, whereas the State Insurance Office, if operating in this line, might find itself hampered at times because it would not have branch offices in other States or overseas.

From that point of view, not only does the business being done by the life assurance companies meet the needs of people here, but the policy-holders are perfectly satisfied with the method adopted. There is no need whatever for the Government to engage in competition. The Commonwealth Statistician estimated that for 1951 there were 400,000 policy-holders in Western Australia and the value of the assurance was approximately £100,000,000. There are four different types of assurance in which the life companies engage—ordinary life or endowment, industrial assurance, superannuation and annuities. We must not forget that life assurance is something which must be sold. Where there is a highly trained staff with years of experience and with a stimulated incentive to do its best for its particular company, then we have conditions which have proved to be beneficial to the offices and to the policy-holders, and, I would also say, to the State.

I have described pretty well what the Bill intends to do. Most of the proposed new provisions are machinery clauses to assist in the management and performance of duties; they are of an administrative nature. I cannot see any need for parliamentary sanction for most of the provisions outlined in the clauses. Some of the regulations appended to the Bill in the schedule present points of danger, such as Regulation 3 (b) which refers to the appointment of civil servants as agents. These officers are already governed by the Public Service Act. I am of the opinion that certain of the conditions laid down come into conflict with the Public Service Act.

To give authorised officers, already vested with responsibility for carrying out other duties in their respective localities, the right to act as agents or canvassers for business is most undesirable and unsound, so for this and other reasons I recommend that the Bill be rejected. If it is, then the business of insurance in this State can be carried on very well, as it is now, by the private companies. If the Bill is agreed to, then, no matter what amendments are made, it will create a good deal of trouble in the field of insurance.

HON. N. E. BAXTER (Central) [5.28]: I oppose the Bill. Here is a proposal to increase the size of another State trading concern without giving anything to the State, except a further effort to establish a little extra socialism, and with a hope that the State Insurance Office might make a large profit. There are so many "ifs" attached to it that probably the State will finish up by supporting the insurance office. Within the State there are ample existing facilities to cater for life assurance.

One must realise what is involved in establishing a life assurance office against competition, and against companies with accumulated reserves. If the State Insurance Office can find capable representatives to sell life policies, they must go from house to house, because that is the method of selling such policies. Without the services of men who possess the ability to sell life assurance, this section of the State Insurance Office will finish up like some of the other State trading concerns, and will become another straw tending to break the camel's back.

In the course of his remarks, Mr. Simpson mentioned that private companies will encounter unfair competition. Private companies are subject to taxation, but if the State Insurance Office had to pay taxes it probably would not show a profit at all. That is the usual set-up with State trading concerns.

There is another point that ought to be considered. The State office would be confined to business entirely within the boundaries of the State. I cannot imagine its interests extending beyond the boundaries of the State or its obtaining any business from outside the State.

We have to realise that its income would be derived entirely within the State and there would not be the Commonwealth-wide or world-wide operations that the companies have. That is where the overall business "gets the companies places," if I may so put it, and where the State office would not be able to get very far. We should consider also what the life companies do with their money. They do not merely take the profits and lodge them in the banks. They lend their funds to local authorities and subscribe largely to Government loans.

Hon. G. Bennetts: They get large returns.

Hon. N. E. BAXTER: I do not know what the hon. member means by that, but I assume that he means something very large. I would say that they get a business return, not a large return. In my opinion, the State might do better by investing its funds in Commonwealth loans rather than by embarking upon life assurance business.

Hon. H. K. Watson: A life assurance society is simply an aggregation of its policy-holders and what it invests is simply the accumulated savings of its policy-holders.

Hon. N. E. BAXTER: I regard the schedule in the same light as does Mr. Simpson. The provision for civil servants to act as agents for the State Insurance Office is more or less mandatory, and it is not right that these men should have to enter into a purely business proposition that does not come within the province of what I might describe as true State business. I consider it impertinent to suggest that these officers should be called upon to undertake such business.

Hon. R. J. Boylen: What did your Government do with regard to third-party insurance?

Hon. N. E. BAXTER: That is an entirely different matter. Third-party insurance is wrapped up with the licensing of motor vehicles and is for the protection of the public, but this provision as contained in the schedule is something quite outside the province of public servants. There is no comparison at all between the two. I do not wish to labour the matter, but shall oppose the second reading and hope other members will see fit to treat the measure as it deserves.

On motion by Hon. A. F. Griffith, debate adjourned.

BILL—PUBLIC TRUSTEE ACT AMENDMENT.

Second Reading.

Debate resumed from the 12th November.

HON. N. E. BAXTER (Central) [5.35]: This is a small Bill dealing with only small amounts of money, except when a certain stage is reached. The measure provides for an increase in the commission payable to the Public Trustee for handling small estates. I am not particularly happy about the amount of £100 provided in the Bill because the handling of an estate of that value would, in the main, be a simple matter. I do not say that £5 would be an unfair charge for an estate up to £200, but for that the Bill proposes a charge of £10. This seems to be a considerable rise in respect of an extra £100 of value in the estate.

I am of opinion that it would be fairer if the increase started at £200. True, this is a small point and not a great deal of money is involved, but to the people who inherit these small estates, especially to pensioners and such like people, an extra £5 might mean a lot. I appeal to the Minister to give this matter further consideration. In Committee I shall move that the reference to £100 be altered to £200, and I do not think that alteration would make much difference to the Public Trustee, whereas the extra £5 to a pensioner or a widow in poor circumstances would mean a great deal.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; the Chief Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 38 amended:

Hon. N. E. BAXTER: I move an amendment—

> That in line 2 of paragraph (a) the word "one" be struck out and the word "two" inserted in lieu.

A sum of £100 would be equivalent to about £30 a few years ago and, for the reasons given on the second reading, I consider that we could well make this concession.

The CHIEF SECRETARY: The hon. member, to achieve his objective, should vote against the clause as the effect of his amendment would merely be to restore the present figures. I hope members will approve of the clause because it has been introduced in the light of experience gained over the years. There could be as much work in administering an estate of £25 as one of £150. The cost of administering these small estates is the reason for the minimum set out in the Bill. An estate of £25 that consisted of a block of land might involve more work than an estate of £150 represented by money in the bank. The 2½ per cent. has proved to be too small and £5 is considered to be a reasonable amount. The work performed by the staff is now much more costly than when the amount was first fixed. That is the reason why the clause is put forward. I hope the Committee will reject the amendment.

Hon. N. E. BAXTER: The Chief Secretary said it was as much trouble to handle a £25 estate as one worth £150. Under the 1947 Act the minimum fee on any estate was £5, but now an estate of £25 would return the Public Trustee £5, while an estate of £150 would return £10.

The Chief Secretary: Under this amendment, yes.

Hon. N. E. BAXTER: A £100 estate would cost £5 and an estate of £101 or more would cost £10. Under the Act of 1947 an estate of up to £400 cost £5. Whereas today one pays £10 on an estate of £101 previously one did not pay £10 until the estate reached £400. The amendment would affect estates from £200 upwards instead of from £100 upwards.

Hon. H. S. W. PARKER: Originally the Public Trustee took the place of an officer known as the Curator of Deceased Estates. A £10 fee would not cover the work connected with an estate of over £100 or even under that figure. The work of collecting the belongings of a deceased, and so on, is such that no one but an officer paid by the Government could possibly do it. I see nothing wrong with the measure.

Amendment put and negatived.

Clause put and passed.

Clause 3, Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—ADMINISTRATION ACT AMENDMENT (No. 1).

Second Reading.

Debate resumed from the 12th November.

HON. E. M. HEENAN (North-East) [5.50]: This small measure seeks to amend Section 14 of the Administration Act which deals with the distribution of the property of a person who dies intestate. The amendments contained in it are far-reaching; and when I first read the Bill I was inclined to be conservative about the wisdom of adopting them in toto. But after careful consideration, I have come to the conclusion that the measure is sound and will give it my fullest support. Its provisions follow the modern tendency to bring money matters more into line with present-day values.

The measure seeks, in the main, to protect the interests of a spouse when either party to a marriage dies without leaving a will. It provides that where a husband or wife dies intestate and there are no children and no parents or brother or sister, the remaining spouse shall receive everything, and that seems reasonable to me. A wife or husband is the closest and should be the dearest relation in the world; and when there are no children and the deceased has left no mother or father, brother or sister or children of the brother or sister, the widow or widower is to get everything.

Hon. J. M. A. Cunningham: Is that not so, now?

Hon. E. M. HEENAN: No. I do not think there can be any quibble about that. As Mr. Parker said, when a person dies intestate, extensive inquiries have to be made, sometimes involving a search overseas. Often the investigations take a long time and cost a considerable amount of money and people with little moral claim to it sometimes receive sums of money which they never expected. The Bill refers only to instances where there is a surviving spouse and will not affect the position where a bachelor or spinster dies intestate. One of the remaining provisions in the measure modifies the position where there is a parent or brother or sister or child of the brother or sister of the deceased spouse. In such a case the surviving spouse is to receive the first £10,000 and one-half of the balance of the estate.

Hon. A. F. Griffith: Do you agree that is sufficient?

Hon. E. M. HEENAN: I think so, on present-day values.

Hon. A. F. Griffith: Do you not think it would have a detrimental effect on the State?

Hon. E. M. HEENAN: It applies only where there is a widow or widower left.

Hon. H. K. Watson: It would apply also where there was a widow and a mother or father or sister.

Hon. E. M. HEENAN: Yes. Where there is a widow or widower and a parent or brother or sister or children, the surviving spouse gets the first £10,000 and one-half of the balance. At present where there are children surviving, the remaining spouse gets the first £1,000 and one-third of the balance and the remaining two-thirds is divided among the children; but the measure proposes to raise that limit from £1,000 for the widow or widower to £2,500, together with one-third of the balance; the remaining two-thirds to go to the children. That seems perfectly reasonable.

Hon. F. R. H. Lavery: What about the step-mother or step-father?

Hon. E. M. HEENAN: There is no provision for them.

Hon. A. F. Griffith: What is the position of the children of a first and deceased wife where the second wife is the surviving spouse?

Hon. H. S. W. Parker: They would come in in the ordinary way.

Hon. E. M. HEENAN: The Bill sounds complicated, but I do not think it is This is not a legal question, but purely one of fact. Although at first inclined to be wary of it, I am now whole-heartedly in favour of the Bill.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; Hon. H. S. W. Parker in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 14 amended:

Hon. H. S. W. PARKER: I notice that there are some amendments on the notice paper, but the hon. member who wishes to move them appears to be absent. Therefore I would suggest that progress be reported.

Progress reported.

BILL—DECLARATIONS AND ATTESTATIONS ACT AMENDMENT.

Second Reading.

Debate resumed from the 12th November.

HON. SIR CHARLES LATHAM (Central) [6.3]: The Bill apparently seeks to force every member of Parliament to become a commissioner for declarations, whether he desires to be one or not. If there is one thing I take exception to it is the forcing of something on to a person that he does not want and when it does not suit his convenience. Members will appreciate that this Act was passed in 1913 when people experienced great difficulty, in the outback parts of the State in obtaining the services of a justice of the peace to sign declarations.

Later, the Government of the day introduced legislation for the benefit of people residing in country towns or in out back places. In the metropolitan area, of course, residents do not have much difficulty in obtaining the services of a justice of the peace to perform the duty of signing various documents that require his signature. Section 2 of the Act reads as follows:—

> Whenever by or under any Act or statutory regulation (whether passed or made before or after the commencement of this Act) it is provided—
>
> (a) that any statutory declaration shall or may be made before a justice of the peace; or a justice of the peace or some other person; or
>
> (b) that any instrument shall or may be signed or executed in the presence of, and be attested by, a justice of the peace, or a justice of the peace or some other person,
>
> such declaration or instrument may be made before, or signed and executed in the presence of, and attested by—
>
> (i) a town clerk, secretary to a road board, electoral registrar, postmaster, classified officer in the State or Commonwealth public service, classified State school teacher, or member of the police force.

They all become commissioners for declarations under this measure. Such persons must be over 21 years of age.

I would not mind if the provisions of the Bill made it optional for a member of Parliament to become a commissioner for declarations, but I object to any legislation that will force me to do something that is unnecessary and which I may not want to do. For that reason I think an amendment should be moved to make it optional for members of Parliament to become commissioners for declarations. Those that want the honour and glory of that appointment can have it if they so desire.

HON. H. S. W. PARKER (Suburban) [6.5:] The Bill does not affect me personally because by virtue of my calling I have the necessary power to sign documents. However, I would point out that it is not always convenient for one to be available when people want certain documents signed. If any member of Parliament wishes to have this qualification, I am afraid he will become a little burdened.

There is another aspect. Under the Bill every member of Parliament will become qualified to witness documents that require to be attested by a person with special qualifications. However, members of Parliament come and go; some go rather quickly. I do not think it is a good thing to have a class of persons as a whole such as an elected body, qualified to witness documents. I feel quite sure that any member of Parliament could apply to and obtain from the Attorney General or Minister for Justice authority to become a commissioner for declarations.

That would be a much better approach than by making every member of Parliament a commissioner willy-nilly. This Bill would place members of the public in an awkward position because they would not know when a man ceased to be a member. When the Legislative Assembly is prorogued at the end of a three-year term there is no such thing as an M.L.A. during the interregnum. Someone might raise that question.

Hon. Sir Charles Latham: It might be an important document that he signed during that period, too.

Hon. H. S. W. PARKER: That point might be raised and an awkward position could arise. Again, after an election we know that a so-called sitting member is, in all probability, defeated, and the successful candidate, although not having been sworn in is, in effect, the sitting member of Parliament. I cannot say whether that is the true interpretation of the position, but a number of technical difficulties could arise. Members of Parliament would be very folish to assume this unnecessary duty when, if they so desired, they could make application to be made a commissioner for declarations.

On motion by Hon. F. R. H. Lavery, debate adjourned.

BILL—JURY ACT AMENDMENT.

Second Reading.

Debate resumed from the 12th November.

HON. W. R. HALL (North-East) [6.10]: I do not agree with women acting as jurors. Having known a number of males who have been called upon to serve as jurors on the Eastern Goldfields, I know that 99 per cent. of them have had no desire to act. Therefore, I can imagine what the feelings of women would be who were called upon to serve on a jury. Times out of number I have spoken to men and heard them complain bitterly about being empanelled and losing so much wages as a result. There might be some members of

the female sex who have a desire to serve on a jury, but I think they would be few. For those reasons I do not desire to support the Bill.

HON. G. BENNETTS (South-East) [6.12]: I am of the same opinion as Mr. Hall. I do not say that all women are incapable of serving on a jury. I heard one hon. member speak about women acting on juries the other evening, but I do not think he intended to say what he did. I think he said that a woman was not quite up to the standard of a male.

Hon. L. A. Logan: Be careful what you say!

Hon. G. BENNETTS: I do not think he expressed what he really intended to say. There are some women who are equally as capable as men to act on a jury. Some two or three years ago I brought a lady to this House whilst she was on a visit to this State from America. She was capable of holding any position held by a male in this State. She came from California where she occupied a high executive position. Women of her capabilities would be quite competent to act on a jury.

However, taking my wife as an example, I would say that she would not be suitable to act in such a position because she has had no experience of that type of work, and I know how she would react if she were empanelled. She would die of shock if she had to appear in any court. There are also many mothers who have small children to care for; and others who are in ill health or who are expectant mothers. It would be very awkward for them if they were called upon to serve on a jury. Again, I know of two or three mothers who have subnormal children and they are compelled to take those children to school every day, apart from attending to their normal household duties.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. G. BENNETTS: As I was saying before tea, I am not opposing the Bill for the reason that I do not think women are as well qualified as men. I object to it because I feel that some women are subject to nervousness and that sort of thing, and the provision in the Bill is not what they would wish. Women are generally more nervous than men, and it would not be wise to put them on a jury, particularly when they have families to look after, and their husbands are at work. It would be a hardship for them to have to serve on juries under those conditions. Besides that, women not being free it would mean that the clerk of courts would have to send out perhaps 20 notices and might be able to get only two women who could serve on the jury. That is my reason for opposing this portion of the Bill.

Members of my own family, though they would be efficient to do the job, would feel that they had their own families to look after, and would therefore not be able to make the time available. The male has no home responsibilities such as the woman has. It would be easy for him to get the day off from work, and he would therefore be able to attend and serve on a jury. In my opinion, the woman's place is in the home. She rears her little family; and, after having done so, she gets to the stage where she would prefer to remain at home with her children and her husband. With those few remarks, I oppose the Bill in its present form.

HON. SIR CHARLES LATHAM (Central) [7.35]: I oppose the second reading of the Bill, not because I object to women being on juries, but because I desire to protect them from having to serve on juries. I cannot imagine anything more degrading than for a woman or a man to serve on a mixed jury, particularly when disgusting cases are tried in the Criminal Court.

Hon. G. Bennetts: Such as rape cases.

Hon. Sir CHARLES LATHAM: The evidence is given in very plain language, and there is no doubt at all what is meant by it. Even in murder cases, we find that the testimony discloses most objectionable features; and I cannot imagine men being pleased to have a woman sitting alongside them, no matter how little respect they might feel for that particular woman; both parties would feel uncomfortable. I know the Bill proposes to give women the right to serve on juries if they so desire; but I am fearful that some of these people are a little anxious to explore even their own minds and to experience what it is like to be on a jury, particularly when they find they are detailed for service in a case which will bring to their notice most objectionable features. For that reason I oppose that portion of the Bill.

I do not oppose the Bill in its entirety, because the provisions dealing with the summoning of juries is a very wise and good one. Stories have been told in the past of people knowing who would be serving on a jury in a particular case, and jurymen having been approached by friends of people likely to be tried with a view to those jurymen being influenced. If the method provided in the Act is carried into effect, it would then be impossible to "get at" jurymen.

But I do hope members will give consideration to the women's right to serve on juries. I would not mind if a jury consisted of all women, or all men, but I think it unwise to provide for a mixed jury. Would members like their mothers, or sisters, or daughters to listen to some of the cases tried? All of us who have been spectators, or perhaps witnesses, in criminal courts know of the filthy and disgusting descriptions that are at times put forward. Accordingly, I hope that portion of the Bill will be eliminated.

HON. C. H. HENNING (South-West) [7.38]: I understand that in certain States of Australia, and also in the United Kingdom and America, women serve on juries; and so far I have not heard anybody say that they have not been effective in the service they have given. This Bill seeks to put women on the same basis as men in one respect only, namely, that they are eligible to serve. However, whereas a man, once he has notification, has got to serve unless he has a very good excuse, a woman can, up to the time of the jury being empanelled, give notice, and she would then not be forced to serve. Provision is also made that she shall give written notice. I take it that if notice is served on a woman saying that she will be required to serve on a jury at a certain time, she can at that time, without giving any cause, state that she does not desire to serve, and therefore can be excused.

Hon. G. Bennetts: I do not think that is the case.

Hon. C. H. HENNING: In Subsection (2) of proposed new Section 5A in Clause 3 of the Bill, we find the following:—

> Any woman liable and qualified to serve as a common juror under the provisions of Subsection (1) of this section shall, upon giving written notice to the Sheriff of her desire to discontinue her qualification and liability to serve as a common juror, cease forthwith to be qualified and liable to serve as a common juror except in case of a woman who, at the time of giving such written notice, is already empanelled as a juror, when such qualification and liability shall not cease until completion of the civil or criminal proceedings in respect of which she has been empanelled.

I have inquired and been told that a jury is not empanelled until it goes before the court, and the challenges of the prosecuting and defending counsel have been made, and the jury is ready to sit. I think that gives a let-out for a woman with a family and husband, or any woman who for some reason does not desire to serve. I agree with Sir Charles Latham about the embarrassment that can easily be caused not only to a woman juror, but to the jury as a whole, because we all know that in certain cases the evidence and various descriptions given before the court are pretty awful. If a woman wants to serve, however, I see no reason why she should not be allowed to do so.

The other portion of the Bill seeks to set out a different system for the selection of juries. Instead of having a system where, probably for months ahead, one can get a reasonable idea of who will be sitting on the jury, it is now to be more or less in the nature of a lottery. The names are to be drawn out of a barrel, and, a few days before the trial commences, they are to be sent to the various counsel so that they can go through them. Very little opportunity will exist for the jury to be "got at," as has occasionally happened in the past. So far as the mechanics of the Bill are concerned, I see no reason to oppose it. I support the second reading.

HON. A. F. GRIFFITH (Suburban) [7.43]: I would like to make one or two short observations on the Bill. As has been stated, it proposes to do two principal things. There is also an amendment envisaged by Mr. Parker, which no doubt will be moved at the Committee stage. The first and principal amendment in the Bill is to make it possible for a woman to become eligible and liable to be called on for jury service, unless she notifies the Sheriff of her desire to discontinue her qualification.

Hon. L. A. Logan: If this becomes law, how many women will know such a provision exists?

Hon. A. F. GRIFFITH: In the first place, I would like to say that I have not had one single intimation from any woman in the province I represent, of her desire to serve on a jury. I do not think there is any public opinion concerning this matter. I believe that if this House passes the Bill and it becomes law, the sheriff will be inundated with notifications from women to the effect that they desire their qualification removed. I am not in favour of having women included in juries, for reasons that have been given by other members. In the main it will be a grave embarrassment to the majority of women who will be called upon for jury service.

In order, as Sir Charles Latham said, to protect women from having to carry out the task—on frequent occasions, the unpleasant task—of having to serve on a jury, I intend to oppose that part of the Bill. I do not think there would be in the minds of most members of this Chamber the desire to thrust upon any individual woman the job of serving on a jury. I realise that any woman not desiring to undertake such a duty can notify the sheriff and have her name removed from the list. But, as Mr. Logan interjected, there may be many women who would not know that they were qualified to undertake such service.

It seems to me that the suggested change in the method of selecting juries has a good deal of merit. Concerning the amendments on the notice paper, I am pleased to see that they do not include anything but a full decision of a jury in connection with capital offences. I do not think it would be desirable to have capital offences decided by majority verdict, and that is what it would mean if the 10 out of 12 proposal were adhered to. For the time being, I propose to support the second reading, but in Committee will oppose the clause of which I am not in favour.

HON. L. CRAIG (South-West) [7.47]: I will vote for the second reading, but I am opposed to the clauses dealing with the appointment of women to juries. I have sat on juries myself that have dealt with criminal offences; and, for a bad form of judgment, give me a jury! I came away bitterly opposed to the jury system for the judging of any offence; and I think that women would be less qualified than men, perhaps, to give a decision in regard to the evidence submitted. The function of juries is to determine on the evidence whether a person is guilty or not. From my experience, that is not what happens. My experience has been that sympathy all the time overrides the evidence—all the time. I know that if I were guilty, I would like to be tried by a jury; and if I were innocent, I would like to be tried by a judge, or by judges. The provision in the Bill whereby women who are qualified can decline to stand is the great weakness, because the best women, those best suited—and there are lots of fine women who would do a good job on a jury—would decline. The heads of families, mothers of several children, women of judgment, who have gone through the world, are the ones who would decline to serve. The people that would accept these jobs are the very people we would not want.

Hon. E. M. Heenan: That is the greatest weakness.

Hon. L. CRAIG: It is a very great weakness. Neurotic people, and place-seekers who take an active part in all public affairs and want some sort of notoriety—they are the very people who would not merely accept such an office, but would push themselves forward, and would want to be on juries for that purpose; and the very people we would seek to have included would mostly decline. I do not think that is a good provision. The jury system, bad as it is, would not be improved by the addition of women, who could decline to sit; that is the great weakness. We had better leave things as they are; we are not doing so badly.

The jury system is a terrible form of judgment. The decision of a jury has very little relation to the evidence submitted. To serve on a jury was one of the greatest shocks I ever had in my life. I had expected the jury to be a sensible group of people, who would consider the evidence; but the decisions in the two criminal cases in which I was concerned had nothing to do with the evidence whatever. One sentiment was, "Let the poor little swine off! How would you like to be in his shoes?" I had to keep on repeating, "Let us go on the evidence. We have only to determine whether this person is guilty or not guilty. We can put in a plea for leniency, and the judge will determine the sentence. Our job is to say whether, on the evidence, the accused is guilty or not guilty." All I got in reply was, "You are a hard swine. How would you like to be in his place?" It was a shock to me, and I am not very partial to trial by jury.

The provision relating to the selection of juries is probably a good one. I do not know enough about that. But the proposed amendment concerning majority decisions I think is a good let-out. Sometimes there is an extraordinary person on a jury whose outlook on life is never to convict anybody under any circumstances. That is greatly overcome by the adoption of the principle of a majority decision.

Hon. N. E. Baxter: You do not agree with that for capital offences?

Hon. L. CRAIG: No, for ordinary criminal cases. I support the second reading.

On motion by Hon. E. M. Heenan, debate adjourned.

BILL—ASSISTANCE BY LOCAL AUTHORITIES IN WIRING DWELLINGS FOR ELECTRICITY.

Report of Committee adopted.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 12th November.

HON. L. A. LOGAN (Midland) [7.54]: May I say at the outset that I believe this is the most irresponsible piece of legislation introduced into this House since I have been here. It is very hard to understand how two Ministers of this House, who sit in Cabinet, could have agreed to such a Bill being brought forward. I know that the Chief Secretary himself will be honest enough to say that, because it was a Cabinet decision, he had to agree to it. I will give him credit for that.

The Chief Secretary: I do not like taking credit I am not entitled to.

Hon. L. A. LOGAN: I hope that while those two Ministers were at the Cabinet meeting, they did their best to oppose this measure. I say it is irresponsible because, when workers' compensation legislation was brought before this House in 1948, and again in 1952, it was classed as the most generous this place could provide. It was freely admitted on all sides that it was a most generous piece of legislation. Yet we find that with an increase in the basic wage of 16.5 per cent. since the Act was altered in 1951, this Bill provides for increased compensation of from 62½ per cent. to 66⅔ per cent. If that is not irresponsible, I do not know what is. If we add the extra 4s. 1d. that the worker might have received had the quarterly adjustment been made for October, the increase in the basic wage for the period mentioned would have been 17.8 per cent. Yet, as I have said, in this Bill we are asked to agree to increased benefits of from 62½ per cent. to 66⅔ per cent. I think, therefore, that I am entitled to call this an irresponsible piece of legislation.

I do not like being political on this issue, but it seems to me that the reason the Bill was introduced was that the party which introduced it wanted to be able to say to its fellow-workers, "We endeavoured to do something, but it was rejected by the Legislative Council." The idea was to try to bring this House into disrepute. And that was the second reason for the Bill. I can find no other reasons for its introduction. I do not like saying that; but looking for reasons those are the only ones I can find.

The Minister for the North-West: Should we not bring this type of legislation here?

Hon. L. A. LOGAN: Not a Bill of this description. If the increase had been 20 per cent.—

The Minister for the North-West: You can always amend it.

Hon. L. A. LOGAN: —we probably would have agreed.

Hon. E. M. Davies: No, you would not.

Hon. L. A. LOGAN: Especially as the legislation that was passed before was classed as most generous.

Hon. A. F. Griffith: The Minister does not suggest it has to be a hit-and-run Bill, does he?

Hon. L. A. LOGAN: Many members have stated that they intend to vote for the second reading; but going through the notice paper, I find that it contains amendments for the deletion of eight out of the 16 clauses, and there are heavy amendments to each of the remaining seven clauses. The only clause not mentioned in the amendments is Clause 1, which is the short Title. It appears to me that the obvious thing to do is to throw the Bill out at the second reading, short Title and all. I intend to oppose the second reading because I do not believe we should have legislation of this kind presented to us. A fair thing is a fair thing, but we are being asked to legislate on lines which put this House in a very bad position. Mr. Barker, in his speech, kept referring to the worker having to carry the burden.

Hon. C. W. D. Barker: All of the burden.

Hon. L. A. LOGAN: Yes. I have been through the Bill, and I cannot find where the worker is asked to carry any burden. As a matter of fact, if the hon. member will read the Bill, he will find it contains reference to the amount of compensation for which the employer is liable. Nowhere is it stated that the employee is liable for anything. Mr. Barker said that the worker was being asked to carry all the burden. The employer, not the worker, will be carrying it. I do not believe that an unfit worker should receive no wages, but industry can go just so far in providing the necessities of life for a worker. All the people should come into the picture to provide for him. It has been said that the worker is being asked to carry all the burden. For the last 12 years, probably no one has carried the burden more than has the wheatgrower in regard to cheaper food products; yet under this legislation he will be forced to pay a high premium for his workers' compensation insurance. He has provided cheap wheat for flour, stock-feed, and fowl food which, in turn, has meant cheaper bread, meat, and eggs. The wheatgrower has received no consideration under the Bill. He will be forced to pay an extra premium which he cannot pay; or, at any rate, which he cannot pass on.

The Bill will also allow compensation to be paid to workers' dependants who are outside Australia. In some cases that may be fair and just, but members must realise that there are many men working in Australia today who have not seen their families for 14 or 15 years.

Hon. L. Craig: They would not come under it if they were not real dependants.

Hon. L. A. LOGAN: These workers may have been sending money to their families all the time; I do not know. But I do not believe that they should come under the provisions of this legislation. I am afraid the clause dealing with travelling to and from work is too elastic in its scope to find favour with me. I ask the Minister this question: If a man left his place of employment with the intention of interviewing his doctor, and he was hit by a motorcar, would he receive compensation under the Workers' Compensation Act, or under the third-party insurance legislation?

Hon. H. Hearn: Under the Bill, the employer would be liable.

Hon. L. A. LOGAN: Why should he be? Provision is already made under the third-party insurance measure for such a case.

Hon. L. Craig: He would come within the third-party provisions only if the driver were negligent.

Hon. H. Hearn: The employer would be for it either way.

Hon. L. A. LOGAN: The easy way out of it would be to say that the worker would come under workers' compensation. A worker may be travelling from his place of employment to see a specialist, or some other doctor, and a drunk might lurch out of a hotel, bump into him, and push him into the gutter so that he received concussion. Under the Bill, the employer would be responsible in that event. I do not think it was ever intended that such a condition should apply under the Workers' Compensation Act. The position is left too wide open when such a provision is included. There are many other circumstances, over which the employer would have no control, but for which he would be responsible. I do not see any reason for including this provision in the Bill. If the worker knows the Act does not give him full payment

while off duty, he can insure himself under the Commonwealth medical scheme and receive cover for most things.

Hon. E. M. Davies: Not if he is a workers' compensation case.

Hon. L. A. LOGAN: That is so; but he could take out cover under the Commonwealth health insurance scheme, and he would then have the right to receive compensation under that legislation. That is why I say that workers should pay something towards safeguarding themselves. Mr. Barker mentioned the national health scheme. I agree with him that it is the only obvious way by which we shall ever overcome the means test; but immediately we bring in such a scheme, the worker will have to pay his portion. Unfortunately, people look to the Government to pay the lot, and that is why we have not yet had a national health scheme. If we were all prepared to pay into such a scheme from the day we started work, I can see no reason why we should not have a scheme that would be of benefit to all.

Hon. F. R. H. Lavery: Do you mean a national health scheme, or a national insurance scheme?

Hon. L. A. LOGAN: It could be either. The clause which seeks to raise the maximum earnings of a worker from £1,250 to £2,000 also has its dangers. A worker who earns £2,000 a year receives £38 10s. a week. The Bill also seeks to increase the maximum that a man can receive when off work from 66⅔ per cent. to 80 per cent. of his income. A man who could, with his hands—he would be a contractor if I know anything about it—earn the sum of £38 10s. a week would, if he sustained an injury at work, draw £32 10s. a week if he received 80 per cent. I can see a lot of fellows having a six months' holiday on the £32 10s. I believe that industry should, to a certain extent, look after its employees; but I am afraid that by raising compensation to this standard, we will cause absenteeism to be pretty rife. I shall give an illustration of what this means. In "The West Australian" this morning there is a report dealing with the Fremantle Hospital in which it is stated that since the cancellation of the free hospital scheme, 753 fewer patients were treated there.

Hon. E. M. Davies: They cannot afford to pay.

Hon. L. A. LOGAN: What was happening was that people were putting their kiddies into hospital for a week while they went for a holiday.

The Minister for the North-West: What was wrong with the doctor?

Hon. L. A. LOGAN: What is wrong with the doctor under the Workers' Compensation Act?

Hon. C. W. D. Barker: Have you inquired as to whether space at Karrakatta has gone up?

Hon. L. A. LOGAN: When we give these benefits, we find they are abused; but if the people had to pay a little for them, they would look after themselves. This is not a case of the people not being able to pay, but of abusing what was given. Members know what goes on under the Workers' Compensation Act.

The Minister for the North-West: Would not the medico have something to do with it?

Hon. L. A. LOGAN: He would be a cobber of the fellow.

The Minister for the North-West: Surely not.

Hon. L. A. LOGAN: A child might have a cold for a week.

Hon. C. W. D. Barker: Do you believe it is done?

Hon. L. A. LOGAN: I know it is a fact.

The Minister for the North-West: You ought to start a Royal Commission into it, then.

Hon. F. R. H. Lavery: Perhaps you would say that the superintendent of the Fremantle Hospital allows in any patient that a doctor brings forward.

Hon. L. A. LOGAN: I am making a statement of fact, and I am prepared to stand up to what I say here.

Hon. F. R. H. Lavery: I shall bring a denial of that, quick and lively.

Hon. L. A. LOGAN: When things are given they are abused.

Hon. F. R. H. Lavery: The worker must be prepared to pay something for himself; yet when we wanted to make the sailors pay you did not want to let them.

Hon. L. A. LOGAN: I did not oppose that Bill.

Hon. F. R. H. Lavery: I beg your pardon! I take back that remark.

Hon. L. A. LOGAN: I do not agree that one insurance company should be forced to do all the insurance for a particular client. This is creating a monopoly which was never intended and which, unfortunately, will not benefit the worker. The whole Bill will not, eventually, be for the benefit of the worker. The extra amount that will have to be paid by the employer will be passed on to the employee. The worker will pay more for it than he can hope to get out of it. We, as consumers, shall also have to pay for it.

The House has already been told of the extra premium that the goldmining industry will have to pay. Not long ago, I stated here that one company, which I knew particularly well, was on the breadline, and I mentioned a certain figure it would have to pay when the rail freights were increased. That particular increase is now costing the company exactly £1,500 a month, so that the scrapings of the bread have gone; and if this measure goes through there will be no bread at all;

the company will be broke, and all the employees will be looking for a job. We must exercise some responsibility and have some regard for the economy of the country when discussing a Bill like this.

I said earlier that it was an irresponsible piece of legislation. If we go through all the alterations to the first schedule we find that in every case there is an increase of 62½ to 66⅔ per cent. How the Minister in charge of the Bill worked out that basis, I do not know. I cannot fathom it; and I hope that when he replies, if he gets the opportunity, he will give us the reasons for using that basis.

Hon. G. Bennetts: Do you think the amount stipulated for silicotic miners is too much?

Hon. L. A. LOGAN: Yes.

Hon. H. Hearn: And so do you.

Hon. E. M. Davies: Human values count for nothing.

Hon. L. A. LOGAN: We cannot legislate for human values.

Hon. F. R. H. Lavery: We should.

Hon. L. A. LOGAN: I think that would be an impossibility, and the hon. member must realise that we could not legislate for them. Unfortunately, we must get down to economics, and they do not always tally with the human side. I do not want to deprecate the worker, or prevent him from getting that which he is entitled to receive. He is entitled to his fair share; but everyone else is entitled to the same thing, and therefore I intend to vote against the second reading.

HON. H. L. ROCHE (South) [8.17]: I intend to oppose the second reading of the Bill, because I think we have reached a stage where we have an opportunity, perhaps our last for many years, of effecting a standstill in the spiral of costs which is threatening every one of the major industries in this country.

Hon. L. C. Diver: And every worker.

Hon. H. L. ROCHE: At the moment, we are trying something in the nature of pegging wages, and that undoubtedly will have some effect on the control of prices. To my mind the two things must go together. I think that we, as responsible members representing a considerable section of the community, should be prepared to allow the next 12 months to pass without effecting any increases in costs, and thus endeavour to produce some form of stability. It seems foolish to talk freely and easily of having achieved a stable economy while we are still experiencing increases in the basic wage, increases in cost, and increases in prices. For some time it has been apparent that, if that trend continues indefinitely, we will be forced out of the markets of the world, and the position within the State will become intolerable.

For that reason I intend to oppose the second reading of this measure. The great majority of the people in the community are now in a position where they could be classed as reasonably content and satisfied. It will impose no hardship on anyone if we tell the Government that we intend to reject this measure for the time being in an effort to obtain stability in our economy. If, in 12 months' time, we have some measure of stability, the Government will be in a better position to assess what increases, if any, are necessary and if our economy has drifted so far that the radical alterations provided for in this Bill are necessary to do justice to workers in industry, they can be reintroduced.

It seems to me that we are approaching a stage that we reached some few years ago when the late Mr. Chifley was forced, through pressure, to unpeg wages. As the result of that pressure, he took the first opportunity of handing price-control over to the States: and I think there is substance in the argument that price-control cannot be successfully maintained without wage-control. Wheat and wool production are our major industries, and they, like some other minor industries, are producing satisfactory returns. Thus if we could achieve stability throughout our economy, we would be rendering some service to the community. We must be determined to take our responsibility for making decisions; and, instead of being prepared to support the second reading of this Bill and amend it in Committee, and then having a conference and compromising over what should be accepted, I think we should reject the measure, and look at the position again in 12 months' time. If we take that responsibility, and if my belief in our immediate future is anywhere near correct, this country will have several prosperous years in front of it—as prosperous as we have ever seen. But that will not be the case if we allow costs to continue to spiral as they have been doing over past years.

I do not like controls, and I have made my position clear on that subject many times. But we have reached a dangerous point; and if we must accept controls, they will have a psychological effect as well as an impact on our economy. As I said earlier, we cannot have a control of prices without a control of wages. I am inclined to think that the benefit of a control in prices is as much psychological as actual, and it is of no use thinking that we can use controls to stabilise affairs in Western Australia if we agree to legislation of this character. If this Bill is agreed to, its provisions will have a tremendous impact on the costs of many industries. I realise that if the present drift continues—and we are still drifting—there will be no eventual benefit to anyone. I believe, too, that in this State the public generally would be quite prepared to accept a deferment

of the benefits of this measure for another 12 months. This would enable us to stabilise our economy within that period.

HON. F. R. H. LAVERY (West) [8.25]: One of the things that hits me is that, with one or two exceptions, all members who have spoken to this measure have had a shot at the worker, as well as mentioning what a blow this Bill will be to the economy of the State. Some members have said that certain types of workers are not doing the same amount of work that they were doing in 1910, when they were working for 12s. a day and did not have any idea where they would get their next job if they were given the sack. Those remarks pain me. I am an industrialist, and I have taken an active part in the industrial affairs of this State; but I have always tried to take the centre line of the road. I will not go to the extreme for workers, industry, or anyone else. I always try to look at things with an unbiased outlook, although I do not mind admitting that I am biased, if anything, a little towards the worker. That is a fair statement to make, because I think I am entitled to be a little biased towards the worker.

Hon. J. M. A. Cunningham: Why?

Hon. F. R. H. LAVERY: It hurt me to hear one or two members, for whom I have a lot of respect, go to a great deal of trouble to say how little the workers in Fremantle and Midland Junction are doing. But from some facts and figures which I have been able to obtain from the monthly summary of the National Bank, dated the 14th October, it would seem that somebody is doing something besides loafing.

During the years 1901-05, 250,000 tons of cargo per annum were handled on the Fremantle wharf. At present a fraction under 3,000,000 tons per annum are handled. Admittedly more men are employed there, but that quantity of cargo is considerably more than was handled in 1901-05. There are 1,800 men employed, and about 300 men are usually away on sick leave or annual holidays, or are receiving the benefits of workers' compensation. This means there is an average of 1,400 or 1,500 men employed all the time to carry out the duties of handling the cargo in and out of the port.

Coming back to the railways again, although Mr. Jones did not say so, but merely mentioned the worker who was rushing off to the train in his efforts to get home early, he again implied that the men at Midland were not pulling their weight. But I suggest that the fault in railway administration comes from the top. As I said last year, when a workers' compensation measure was introduced, the worker will do anything that is asked of him if he is properly controlled. No person has done more for Australia than the workers in Western Australia in the mining industry, the timber industry, or any other industry. But unless the management can control its employees, and control the subsidiary managers and foremen as well, we will not be able to improve production.

I will quote as an example the oil industry, in which I worked. In that industry, the workers are controlled from the time they go in the gate until the time they come out. It is an object lesson to management in this State, except perhaps the B.H.P.—I frankly do not know the working of B.H.P.—to see the maximum being given by these workers with a minimum of effort, because they work to a system well-nigh perfect. I say without fear of contradiction that the majority of cases in which industry cannot bear these added costs are brought about by mismanagement.

I quote another example, the Metro Bus Company. There is no more efficient transport service in the State—including the railways—simply because of good management. I speak with experience of that company. I also speak with experience of the oil industry, because I have seen how it is carried on. During the course of making deliveries from the oil company to various firms, I was ashamed of some cases where men had to stand around doing little, simply because of the fault of the management.

There has been great opposition to the Workers' Compensation Bill. In fact, I am not happy about one clause. Mr. Hearn, in speaking, called on members once or twice to refer to the Bill. From what I have heard, some members have spoken to everything except the provisions of the Bill. Before concluding, I refer to a remark made by Mr. Thomson. He complained that the Premier should make some plea to the worker to play his part.

Hon. J. McI. Thomson: I said the Premier should appeal to the workers as he had appealed to the heads of industry.

Hon. F. R. H. LAVERY: I agree. According to a report in "The West Australian" of the 29th October, the Premier appealed to both sides. He appealed to the heads of industry, on one side, and the trade unions and workers on the other, and asked each group to give its best. That was a call to the worker just as much as it was to industry, and I support him in that. If we are to get the best out of industry, the workers also will have to give of their best.

Hon. A. F. Griffith: The Premier said there were comparatively few leaders of industry in this State.

Hon. F. R. H. LAVERY: I agree with him. I say that the delegation of authority by leaders to foremen and management results in loss of efficiency and leaves much to be desired.

Hon. A. F. Griffith: I was looking at the report in "Hansard."

Hon. F. R. H. LAVERY: In regard to insurance companies, I have extracted some figures from the year book. They refer to claims made against premium incomes. The 1951-52 figures for fire indicate—

Hon. L. Craig: The Bill does not deal with those figures.

Hon. F. R. H. LAVERY: I quote the figures for five or six phases of insurance referred to in the Bill before us. In 1952-53 there was a profit of £879,990 on fire and a loss of £468,000 on hailstones.

Hon. L. C. Diver: That was the worst year on record.

Hon. F. R. H. LAVERY: I cannot help it. Those are the figures. The employers' profit for 1951-52 amounted to £390,644, and the profit for the period 1950-51 was £326,367. Since this Bill was amended last year, there was an increase of £64,277 in profit.

Hon. L. A. Logan: To whom does the profit go?

Hon. F. R. H. LAVERY: I thought I made myself plain when I referred to these figures. They do not include the working costs.

Hon. N. E. Baxter: What do the companies pay on account of the increased basic wage?

Hon. F. R. H. LAVERY: The facts are on page 64, of the W.A. Year Book, where they can be seen. I quote the following from the Monthly Summary issued by the National Bank and dated the 14th October, 1953:—

> Amongst local producers the most pronounced change of last year on the year before was in farm income which increased by 33 per cent. to £574 million from £431,000,000. This accords with the experience of many farmers who benefited from higher wool prices, from a bountiful season and—let it not be forgotten—from their own efforts to increase production. The increase of eight per cent. in total wages and salaries barely kept pace with price changes.

These figures apply to the whole of Australia.

Hon. Sir Charles Latham: What does that lead to?

Hon. F. R. H. LAVERY: The point I am stressing is that the Country Party members are claiming that, if the Bill passed through the House, those companies would all go broke.

Hon. H. Hearn: They did not say that.

Hon. F. R. H. LAVERY: They referred to it by inference. This publication would not have printed this without just cause. In another paragraph it says—

> In past years the money value of domestic expenditure has been continuously increased as a result of the system of automatic adjustment of wages to price increases. By the Arbitration Court's recent decision, that system has now been suspended and further increases from this cause seem now less likely.

Hon. J. M. A. Cunningham: Are you going to refer back to the Bill?

Hon. F. R. H. LAVERY: The main opposition to the Bill was that industry could not bear the added cost. I am showing, on behalf of the workers, what benefits would have been achieved by industry. I do not deny that there will be an added cost to industry.

Hon. A. F. Griffith: The Minister for the North-West said it was in the power of the Chamber to amend the Bill.

Hon. F. R. H. LAVERY: I have not known one measure affecting the betterment of the workers to go through this House without amendment. No member can tell me otherwise. I have had experience of the goldmining industry, and appreciate that the lower-grade mines are feeling the pinch on account of the high cost of production. A great play has been made by some members of the House on the conditions in the goldmining industry, to show that added premiums for workers' compensation cannot be borne by the companies, without their ending up in bankruptcy. Dealing with Western Australia, the summary contains the following paragraph relating to gold production:—

> Output of gold for the month of August, 1953, totalled 62,348.13 fine ozs. valued at £A965,876 and showed an increase on the output of 60,111.71 fine ozs. worth £A931,231 produced during the corresponding month of the previous year. The steady improvement in production is revealed in the total of 542,482.69 fine ozs. valued at £A8,403,955 produced in the eight months period ended August, 1953, when compared with 477,212.85 fine ozs. valued at £A7,392,852 for the similar period of 1952.

I tried to make plain in my opening remarks that I regard this summary of the bank's as being authentic. If it is not, then I have misinformed the House. Whether the Bill be passed in its present form or amended is, of course, a matter for the House to decide; but at least it is the entitlement of the workers that any legislation which can be brought forward for their benefit should be introduced. Whether the House rejects it on the ground that the measure is wrong is the prerogative of the House; but I plead with members that, when speaking on measures affecting the workers, they will leave them alone by refraining from al-

luding to eight hours of work. If the workers are not doing it, that is the fault of the employers.

As to Tabling Paper.

Hon. Sir Charles Latham: Under Standing Order 342, I ask that the document from which Mr. Lavery has quoted be laid on the Table of the House.

Hon. F. R. H. Lavery: I shall lay the paper on the Table.

Debate Resumed.

HON. L. C. DIVER (Central) [8.48]: I rise to oppose the measure, and I do so on economic grounds only. Mr. Lavery has quoted from a document to indicate the prosperity being enjoyed by the agricultural industry throughout Australia, but I wish to point out the facts as they exist today. Butter is being sold at less than the cost of production, and only during the last two days the newspaper has reported that we can look forward to a reduction of 1s. per lb. in the price of export butter in the next 12 months. Seeing that our primary produce constitutes the wealth of this country and is the basis of its credits, I do not think the hon. member will dispute that, but for the huge sum of money pouring into Australia from the wool and wheat cheques, this legislation would not be before the House.

Let me refer to the position regarding coarse grains. Last year we had no difficulty whatever in obtaining 6s. to 7s. a bushel for oats, whereas today thousands of bushels are being sold at the sidings at 4s. a bushel. It is most difficult to make sales of wheat overseas at the present time. Consequently, we have to realise that, if we pass this Bill, there will be an extra charge upon all industry, and where would we obtain the wealth to carry on? The Premier has appealed to all of us to trim our sails and keep costs down, and yet we have in this legislation an ingredient that will insidiously force prices up. I appeal to those who in normal times would support such a measure to do as Mr. Roche suggested and hold their horses for 12 months because, if this measure were passed and a recession occurred, it would rebound on the workers as industry would be placed in the position of being unable to bear the additional burden.

Members who represent another section of the community are aware that requests are being made to the Tarriff Board for additional protection for Australian secondary industries. It is claimed that the cost of 10,000 miles of ocean freight does not afford sufficient protection for our factories. Controllers of industry are finding that the cost-of-living conditions imposed upon them are so great that their products cannot compete with the commodities being supplied by manufacturers in other countries. Consequently, if we are going to look for expanding markets and the employment of more people in industry, it behoves us to exercise restraint at the present time.

To the uninformed, it may appear that we are in the happy position of being on the crest of the wave. In my view, we are living in a fool's paradise, and if we pass this measure I believe we shall have great cause to repent our action. For that reason, I oppose the second reading.

HON. G. BENNETTS (South-East) [8.54]: During the course of the debate, much has been said about the detrimental effect that the passing of this measure would have on industry. I cannot agree with those sentiments. According to the newspaper the other day, Foy & Gibson showed a tremendous return by way of dividends, and Winterbottom's was another firm that was able to report huge profits.

I am concerned about a particular class of workers, namely, the men who work in the mines on the Eastern Goldfields—the men who run the risk of contracting silicosis. I worked in the mines as an underground trucker back in 1912. At that time, the mines were very poorly ventilated and the control exercised over firing, etc., was non-existent. Firing could be carried out at any time, and the consequence was that many men were working amongst fumes and dust and contracting miner's complaint. As a result, some very bad cases occurred. I did not know until a couple of months ago, when I presented myself for a check-up and finally had to go to the laboratory, that a percentage of dusting contracted in the mines was still in my lungs.

I give the industry credit for the manner in which it has improved the mines in order to overcome this menace. The provision for payment of compensation came into force and, until last year, an affected miner had the opportunity of leaving the industry and receiving £750 compensation. Last year, a measure was passed which increased the amount to £1,750 and provided £50 for each child under the age of 16. Under this measure, it is proposed to increase the total amount of compensation to £2,800 in order to meet the higher cost of living. Unless one has seen a man suffering from miner's disease, one can form no idea of the agony he endures.

Hon. L. Craig: A sum of £2,000 is the amount of income that a man may earn to come within the definition of a worker.

Hon. G. BENNETTS: And the proposal is to provide £75 for each child. The miner is compensated only according to the percentage of disability he suffers—50 per cent. or 80 per cent., as the case may be. When the total amount is cut out, he goes on to the Mine Workers' Relief Fund, which provides a very small

amount for him. All possible consideration should be extended to these men because their sufferings are terrible. The mining companies have undertaken preventive measures, such as the introduction of the aluminium therapy treatment, which has cost much money to install and has given good results. The larger mines are so equipped, but I do not think the smaller ones are.

When a man meets with a fatal accident in the course of his employment, there should be no objection to his family, if living overseas, being entitled to receive compensation. As he was the breadwinner for the family, there is no reason why his depandants should not be compensated, just as if they were living in the State. We are bringing these people into the country, or at least assisting them to come here, and I think it is our duty to look after them. However, as members will have an opportunity of debating the measure during the Committee stage, I will not further delay the House. I support the second reading.

On motion by Hon. C. H. Henning, debate adjourned.

House adjourned at 9.2 p.m.

Legislative Assembly

Tuesday, 17th November, 1953.

CONTENTS.

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

QUESTIONS.

BLACKWOOD ROAD.

As to Widening Mt. Barker-Pardelup Sections.

Hon. A. F. WATTS asked the Minister for Works:

With reference to an earlier question regarding resumption of land for widening Blackwood-rd., west of Mt. Barker, and in view of the fact that some farmers are rabbit-netting their existing boundaries at very considerable cost, will he arrange for a prompt visit by an officer of the department to advise farmers concerned where their new fence lines are likely to be so as to avoid inconvenience and increased compensation claims?

The MINISTER replied:

Yes.