

Commissioner has undoubtedly proved a good man in his job. I recall with a good deal of satisfaction that I supported and approved his appointment at the time it was made. It must be admitted that Colonel Pope has carried out the duties of the position most satisfactorily. In a huge concern like the Railway Department the increase of costs year after year makes the earning of a profit increasingly difficult. In adopting re-grading and other means of reducing expenses the Commissioner is, I am sure, proceeding on right lines.

Progress reported.

*House adjourned at 10.50 p.m.*

## Legislative Council.

*Tuesday, 16th November, 1926.*

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

### QUESTION--STATE INSURANCE OFFICE, COST, ETC.

Hon. C. F. BAXTER asked the Chief Secretary:—1, What is the total cost of establishing the State Insurance Office? 2, what is the total amount of premiums received by the State insurance of workers' compensation, from the inception of the office to date? 3, What is the amount of premiums received for miners' phthisis only, from the inception of the office to date? 4, What is the amount of losses paid and outstanding—(a) for workers' compensation business only, including medical and hospital fees; (b) for miners' phthisis, including medical and hospital fees? 5, Is the State insurance officer covering hailstone risks for I.A.B. clients? 6, If not, how is this class of business being done?

The CHIEF SECRETARY replied: 1, The total expenditure of the office, exclusive of claims, up to 31st October, 1926, was £779 13s. 9d. In addition to this sum, a further liability has been incurred in the purchase of furniture for which accounts have not yet been received, but which is estimated to cost £150. 2, Total premiums received on account of general workers' compensation business to 31st October, 1926, £9,520 14s. 1d. 3, Total premiums received on account of miners' phthisis insurance to 31st October, 1926, £10,014 12s. 8d. As most of the premiums are paid in monthly or quarterly instalments, the above amounts represent the sums actually received, not the total premium income for the year. 4, Amounts paid in claims and medical expenses to 31st October, 1926—(a) workers' compensation business, £4,214 9s. 4d.; (b) miners' phthisis, £246 13s. 5d. It is not possible, without considerable trouble, to estimate the liability on account of outstanding claims. 5, No. 6, By the Industries Assistance Board. The hailstone risk is covered in conjunction with the fire risk, under the powers conferred by Section 9 of the Industries Assistance Act Amendment Act, 1915. The hailstone insurance through the Board fund is optional on the part of the settlers, but a greater proportion of settlers have arranged such insurances with the Board than in previous years effected insurances with the incorporated companies. Possibly this satisfactory result may be caused by the fact that this year the companies are declining to grant rebates, whilst the I.A.B. is continuing the practice of allowing them, thus conserving to the I.A.B. settlers a very valuable concession. The settlers are also aware that whilst the total premiums previously paid amount to about £250,000, the losses have been about £101,000. The insurance fund so formed is administered by the Government Actuary.

### LEAVE OF ABSENCE.

On motion by Hon. G. W. Miles (for Hon. E. H. Gray) leave of absence granted to Hon. W. H. Kitson (West) for six consecutive sittings on the ground of urgent private business.

On motion by Hon. J. Nicholson leave of absence granted to Hon. A. Lovekin (Metropolitan) for six consecutive sittings on the ground of urgent private business.

**BILL—RESERVES (No. 2).**

Read a third time and passed.

**BILL—STATE INSURANCE.***In Committee.*

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Interpretation.

Hon. H. POTTER: In order to meet the pronounced wishes of the Government, so far as the necessity for the introduction of the Bill goes, I move an amendment—

That in the definition of "workers' compensation insurance business" all the words after "liability," in line two, be struck out, and the following inserted in lieu:—"for compensation so far as relates to employees in metalliferous mines in Western Australia, and to employees engaged in the various industries set out in the Third Schedule of the Workers' Compensation Act, 1912-1924."

The Government have contended that the Bill was brought down to meet the exigencies of the occasion, which arose between the Minister controlling this prospective department and the insurance companies, and I think this amendment will meet their wishes in all respects.

The CHIEF SECRETARY: I hope the amendment will not be carried. The definition of "workers' compensation insurance business," as it stands in the Bill, would enable the State Insurance Office to transact general accident business as well as miners' phthisis insurance. Mr. Potter says he is endeavouring to meet the wishes of the Government. As has been stated, the Government were forced into this business. I am certain they would not have dreamed of undertaking it if they had any conception that Parliament would attempt to restrict their operations in the manner indicated by the amendment. As I pointed out on the second reading, the State office was practically compelled by the insurance companies to carry out this business, as the policies of all the mining companies, and of all those engaged in stone crushing or quarrying, or in anything in which dust was caused, were cancelled at three days' notice. As a result of this, the State office has actually issued many policies protecting such employers. No indication has been given by the insurance companies that they are willing to do miners' phthisis business. It would be very

unjust to the State office if it were compelled to take the worst class of business, and the insurance companies were permitted to have no competition whatever in regard to the best class of business. To restrict the operations of the State office in the way proposed would be unfair both to it and to the employers. All the machinery has been set up by the State office, and business is now being transacted satisfactorily. I contend it would be unfair to the taxpayers of the State to force the Government to take business that is associated with unusual risks, and to reserve the other business, carrying the usual risks, for the insurance companies. There is another aspect worthy of consideration. It has been definitely pointed out by the insurance companies that the present premiums for general accident insurance business are insufficient. That means that the premiums will go up. I do not think there is any doubt whatever that the insurance companies will endeavour to raise the rates at an early date beyond the 25 per cent. increase arranged at the beginning of 1925. The underwriters stated in the "West Australian" of the 23rd September last that the total premiums under the Workers' Compensation Act during the first year of the operations under that measure, amounted to £157,169 3s. 11d., and the total outgoings and other debits in respect of that business to £118,604 14s. 3d., the latter figure representing about 75.46 per cent. of the total premium income. In addition, they contended that 40 per cent. of the premium income should be set aside as a reserve against unearned premiums, and if that had been done the loss on the first year's business would have exceeded the revenue by 16 per cent., before any administrative expenses had been allowed. Accepting that statement at its face value, it seems to be obvious that some adjustment will be made by the insurance companies before very long, probably within a few weeks after the Bill has been, shall I say, mutilated by the Committee. If the State Insurance Office is prevented from doing general business as we desire, the employers may find themselves inflicted with considerably increased premiums. That was threatened in New South Wales. I can give the Committee further information on that point if it is desired. It is well known that the tariff companies in other States recently endeavoured to charge premiums vastly in

excess of what the State and other offices there considered necessary. Are the members of the Legislative Council and the employers generally prepared to allow these tariff underwriters to come forward with largely increased premiums, on which there will be no check whatever? That will be the position if the clause is amended as proposed by Mr. Potter, although his amendment is more generous than the one suggested by Mr. Stewart. The position is made worse when it is remembered that the total administrative expenses of the insurance companies in respect of workers' compensation business was £52,821 in 1925. The Government Actuary thinks it is possible that the business of the State Insurance Department can be transacted without increasing the present tariff rates, provided the department has not to incur heavy payments for commission and administrative charges. The expense of obtaining business by sending out agents, inspectors and others all over the State is heavy, but the ramifications of Government departments are so extensive that the Actuary is of opinion that the greater proportion of such administrative charges that fall on the companies would, by the very nature of the position, be obviated under the operations of the State Insurance Department. It may be alleged that this would be unfair competition but it must be remembered that, were it not for the Government, no one would be obliged to insure. The employers could carry their own risks, but now they cannot do it. Under the legislation that has been agreed to, there is no alternative for them but to insure. The Government have placed employers in that position, and that being so, surely the Government should be allowed to give them the necessary protection that is provided in the Bill.

Hon. H. Stewart: Like other protection, as against free trade!

The CHIEF SECRETARY: It should not be forgotten that the machinery of the Government is available and is likely to remain, quite apart from the existence of the State Insurance Office. It is possible to utilise it to the fullest extent in the direction of keeping the premiums fair and reasonable. I hope the Committee will not accept the amendment.

Hon. H. SEDDON: I trust the amendment will not be agreed to. It would limit the operations of the State Insurance Office

to such an extent that it would be hampered from the very jump. The Government have gone very far towards meeting the wishes of the insurance companies by allowing them to compete with the Government for the business. The restriction sought to be imposed by the amendment would make available to the Government office the worst class of insurance business, to such an extent that the Government would not have a chance. The Committee should agree to the Government having the same opportunities as the insurance companies, just as the Government have granted that right to the companies themselves.

Hon. H. STEWART: My suggested amendment, which the Chief Secretary has stated is more restrictive than that of Mr. Potter, is in accordance with the statements I made during the second reading debate, to the effect that I favoured the general taxpayers being restricted to the accumulated liability in connection with these diseases, and to allow each industry to bear its current liability. That is a fair proposition. Mr. Seddon put up a plea for the adoption of the clause on rather a peculiar political principle. He argued that the Government had given the insurance companies a fair deal regarding competition. That does not appeal to me. The question is whether the Government should enter into State insurance, to which I am opposed. I shall support the amendment, but there should be no misunderstanding. If the definition be agreed to, with the inclusion of the words "or otherwise," it will enable the Government to enter into all forms of insurance business.

Hon. H. SEDDON: The wisest way of insuring is to make it as wide as possible, and surely the Government should be allowed to operate over as wide a field as the insurance companies.

Hon. H. Stewart: That is in keeping with the views of those who favour general State insurance.

Hon. H. SEDDON: We have already endorsed the principle of the State entering the field of insurance by passing the second reading of the Bill. Contrary to that decision, we are now asked to limit the operations of the Bill to such an extent that the operations will be condemned from the jump. I do not recognise any fairness in that proposal. The Government have already decreased the accumulated liability respecting the affected and dusted men, and that benefits the companies as well as the

State office. I should like to know the effect of the inclusion of the words "or otherwise" in the clause.

**The CHIEF SECRETARY:** The definition of "workers' compensation insurance business," as set out in the clause, means "the insurance of employers against liability in relation to compensation under the Workers' Compensation Act, 1912-24, the Employers' Liability Act, 1894, or otherwise." That all applies to workers' compensation business only. The Government have no intention of embarking upon other insurance business. In addition to actions under the Workers Compensation Act, or under the Employers' Liability Act, there may be actions at common law for injuries received by workers and others, and the additional words "or otherwise" were inserted in order to cover such workers.

**Hon. J. NICHOLSON:** During the debate on the second reading the plea was advanced that the Bill was required because the Government had failed to make an arrangement with the insurance companies, so that the various owners of mines should be able to protect themselves with that measure of insurance that was necessary. The second reading of the Bill was carried by a narrow majority, so narrow indeed that one was surprised that it was actually carried. Mr. Seddon contends that because the second reading was passed we should now adopt the Bill in toto and make no amendments at all. When a Bill is carried we recognise the fact that the House has approved of it to a certain extent. It is, however, still in troubled waters and remains there until it has actually gone through its final reading. If we adopted Mr. Seddon's argument there would be no need for the Committee stage at all. I feel that I am in much the same position as Mr. Stewart.

**Hon. A. J. H. Saw:** There is wonderful unanimity amongst you.

**Hon. J. NICHOLSON:** I assure the hon. member that there has been no collaboration. We must bear in mind that the Bill was introduced allegedly because of the difficulty the owners of the mines found themselves placed in on account of the companies' withdrawal from this class of business. If that is a justification for the Bill, as obviously it is, then all that should be asked for here is not for the right to carry on workers' compensation business in its entirety, but to limit it, as Mr. Potter is seeking to do, to the Third Schedule. I am go-

ing further and will suggest that there are many members who felt compelled to vote in support of the second reading because of the fear they entertained that perhaps the owners of the mines would be deprived of a means of insuring themselves, and no doubt they thought they were doing right when they voted for the second reading. By the amendment suggested the owners of the mines will be extricated from the difficulty in which they were apparently placed. Mr. Stewart's amendment which appears on the Notice Paper is even more restrictive.

**Hon. H. Stewart:** It would probably be safer for the Government.

**Hon. J. NICHOLSON:** Mr. Stewart suggests limiting it to the diseases of pneumoconiosis, miners' phthisis and the various others referred to in the Third Schedule. Those are the diseases against which hon. members were particularly anxious to protect the mining companies.

**Hon. H. Seddon:** What about the remaining diseases in the Third Schedule?

**Hon. J. NICHOLSON:** They will be provided for by the ordinary channel of insurance. There will be no difficulty in that respect. Mr. Potter's amendment is wider than that of Mr. Stewart; it gives a wider scope of operation for the State Insurance Office. Many members who supported the second reading were not wholly in favour of State insurance. Some went so far as to suggest limiting the operation of the Act. It can be seen, therefore, that there is no need to give the full scope that is sought in the definition. What the Leader of the House stated with regard to the definition of workers' compensation insurance, is quite correct. But I would not say that it would be wise to leave in the words "or otherwise."

**The CHAIRMAN:** The amendment proposes that they shall be struck out.

**Hon. J. NICHOLSON:** Exactly. It is true that there are three particular claims that might be made under the Workers' Compensation Act and the Employers' Liability Act, and in certain circumstances they would not be open to a man who has a claim under the Workers' Compensation Act, or vice versa and at common law. There has been every reason advanced why we should limit the operation of the measure; it has been clearly shown that the Bill should not be permanently placed on the statute-book, and I shall be glad to support Mr. Ewing's amendment to limit its operation. I suggest to the Leader of the House that he need not

apprehend any difficulty in limiting the insurance as outlined in Mr. Potter's amendment.

Hon. J. E. DODD: Whilst I do not think that Mr. Potter intends to do what the amendment suggests, I unhesitatingly say that if the amendment be carried it will destroy the Bill. There is not the slightest doubt about that. There is a difference between making amendments that are going to be of use, and amendments that will have the effect of destroying a Bill. Mr. Stewart's proposed amendment is even worse than that of Mr. Potter. We are going to restrict the Government to the worst form of insurance. Is that fair? The Government have to enter into competition with companies. Why therefore should we limit it to this form of insurance which we all admit is a doubtful form of insurance? Furthermore, the Government, under the Bill, will make the mining companies carry the liability; they will take that off the shoulders of the taxpayers, and the companies will have to bear the whole of the burden. The words "or otherwise" as pointed out by the Chief Secretary, and also by Mr. Nicholson only refer to common law and to the Employers' Liability Act, which after all, is a dead letter. The worker to-day is practically restricted to the Workers' Compensation Act. I trust the amendment will not be carried; its only effect will be to defeat the purpose of the Bill.

Hon. Sir WILLIAM LATHLAIN: Having opposed the Bill at its inception, I support Mr. Potter's amendment. If I have a right conception of the remarks of various members on the second reading, they consider that unless the measure is passed, there is no possible hope for the miners, because during the present session a Bill covering the special diseases of miners could not be passed. At the outset I inclined to the same opinion as Mr. Stewart, that the Bill, having been passed by a very small majority, should be limited to the diseases mentioned in the amendment. However, as it has been stated that the insurance companies are doing well out of workers' compensation and that the only probable loss is because of the diseases in question, I support Mr. Potter. It is surprising how far State trading concerns extend when given a little power. The original State trading concern was the timber mills. They were extended to include timber yards and joinery works, and now I understand the

State Sawmills have travellers out selling glass and galvanised iron. Once given the power, the Government will permeate every branch of industry. Mr. Potter's amendment is generous to the Government, inasmuch as it gives them the chance of entering into the field of workers' compensation insurance as regards the whole of the mines. The Chief Secretary has told us that an existing scheme covers all Government employees. Further, we are told that all the workers on the main roads being constructed, and on the roads to be constructed partly with Federal and partly with State money, have been or are to be covered through the State Insurance Office. As there are 11,000 or 12,000 men involved, the premium income will be large. According to the Chief Secretary, the Government will get this business without expense and thus should be compensated for losses incurred by reason of the diseases of miners. I am not prepared to give the Government any greater latitude than that proposed by Mr. Potter's amendment. Various members supported the second reading at the last moment because they feared that the miners might suffer if the Bill were not passed. Some of those members, however, did not favour State trading. Mr. Ewing's amendment, limiting the operation of the measure to 12 months, shows that he at any rate—

The CHAIRMAN: Order! Mr. Ewing's amendment is not under discussion.

Hon. Sir WILLIAM LATHLAIN: On the second reading Mr. Ewing intimated that he did not desire State insurance to be continued, but that he would vote for the Bill in order to protect the miners. Mr. Potter's amendment represents a generous interpretation of the opinion of the majority of members.

Hon. E. ROSE: I am one of the members who voted for the second reading wholly and solely in order to protect the interests of the miners. I have always been opposed to State trading and to Government interference with industry, but after hearing the explanations of the Chief Secretary and Mr. Ewing I considered it better to vote for the second reading. Now I shall support Mr. Potter's amendment. If insuring miners only is a losing proposition, the State should be prepared to bear a certain amount of the loss; for what has made Western Australia but the mining industry? I object to the Government entering into

competition with the insurance companies in any other respect than that of miners' diseases.

Hon. E. H. Gray: Give the companies all the cream and let the Government bear the losses!

Hon. E. ROSE: But for the explanations given by the Chief Secretary and Mr. Ewing, I should certainly have voted against the second reading.

Hon. A. J. H. SAW: I hope the amendment will not be carried. A moment's reflection will convince Mr. Stewart's analytical mind that his argument as to the meaning of the words "or otherwise" is not sound.

\* Hon. H. Stewart: I am convinced that it is dangerous to leave those words in.

Hon. A. J. H. SAW: The words "or otherwise" refer only to the latter part of the clause, and have no bearing whatever either on its beginning or on its middle. Undoubtedly there are other claims for compensation besides those under the Workers' Compensation and Employers' Liability Acts; but, as we all know, it is very rare nowadays for a claim to be brought except under the Workers' Compensation Act. Mr. Nicholson said Mr. Potter's amendment was designed to modify the Bill. I should say it is designed to strangle the Bill. If the amendment is carried, I fail to see how the Government can possibly go on with the measure. The amendment restricts the Government to accepting the most extreme and the worst risks, and prevents them from accepting other kinds of insurance which undoubtedly are more profitable. If a business is restricted to one small section, success is almost impossible because of the heavy overhead charges. On the other hand, if the scope is enlarged, the business can work much more economically.

Hon. J. EWING: I am rather surprised at the turn things have taken. On the second reading I expressed the opinion that if the operation of the Bill were limited to a certain date I would be right in voting for the measure. Mr. Rose has stated that he voted for the second reading with a view to supporting such an amendment as that now before the Committee. The only possible way of dealing with the whole question is to let the Government have 12 months in which to consider the matter. I hope the Leader of the House will assure me that he will accept such an amendment when it

is moved. Apart from you, Mr. Chairman, there is probably not one member of the Committee who appreciates to the full what needs to be done in the matter of miners' phthisis insurance. I shall vote against the amendment, since it hardly gives the Government a fair and square deal. I do not wish to curtail the action of the Government during the next 12 months, for I think they should be enabled to validate the policies already in existence. The real solution of the difficulty will be found in further consideration by the Government of the whole question.

Hon. G. POTTER: Dr. Saw said the amendment was designed to strangle the Bill. It was not designed to do anything of the sort. Under the amendment I am only doing what the Minister for Works asked should be done.

Hon. J. Nicholson: Your amendment was on the Notice Paper before the second reading was passed.

Hon. G. POTTER: That is so. Many of those who voted for the second reading were showing consideration for the men on the goldfields. We were assured that if the Bill did not pass, bringing some direct relief to the mining companies in the matter of insuring the men, it might mean the closing down of the mines. That, of course, would be a calamity for the whole State. In pairing with Mr. Glasheen I voted for the second reading, notwithstanding which outside the House I have been castigated for running away from a division. Unfortunately, that arose from one of the rare mistakes made by the Press. I voted for the second reading because I had consideration for those men whom the Minister for Works was considering when he introduced the Bill. Mr. Seddon seems to think it wrong to make any material amendment to a Bill in Committee. I think I have heard him arguing the other way. Anyhow, it is quite competent for a member to move any amendment in Committee. It is axiomatic that all government is in a spirit of compromise. Therefore, I was astounded when, the other night, the Chief Secretary said the Government wanted the Bill, the whole Bill and nothing but the Bill. There is no spirit of compromise there. Constitutional lawyers have declared that State insurance was illegally established. Still, in a spirit of compromise I was prepared to waive a principle in order to assist the Government, the taxpayers and the miners, and in order further that the Gov-

ernment might not be stultified in their actions. Yet we are told that although the Government have illegally established State insurance, we should not protest against it, nor define the scope of the new department. The Government take up an attitude of aggression; are we not justified in defending ourselves.

Hon. H. Seddon: Yes, sufficiently for successful defence.

Hon. G. POTTER: Then there is nothing wrong in the moving of my amendment. I will not say the Minister's remarks on the amendment were designed to stampede members into voting against the amendment, but certainly those remarks would have that effect. The Minister spoke of taking statements at their face value. We have accepted the statements of the Minister for Works at their face value, and by the amendment have given them intrinsic value. If the Minister for Works really meant that State insurance had been introduced to assist the mining industry, surely he cannot complain if we give him exactly what he requires. Members of another place, during the second reading debate on the Bill asked whether it was to be applied solely to the mining industry; showing clearly that that was the impression. But in the closing moments of the debate the Minister for Works said it was not so, that the department would take all business that came along. Mr. Dodd has said it is unfair to thrust on the Government the worst form of all insurance. But the Government have asked for it. It has been said the insurance companies have made large sums from workers' compensation business, but I rather doubt that. It has been my experience that any firm likes to be in a position to supply the demands of all customers. So, naturally, no insurance company would like to be deprived of the right to cater for any particular branch of business. Mr. Dodd also said it was not the intention of the Government to establish a monopoly. On the second reading I referred to that notorious circular letter. Moreover, we all know what has happened in other Government departments where, although the business is not essentially a monopoly, it tends in that direction. I appeal to members to support the amendment.

The CHIEF SECRETARY: I do not know what Mr. Potter's object may have been in moving the amendment, but I do know what its effect will be: It will be the stran-

gulation of the Bill, as indicated by Dr. Saw. Under that amendment we could not go on with our insurance business, for it would involve heavy losses on the taxpayers for the benefit of the insurance companies. Mr. Nicholson said the Government had entered into the insurance business to cover the mining companies against the risk of miners' disease. The Government did so because the companies refused the risk at £4 10s. per £100, even when they had a monopoly of insurance business. Parliament made such provision that a great volume of business was directed to the companies, and the Government Actuary estimated that £4 10s. per £100 was a fair premium rate for miners' disease, taking into consideration the immense volume of other workers' compensation business the companies would be able to do. Do members think the Government would have opened an insurance office had they thought Parliament would restrict the business to miners' phthisis?

Hon. J. Nicholson: What I am surprised at is that Parliament ever sanctioned it at all.

The CHIEF SECRETARY: Originally we asked for a monopoly, but on certain objections being raised the Government decided that there should be no monopoly and that there should be competition from the insurance companies if they wish. So far the companies have expressed no wish to insure against miners' diseases, even in conjunction with other workers' compensation. There are 66 insurance companies in this State. The State Insurance Office will make the 67th office prepared to do business and we ask for one 1/67th of the business. There are indications that members will refuse to permit us to enjoy that 1/67th of the insurance business of the State. I can scarcely believe they will do so, but at present it is my impression that they will. It has been said that the amendment will have the effect of extricating the affected miners from their difficulties. I can assure members that it will not. Mr. Rose said he desired to protect the miners. No protection would be afforded the miners if the amendment were carried. Mr. Seddon stated that the members who are supporting the amendment are not inclined to give the Government a fighting chance. That is a fact. The Government could not succeed with their office if they were restricted in the manner suggested. I hope members will consider the matter and ask themselves

whether they could justify their attitude on a public platform.

Hon. G. Potter: We are thinking of the miners.

The CHIEF SECRETARY: No member could justify the attitude of restricting the Government, who have been forced to start this business.

Hon. H. SEDDON: I can understand opponents of State trading who, having been defeated on the second reading, now take what action they can to limit the operations of the Government. Those who supported the second reading, however, should be consistent to the extent that, having adopted the principle of workers' compensation insurance, they should give the Government a fighting chance to make it successful. By supporting the amendment they will be imposing upon the Government a burden that is entirely unjustified and inconsistent with their vote last Wednesday. We have to recognise that the premium of  $4\frac{1}{2}$  per cent. was arrived at after consideration had been given to the rates in the insurance companies' schedule for other branches of compensation insurance. If the business of the State Insurance Office were limited to the mining section, we should be discounting the value of all the other business that was considered in arriving at the figure of  $4\frac{1}{2}$  per cent. I am surprised at the argument of Mr. Nicholson. He endeavoured to show that I was opposed to any amendment to the Bill. That is not correct, but I am opposed to an amendment that would make the Bill useless for the object for which it was designed. There is another aspect that has not been mentioned. The insurance companies draft a schedule on which they fix the rates for accidents in various occupations. If we limited the operation of the measure to miners' diseases there would be nothing to prevent the companies revising their schedules and increasing their rates for other branches of workers' compensation insurance. Thus, we should be leaving the companies with practically a free hand to increase their rates in every other branch of workers' compensation insurance.

Hon. G. Potter: That is an unfair imputation.

Hon. H. SEDDON: It is not.

Hon. G. Potter: Then it is unreasonable.

Hon. H. SEDDON: The companies' schedules are revised from time to time in

the light of experience, and they would be quite justified in revising their rates.

Hon. H. A. Stephenson: What is wrong with that?

Hon. H. SEDDON: Nothing; but this Bill has been designed to place a check upon the companies, and the public can be protected only by our passing the Bill as it stands. Surely, if the companies were sustaining losses on compensation insurance, they would revise their schedules.

Hon. H. A. Stephenson: Or pay the loss out of some other fund.

Hon. H. SEDDON: The schedule has been based upon experience of losses in all branches of compensation business and the  $4\frac{1}{2}$  per cent. was arrived at after consideration of the figures. Surely it is only reasonable to give the Government a fighting chance by allowing the Bill to go through, even if we limit its operation to a period, as Mr. Ewing has suggested. For the 12 months, at any rate, let the Government have a fair experience of workers' compensation insurance.

Hon. C. F. BAXTER: Mr. Seddon stated that those members who supported the second reading and now favoured the amendment were inconsistent. There has been a great deal of inconsistency. Before the second reading was passed we were led to believe by every supporter of the Bill that it was required to enable the Government to cover miners suffering from disease. Now the position has changed. The Bill is a general one, and there is no disguising the fact that the Government require wide scope.

Hon. H. Stewart: Is not that often the effect after passing the second reading?

Hon. C. F. BAXTER: Yes. Why should Mr. Seddon refer to inconsistency on the part of those who supported the second reading and now favour the amendment? Reference has been made to the words "or otherwise" at the end of the definition. Dr. Saw thought they meant practically nothing. I maintain that they mean a great deal. The Government, led by the Minister for Works, illegally forced State insurance on the country, and those words would give the Government license to go to any extent. It has been said that the amendment would involve the taxpayers in great cost.

Hon. E. H. Gray: You do not care so long as the insurance companies make plenty of profits for themselves.



Hon. C. F. BAXTER: We agree that the affected miners must be compensated at any cost, but unfortunately the problem was not properly handled in the past. As the Bill was pushed through on the one plea that it was required to assist the miners, we should not allow its operation to extend beyond that. It is all very well to argue that the companies could revise their rates for compensation insurance. In the past the companies formed a pool to protect themselves; otherwise they would have been unable to carry on. The amendment is reasonable and it follows the line of argument on which the second reading was passed.

Hon. J. R. BROWN: Members are getting on their hind legs to try to defeat the measure. The object of the amendment is to separate the Miners' Phthisis Act from the Workers' Compensation Act. A man who contracts miners' complaint goes down a mine in the same cage as does a man who is killed by accident. Both of them are on a par in the matter of insurance. The measure should not be amended in such a way that a loss will be inevitable. The Workers' Compensation Act and the Miners' Phthisis Act must be treated together.

Hon. G. Potter: You have the whole of the Third Schedule of the Workers' Compensation Act.

Hon. J. R. BROWN: Members have urged that the Bill passed its second reading by only a narrow majority and that if another member had been present it would not have been passed. Members have been rubbing in that argument, and they want to restrict the Government's opportunity so as to be able to point to the State Insurance Office as another trading concern that shows a loss. Members, having agreed to the principle of State insurance, should permit the Government to carry on the business without restriction. No amendment is necessary, but members seem determined to make the Bill impracticable.

Hon. E. H. GRAY: I defy any man to support the amendment on business grounds. It is equivalent to asking a drapery emporium to fix all its prices on the basis of cheap lines thrown out to attract business. I am sorry that Mr. Potter has been called upon by the powers-that-be to move the amendment.

Hon. G. Potter: I object to that statement and ask for an unqualified withdrawal.

The CHAIRMAN: The hon. member will please withdraw the remark.

Hon. E. H. GRAY: I withdraw the remark. I am sorry if my colleague is offended. I made the remark with the best of intentions.

Hon. J. Nicholson: It was quite unjustifiable.

Hon. E. H. GRAY: The people we represent will not support this amendment. That is why I made the remark. It is not a business proposition to say that the profit part of the undertaking should be deleted from the Bill, leaving the losing part to be conducted by the Government.

Hon. E. H. Harris: It would be a restricted kind of State trading.

Hon. E. H. GRAY: Very much so. The eyes of the country are upon the Legislative Council in this matter. The Government would have an excellent opportunity to challenge the Council if it dared to put upon the statute-book a Bill containing an amendment of this kind. Members themselves would not care to take on such a proposition. Then why ask the Government to do so?

Hon. J. E. DODD: My position as a supporter of this Bill was dictated by the needs of the miners and of the mining industry. If this amendment is carried the Bill will be destroyed. The Government could not carry on a business restricted in this way. If they had brought down a Bill to take over the whole of the workers' compensation business, other than that relating to miners' phthisis, the country would have condemned them out of hand, for that would have meant keeping the best part of the business and leaving to the insurance companies only that part which is yet in doubt.

Hon. A. J. H. Saw: They would have been filled with virtuous indignation and wrath.

Hon. J. E. DODD: I absolve Mr. Potter from any design calculated to kill the Bill, but his amendment will have that effect. The Government are only asking for a fighting chance in this matter. If the words "or otherwise" are a stumbling-block it should be an easy matter to insert other words that will restrict the operation of the Bill to workers' compensation business. We could not leave the mining companies at the

mercy of the insurance companies, which are naturally out for business. The Government are out for more than business. They are out to run the State so that every industry in it will have a chance of success. To hamstring them in this way would be altogether wrong.

**Hon. E. H. HARRIS:** My object in supporting the second reading of the Bill was to protect the miners. In my opinion the amendment will have the effect of greatly limiting the operations of the State Insurance Office. It would not be fair to the taxpayers to limit it in the way proposed. There is another amendment on the Notice Paper which may achieve the object desired by Mr. Potter. In any event there would be nothing to prevent the mining companies from establishing their own insurance system and dispensing with the insurance companies. Some of the mining companies have conducted their own insurances in the past, and they could do it again even if this amendment were carried.

**The CHAIRMAN:** Before the Committee votes on this amendment I have a few remarks to make. Standing Order 155 says—

The Chairman of Committees, when in the Chair, shall in all cases be entitled to a vote, and may state his reasons therefor. When the votes are equal the question shall pass in the negative.

Standing Order 156 says—

The Chairman of Committees, when in the Chair, may vote by stating to the Committee whether he votes with the ayes or the noes, as the case may be.

I intend to vote with the noes, and to be brief in stating my reasons. Representing as I do a goldfields province, I feel it incumbent upon me to pass a vote. I can best state my reasons for so doing by using a simile. I compare the casting of this Bill with the birth of lusty twins. One was required by the State, and another was not required by the insurance companies. In my opinion the effect of the amendment would be to destroy one of the twins, and maim the other and give it to the State. I will vote with the noes.

Amendment put, and a division taken with the following result:—

Ayes	..	..	..	14
Noes	..	..	..	11
				—
Majority for	..	..	..	3
				—

# AYES.

Hon. C. F. Baxter  
Hon. A. Burvill  
Hon. W. T. Glasheen  
Hon. V. Hamersley  
Hon. G. A. Kempton  
Hon. Sir W. Lathlain  
Hon. J. M. Macfarlane  
Hon. G. W. Miles

Hon. J. Nicholson  
Hon. G. Potter  
Hon. E. Rose  
Hon. H. A. Stephenson  
Hon. H. J. Yelland  
Hon. H. Stewart  
(Teller.)

# NOES.

Hon. J. R. Brown  
Hon. J. Cornell  
Hon. J. E. Dodd  
Hon. J. M. Drew  
Hon. J. Ewing  
Hon. E. H. Gray

Hon. J. W. Hickey  
Hon. W. J. Mann  
Hon. A. J. H. Saw  
Hon. H. Seddon  
Hon. E. H. Harris  
(Teller.)

Amendment thus passed; the clause, as amended, agreed to.

*Sitting suspended from 6.15 to 7.30 p.m.*

Clause 3—agreed to.

Clause 4—Insurance Commissioner:

**Hon. H. A. STEPHENSON:** Subclause (3) sets out that the commissioner may be appointed for a term not exceeding seven years, and that he shall be eligible for re-appointment. I move an amendment—

That in line two of Subclause (3) "seven" be struck out and "one" inserted in lieu.

**The CHIEF SECRETARY:** I have no objection to the amendment.

Amendment put and passed; the clause, as amended, agreed to.

Clauses 5 to 11—agreed to.

New clause:

**Hon. J. EWING:** I move—

That the following new clause be added:—  
"This Act shall remain in force until the 31st day of December, 1927, and no longer."

I am in some doubt as to the position, in consequence of the alterations already made to the Bill. My reason for placing the amendment on the Notice Paper was that I am not in favour of State insurance. I would like the operations of the measure restricted to one year, so that during the next 12 months the Government can consider the position and go into the whole question, and when we meet next year we shall know what attitude to adopt. I do not wish to injure the position in which the Government find themselves; I want to assist them as far as I can. At the same time, I do not wish to retire from the attitude I have adopted, seeing that I am not in favour of State insurance. However, I place the amendment before the Committee.

**The CHIEF SECRETARY:** The amendment will restrict the operations of the Bill to one year. Hon. members should give careful consideration as to what will be a fair test. In the first place, a successful attempt has been made to confine the scope of the Bill to miners' diseases, the most risky side of the business, and to allow the insurance companies to take the safest and best forms of insurance. Now it is proposed to give the measure a 12 months' trial. The reason given by those hon. members with whom I have discussed the question is that it will enable the Government to prepare and submit a scheme to Parliament later on. The Government have no scheme other than that outlined in the Bill. The time will be opportune for advancing another scheme when the present proposal has proved unsuccessful. A year is not nearly sufficient for the purposes of a test. It is quite possible that if we are restricted to a year and judged on the results of 12 months' working, particularly in view of the amendment already agreed to, there will probably be some evidence to support what has been said regarding State insurance, evidence that it has not been possible for hon. members to prove from results elsewhere. It is recognised by insurance experts, so the Government Actuary informs me, that when any new class of insurance business is established, no true indication of the adequacy of the rates claimed can present itself until two years have expired. That term is necessary to prove whether an insurance scheme is a success or not. In view of the miners' phthisis risks actual experience is necessary to provide definite proof. Dr. Saw has definitely pointed out the position, and hon. members should be guided by him. It would be manifestly unfair to judge the State Insurance Department by the record of progress made during one year. If we adopt an insurance scheme at all, we should do it justice, and that is not done by Mr. Ewing's amendment. I oppose the amendment, because I wish to see the Bill go back to another place with the least possible disfigurement.

**Hon. W. J. MANN:** I have not previously spoken on the Bill. I supported the second reading because I felt that the Government had entered into obligations with certain people for certain compensation. I do not hold with the Government regarding the manner in which they set out to pay that compensation, but as it had to be paid,

I felt that I should support the Government so far as they had gone at that stage. When dealing with the amendment that was discussed this afternoon I felt that, having gone so far, it was incumbent upon me to support the Government in their action. I have felt all through that neither the insurance companies nor the Government have been wholly blameless for the manner in which the question has been placed before Parliament. The Government might well take notice of the expression of opinion by hon. members. Mr. Ewing's amendment will allow the Government to get over the crisis that they have mentioned, and will give them an opportunity to advance some proposal that will adequately meet the position later on.

**Hon. A. J. H. SAW:** I cannot support the amendment. The Bill, as it stands now, is restricted to compensation of workers in metalliferous mining. The amendment seeks to still further limit the operations of the Bill to one year. I apprehend that as a result of making available workers' compensation for miners' diseases, there will be very heavy claims on the Government during the first year, and, to a lesser degree, during the second year. After that period the claims made may, perhaps, be reduced to normal. I do not believe that the success or otherwise of the Bill can be judged by a trial extending over one year only, because there will be undoubtedly a very much higher proportion of claims during the first year than in any subsequent year. Only to-day, in my professional capacity, I saw a man who has fallen a victim to silicosis to a considerable degree. Last July he was warned to get out of the mine, but owing to family obligations he remained in the mine after having been warned and he continued to work until a few days ago when, being no longer able to carry on his job, he was compelled to leave. Apart from that aspect, dealing with miners' diseases, would it be fair to restrict the operation of the Bill to one year? I say emphatically it would not. If any of us wanted to change our insurance policy and go to another company, would we take that business to a company that, at the end of 12 months, we knew would cease operations, and then have a fresh policy with all its additional expense?

**Hon. H. Stewart:** In such a case I do not think there would be any additional expense.

Hon. A. J. H. SAW: I understand that there are always fees to be paid when a fresh policy is taken out.

Hon. H. Stewart: I think you are wrong in connection with this class of insurance.

Hon. A. J. H. SAW: Apart from the question of expense there is the question of inconvenience. None of us would deliberately change our policy from one company to another if we thought that in 12 months time that other company was to cease operations. Consequently, I cannot see any force in the amendment.

Hon. H. SEDDON: There is one argument in favour of Mr. Ewing's amendment that has been referred to in the course of the second reading speeches. We have pointed out that existing legislation does not cover all the cases of injury under the conditions in the mines. The amendment will impose on the Government the obligation to review the whole position and make provision for those men who are not able at present to obtain protection. By passing the amendment we place the obligation on the Government to provide for all those cases for which provision has not already been made. One argument in favour of limiting the Bill is that the Government will have the opportunity of revising it and possibly taking away from the State insurance those cases that can be brought under the Miners' Phthisis Act. There is not the slightest doubt that by passing the first amendment the whole position so far as the State Insurance is concerned has been altered so much that I am inclined to think that in order to avoid heavy losses to the taxpayers the Government will have to revise the position in regard to their premiums. If they do that they will impose a penalty on the mining companies that those companies will not be able to carry. If the Government reconsider the position and shift the load from the insurance office to the Miners' Phthisis Act, they will give the State Insurance Office a chance to overcome the emasculation that the Bill has been subjected to. The Government will then have an opportunity to work on a reasonable basis by transferring certain cases which it will be possible to bring under the operation of the Miners' Phthisis Act, or perhaps revise the means of dealing with them under the Mines Workers' Relief Fund. The whole position calls for revision. I feel inclined to support the amendment.

Hon. Sir WILLIAM LATHLAIN: The Committee has decided that the term of the Commissioner's appointment shall be one

year instead of seven years. I cannot follow the argument that by reason of the longer appointment we shall get better results. Regarding the amendment, the virtue of it is that it will compel the Government to place before this House a record of the year's operations. We shall then have a better knowledge, not only of the requirements necessary for all these cases, but we shall be able to form some idea of the working of the Act in the initial year of its operation. That does not say that this House will not take into consideration the advisableness of continuing the legislation for a further period. We do, however, require the Government to apply again in 12 months time for permission to continue the operation of the Act. The Government may be able by that time to evolve better ideas in respect of the operation of the measure and this House may also be in a better position to judge whether the first year's work was satisfactory and whether extended powers should be given to the Government. I intend to support the amendment.

Hon. J. NICHOLSON: It has been said that it will take probably two years to form a correct estimate upon which to base the working of the insurance scheme. We must, however, bear in mind that operations have already been carried on for six months. Therefore, if we carry the amendment, the Government will have had 18 months' experience, which is very close to the two years period that the Chief Secretary considers necessary. In connection with a scheme of insurance such as this, there should be placed before Parliament a statement of the position at the end of a period of operations. By limiting that period to 12 months we shall have an opportunity to see how the scheme has worked. I support the amendment.

Hon. E. H. HARRIS: There are many afflicted men who are not now in receipt of compensation and who would be entitled to it. I intend to support the limitation of the Bill to 12 months. If it is found at the end of that period that an extension should be granted, nothing will prevent us from granting that extension.

New clause put, and a division taken with the following result:—

Ayes	..	..	..	..	11
Noes	..	..	..	..	9
					—
Majority for					2
					—

## AYES.

Hon. J. Ewing	Hon. G. W. Miles
Hon. W. T. Glasheen	Hon. G. Potter
Hon. E. H. Harris	Hon. E. Rose
Hon. G. A. Kempton	Hon. H. A. Stephenson
Hon. Sir W. Lathlain	Hon. J. Nicholson
Hon. W. J. Mann	(Teller.)

## NOES.

Hon. J. R. Brown	Hon. J. W. Hickey
Hon. A. Burvill	Hon. H. Seddon
Hon. J. M. Drew	Hon. H. Stewart
Hon. E. H. Gray	Hon. A. J. H. Saw
Hon. V. Hamersley	(Teller.)

New clause thus passed.

Schedule—agreed to.

Title:

Hon. G. POTTER: In consequence of the amendment carried in Clause 2, I move a consequential amendment—

That after the word "business," in line two, there be inserted "as herein defined."

Amendment put and passed; the Title, as amended, agreed to.

Bill reported with amendments, including an amendment to the Title.

## BILL—TIMBER INDUSTRY REGULATION.

### Second Reading.

**THE HONORARY MINISTER** (Hon. J. W. Hickey—Central) [8.6] in moving the second reading said: As regards almost every known industry, and particularly industries of a hazardous character, provision is made to protect the life and limb of the workers; but, strange as it may seem, the timber industry, one of the most dangerous industries operating in the State to-day, has been neglected in this respect. From time to time the Timber Workers' Union have put forward proposals to various Governments for the regulation of the industry, such proposals to be submitted to Parliament in the form of Bills. It is rather surprising that the efforts of the organisation should have proved unavailing for so long. However, one's surprise is lessened when one takes into consideration the deliberate manner in which the mill owners have side-stepped their obligation and flouted the law.

Hon. J. Nicholson: The owners have side-stepped their obligations?

The HONORARY MINISTER: That is exactly what I said. To be able to deal with the position I went into it exhaustively, and

I was astounded to discover the facts. In dealing with the various conflicting statements made from time to time on this subject, I wanted to get to bedrock and arrive at an approximately correct idea of the number of accidents. Accordingly I asked the Chief Inspector of Machinery for a report. Upon receipt of that report I was surprised. I thought there must be some mistake. Accordingly, I requested the Under Secretary to consult sources apart from the Inspection of Machinery Department. I instructed him to refer to the Forests Department and the Government Actuary. I should explain that it is obligatory on the mill owners to report all accidents. I doubted the statements of the Timber Workers' Union, although made to me in good faith. If any argument were required for the passing of such a measure as this, it will be furnished by a comparison of the report of the Chief Inspector of Machinery with the accident figures furnished by the Timber Workers' Union. I knew that union had an accident benefit fund, and I applied to them for a list of the accidents in respect of which the fund had paid compensation. Those, however, would not be the only accidents occurring in the industry, since all timber workers are not contributors to the fund. Another fact to be borne in mind is that accidents are not reported to those administering the fund unless the man to whom the accident happens is off work for three days. The position is different as regards the fund administered by the miners' union. In that case immediate notification is required, since the benefits are granted from the date of injury.

Hon. J. Nicholson: It does not affect the men from the point of view of workers' compensation.

The HONORARY MINISTER: The Workers' Compensation Act is not under consideration at present. I am speaking of accident funds. Certain people have stated that there is no reason for the introduction of this Bill. My reply is that one important reason for its introduction may be found in the neglect of those responsible for the management of the mills to report accidents. As regards the figures furnished me by the Timber Workers' Union under their benefit regulations, I may point out that the number of accidents would certainly not be exaggerated, as compensation would not be paid to any greater extent than absolutely essential. A comparison of the acci-

dent benefit fund figures with the report of the Chief Inspector of Machinery shows that the responsibility of reporting accidents has been side-stepped by those in control of the mills.

Hon. J. Cornell: The Minister does not infer that accidents incurred by timber workers are not compensated under the Workers' Compensation Act?

The HONORARY MINISTER: No. I doubted the figures furnished to me by the Chief Inspector of Machinery as to accidents reported by the mill owners. I knew those figures were wrong. I repeat, it is obligatory on the mill owners to report accidents. Accordingly, I asked for a return of accidents reported to those in control of the accident benefit fund of the Timber Workers' Union.

Hon. E. H. Harris: Are you referring to fatal accidents?

The HONORARY MINISTER: No; to all accidents. This is the report I received from the Chief Inspector of Machinery—

In reply to your telephonic inquiry I have to inform you that the reported number of accidents caused by machinery in timber mills situated in country areas for calendar years 1924 and 1925 was as follows:—1924, fatal nil, non-fatal nil, total nil; 1925, fatal 2, non-fatal 2, total 4.

I had no reason to doubt the figures as to the fatal accidents, but I was most sceptical regarding the other figures. The report continues—

So far for this year two accidents have been reported; both proved fatal. It is obligatory on all owners to report machinery accidents.

I knew perfectly well that the figures given in that report were entirely incorrect. Anybody with an ounce of common sense must have known that at once. Clearly, though it was obligatory on the mill owners to report accidents, it had not been done. That, I repeat, is a strong reason for the introduction of the Bill. I felt sure that there must be something wrong, and I instructed the Under Secretary to get in touch with all departments that could furnish information on the subject, especially the Forests Department. As a result there was no alteration in those figures, and they still stand. They represent the only accidents reported during the last two years. Thereupon I turned for information to the secretary of the Timber Workers' Union. I did not inform him that misrepresentations had been made,

though my own experience told me that the figures were utterly incorrect. Certainly the Inspection of Machinery Department were acting quite bona fide in the matter, but it was perfectly apparent that accidents had not been reported. I wish to draw the special attention of hon. members to the fact that the amounts I am about to quote as having been paid by the accident benefit fund of the Timber Workers' Association have been verified by auditors. In 1921 the membership of the organisation totalled 1,635, and the number of accidents was 423, representing a percentage of 25.8.

Hon. E. H. Harris: Machinery accidents?

The HONORARY MINISTER: No. I do not want to be misunderstood.

Member: Cut fingers?

Hon. E. H. Harris: The matter ought to be made clear.

The HONORARY MINISTER: In fairness I want to state that whilst accidents, naturally, happened in the bush, a considerable number occurred in connection with machinery. In 1922 the membership of the benefit fund of the organisation was 1,177 and the accidents numbered 306. In 1923 the membership was 978 and the accidents 217, whilst in 1924 the membership was 951 and the accidents 178. In the report to the Chief Inspector of Machinery it is shown that in 1924 the fatal accidents were nil and the non-fatal nil, giving a total of nil; in 1925 the report showed that there had been two fatal accidents. Actually in 1925 the membership was 936 and the accidents 111.

Hon. G. W. Miles: How do you account for the smaller membership each year?

The HONORARY MINISTER: It is because, as the result of the continuous drain on their resources in consequence of the accidents, they had to increase their fees from 13s. 6d. to £1.

Hon. Sir William Lathlain: For how long a period is that?

The HONORARY MINISTER: Per annum. Of course I am dealing, not with the membership of the union, but with the membership of the benefit fund attached to the union. Possibly there are double the number of men in the union. I could not get these accident figures from the Government department, although it is obligatory on the mill management to supply the figures. It has been stated in the Press and on the platform that these accidents

do not occur. I have attempted to show the necessity for the Bill. Those responsible are sidestepping their obligations and are not reporting the accidents. No one can compel them to do it until we pass the Bill.

Hon. J. Nicholson: It is only under the Inspection of Machinery Act that they are compelled.

The HONORARY MINISTER: That is right. The object of the Bill is to consolidate the whole measure and see to it that every section of the community is protected. The proposed legislation is just as necessary as is the Mines Regulation Act in respect of the mining industry. If we safeguard the lives and limbs of the miners, we ought to do the same for the workers in the timber industry. That is all the Bill asks for. It is proposed to eliminate the necessity for the multiplicity of inspectors, and provision is made whereby the industry shall be safeguarded under better organisation. One of the principal objects of the Bill is to secure regular and efficient inspection and safe and healthy conditions of employment for all workers in the industry. It is admitted that the industry must be safeguarded. At present the machinery inspector has to advise the management before paying a visit of inspection. The result is that everything is made ready for the inspector's coming. Under the Bill, by the appointment of inspectors, both district and check inspectors, the industry and those working in it will be safeguarded.

Hon. G. W. Miles: How many inspectors do you propose to appoint?

The HONORARY MINISTER: Provision is made for the appointment of inspectors as district inspectors and as check inspectors.

Hon. J. Nicholson: And there are other classes of inspectors to be appointed.

The HONORARY MINISTER: No, there is no necessity for it. At present we have no inspection at all. It is not possible for the Health Department to carry out regular inspection.

Hon. J. Nicholson: That is a serious charge against the Health Department.

The HONORARY MINISTER: No, for the department endeavours to carry out its obligations with the restricted staff at its disposal. It is in the interests of the Health Department and of all other departments that these inspectors shall be appointed and shall have charge of the various matters

pertaining to the timber mills, so that a better understanding shall be brought about. Local or district inspectors will be able to keep an eye on things.

Hon. J. Nicholson: Is there not a central health authority, as well as a local health authority?

The HONORARY MINISTER: The Health Department will still exercise authority. In the event of an epidemic occurring or anything that might get beyond the control of the district inspector, the health authorities in Perth will be communicated with and will take charge of the situation. As a result of that closer supervision there will be lesser opportunity for an epidemic to occur.

Hon. J. Nicholson: Can you mention any serious outbreak that has occurred?

The HONORARY MINISTER: Yes, I have in mind one that occurred at the mills some years ago.

Hon. J. Nicholson: How many years ago?

The HONORARY MINISTER: It got away, because nobody was in authority locally. However there happened to be on the spot a man who had been connected with local authorities on the goldfields. He got into touch with the health authorities in Perth, and consequently the epidemic was averted.

Hon. J. Nicholson: Was that 20 years ago?

The HONORARY MINISTER: That is one of the best illustrations we could have of the necessity for appointing someone with local knowledge. The Bill gives authority for the appointment of district inspectors and check inspectors, of course under the jurisdiction of the departments.

Hon. J. Nicholson: Then there will be no overlapping of authority?

The HONORARY MINISTER: None at all.

Hon. G. W. Miles: What is meant by "district"; the South-West district, or only the district in which a mill is operating?

The HONORARY MINISTER: A district would be an area that one district inspector could cover.

Hon. J. Cornell: That will be defined by regulation.

The HONORARY MINISTER: Yes. It is hoped that it will be possible for one inspector to cover the whole area, but if it is necessary to appoint two inspectors, the regulations will enable the Government to

do so. There is no desire on the part of the Government to overload the department with inspectors, but the measure is required to ensure better supervision of the industry in the interests of all concerned.

Hon. G. W. Miles: Are you going to take the South-West as one district, or divide it into half a dozen small districts?

Hon. A. Burvill: The districts will be defined by regulation.

Hon. G. W. Miles: But what will the regulation be?

The HONORARY MINISTER: We hope that one inspector will be sufficient.

Hon. A. Burvill: It will be impossible for one inspector to do the work.

The HONORARY MINISTER: Perhaps so, but if necessary the Government may appoint two or more inspectors. It is not likely that more will be required, and no Government would appoint more than were absolutely necessary. Public opinion would ensure that no unnecessary appointments were made.

Hon. E. H. Harris: Do you think one man could do the goldfields area and the whole of the South-West?

The HONORARY MINISTER: This measure does not affect the goldfields.

Hon. E. H. Harris: But there are timber areas on the goldfields as well.

The HONORARY MINISTER: This measure deals entirely with timber mills. Members need have no misgivings about the number of inspectors to be appointed. What is in the mind of the Government and the Minister is that proper supervision should be ensured without unnecessary expense.

Hon. J. Cornell: The Bill proposes to extend to the timber industry similar inspection to that applying to the mining industry.

The HONORARY MINISTER: That is the keynote of the Bill; it will ensure a measure of supervision, such as that applying to the mining industry. Certain inspectors and check inspectors to be elected by the men are provided for under the Mines Regulation Act of 1906. Everyone recognises the necessity for supervision in the mining industry, and I feel justified in anticipating that no objection will be raised to a measure that seeks to grant similar consideration to the workers in the timber industry. What the mining industry did to place Western Australia on the map, the timber industry is doing to a large extent

to maintain the State's prestige. It may answer Mr. Miles's interjection of a few minutes ago if I refer to the provision in the Bill for special inspectors. It is hoped that one district inspector will be able to do the work.

Hon. G. W. Miles: I suppose he will be a sort of brigadier-general.

The HONORARY MINISTER: A man cannot be a boss and a workman at the same time; he must be one or the other. A district inspector will exercise general supervision throughout the district, and will have under his jurisdiction inspectors detailed for specific work. The difficulty feared by Mr. Miles will be overcome by the appointment of special inspectors. If the district inspector cannot cope with the work, special inspectors may be appointed. It may happen that special supervision over some phase of the industry becomes necessary, and the Minister would have power to appoint special inspectors for that particular work, thus obviating the necessity for appointing a band of inspectors. Everybody objects to too many inspectors, especially if their duties in any way overlap, and I assure hon. members that the Government intend to avoid anything of the kind. The provisions dealing with the appointment of inspectors are the only ones likely to give rise to controversy. I realise that it is possible, by legislative enactment, to handicap any industry, but nobody can claim that this Bill would have that effect. The timber industry is one of the most important in the State, and the men employed in it are as anxious for its success and progress as are the directors of the timber companies. It is our duty to see that the industry is preserved, if only from selfish motives, so that it will create employment and add to the prosperity of the State. The interests of the mill owners as well as of the employees have been adequately safeguarded, for the measure has been framed in such a manner that it will not operate harshly against any section interested in the industry. The main object is to ensure adequate supervision and inspection, and there is ample justification for all the powers for which the Government are asking. Members who are in closer touch with the industry than I am may possibly object to some of the provisions. Years ago I visited a number of mills in this State, and I understand I had the honour of being the first member of the Legislative Council who had worked on a mill. On one occasion Mr. Lynn disputed



my right to that honour, but I think I can claim that I have had more experience of the industry than have most members of this House.

Hon. J. Cornell: Do you mean a timber mill or a treadmill?

The HONORARY MINISTER: A timber mill.

Hon. J. Nicholson: I have been on a mill, too.

The HONORARY MINISTER: Probably the kind to which Mr. Cornell referred. If not, the hon. member ought to have been. To guard against possible objection, provision is made that no inspector shall have authority to institute proceedings for offences under the measure without having first obtained the permission of the controlling officer. Though for many years we have had legislation for the regulation of mines, we have never had specific legislation for the timber industry. We are now asking for such legislation, and the Bill submitted is a most modest one. It contains nothing very controversial apart from the provision dealing with the appointment of inspectors, and that provision cannot reasonably be challenged, except on the score of expense. I have discussed the measure with people who are well acquainted with the industry, and I can assure members that the appointment of the necessary inspectors will not entail great expenditure. The protection that will be afforded the workmen will enable them to carry out their duties with greater enthusiasm by reason of the knowledge that sympathetic legislation has been designed in their interests. One essential to the success of any industrial concern is order, which is the outcome of organisation, which in turn means satisfaction and co-operation between all engaged in the industry. Thus satisfied men are indispensable to industrial success. It can be proved conclusively that certain things do occur on the mills, and yet when inspections are made, everything seems to be in order. That has been my experience in other industries. We have not had authority to say a word, because there is no law to govern the position. Under this Bill authority will be given to inspectors to put in reports. There will be at the most two district inspectors, and workmen's inspectors will be appointed by the men. We shall then have the inspection that is so necessary.

Hon. A. Burvill: Will not the workmen's inspectors have too much authority?

The HONORARY MINISTER: There is always room for argument on that score. Workmen's inspectors are appointed by the workmen, under the jurisdiction of the department. They carry out certain functions. They are appointed in the first instance to safeguard the interests of the workmen. On the mines these officials are called check inspectors.

Hon. J. Cornell: Workmen's inspectors are the same.

The HONORARY MINISTER: Yes. Check inspectors are elected by the miners to check the inspections of the Government inspectors.

Hon. A. Burvill: How are they paid?

The HONORARY MINISTER: They are paid by the Government. There is good reason for appointing these workmen's inspectors. In the past inspections were made that proved misleading, but no one could say anything. If anyone did speak, his services were dispensed with. As a result of the advocacy of members in Parliament, legislation was brought down for the appointment of check inspectors. No mine management would to-day vote against this principle. They may not agree with the personnel of the inspectorate, but they would never cavil at the principle. These officials are to a large extent responsible for the better organisation of the mines. The same thing applies to the mills. If objections are raised to the Bill I feel sure none will be raised to the appointment of workmen's inspectors. There may be a difference of opinion upon other matters which vitally affect the timber industry, but these questions can be dealt with in Committee. On general principles the Bill is justified. If it is accepted as it is, it will be a great factor for the successful working of the industry. It will make all the difference between profit and loss. It will engender a better feeling between employers and employees, and will create a spirit of co-operation and trust. To bring this about we must have conditions that are satisfactory to all parties. We must see that certain conditions are brought into operation in the same way at all the mills. The various managements could not object to that. Certain conditions are asked for to which no exception can justifiably be taken. Mill owners should be compelled to give the workers these conditions. The facts I have set before members should be sufficient to induce them to support the Bill. If anyone is conducting a business

as it should be conducted, he should not raise any objection to the fullest inquiry being made into the methods employed. It is the same with regard to the timber mills. What objection can there be to the introduction of this legislation, or to the appointment of inspectors who will see that all the mills give the same set of conditions? Some of the mills are side-stepping their obligations, and they should be brought upon the same footing as others. The industry should be under adequate supervision, and justice should be meted out to the timber employees. This is not a harsh measure, and will place no responsibility upon mill owners which will handicap them in their operations. It will certainly tend to safeguard the worker in a way that has not previously been done, but it will tend to the better organisation of the industry. The improvement in the supervision will bring about a better feeling between the two sections that are engaged in it. I am sure if members will give consideration to the Bill they will see the wisdom of passing it. Parliament has brought the mining industry up to a certain standard, but for some inexplicable reason the next hazardous occupation in the State, that connected with the timber industry, has been neglected. We now have an opportunity of repairing that omission, and I commend the Bill to members. I move—

That the Bill be now read a second time.

**HON. J. CORNELL** (South) [9.44]: This is a simple Bill. If members will read it and take a full vision of the timber industry, and compare it and the risk of accident in it with the mining industry, and will read the Mines Regulation Act which controls the working of the mines, they will find that in fundamentals there is not one iota of difference between the principles of the Bill and those contained in the Act. The Honorary Minister has said that the timber industry is one of our greatest industries. It is one where the risk of accident is great, if not as great as it is in the case of the mining industry.

**Hon. A. Burvill**: It is greater.

**Hon. J. CORNELL**: It is an industry where industrial insurance demands almost as high a premium as in the case of the mining industry. That is justification for the need of a proper and sane method of supervision and inspection. One wonders that this industry has gone on for so many years with no concrete or definite attempt

to deal with it, and the workmen in it, on right and proper lines.

**Hon. V. Hamersley**: That may have something to do with its success.

**Hon. J. CORNELL**: What is there to fear from the passing of the Bill? Do the employers fear anything?

**Hon. H. Stewart**: They should not.

**Hon. J. CORNELL**: All they have to fear is what the employers in the mining industry have been subjected to for over 20 years. On those lines there is nothing for the employer in the timber industry to fear. They are not asked to accept legislation which other employers in the State are not subject to. There is another point. Does the conduct of the industry from the employees' standpoint warrant any drastic legislation or interference? If it does, the need for this Bill is one hundredfold greater. If it does not, the passing of the Bill will not upset the equilibrium of the employers. On this ground they have nothing to fear from the Bill. In the matter of inspections, this great industry, and the thousands of men employed in it, are more or less subject to the willy-nilly inspection of itinerant machinery inspectors. That mode of inspection is no more useful to the great timber industry expanding as it is, than it is to the great mining industry declining as it is.

**Hon. J. Nicholson**: Does not the timber industry decline?

**Hon. J. CORNELL**: I think it is expanding and will continue to expand for many years. I only wish the mining industry was holding its own as well as the timber industry, and that the outlook was as bright as is the case with the timber industry.

**Hon. A. Burvill**: It is the principal revenue producer on the railways.

**Hon. J. CORNELL**: That is so. I have many old proper relatives who have served practically all their lives in the timber industry. One has only to move amongst the timber workers to discover, without being told, the extraordinary risk of accident associated with the industry and the number of unfortunate accidents that do occur.

**Hon. J. Nicholson**: Do you think inspection will obviate the accidents?

**Hon. J. CORNELL**: There is nothing to fear from the inspections.

**The Honorary Minister**: There is your justification.

**Hon. J. CORNELL**: The inspections will have for their object the protection of the

lives and limbs of the workers engaged in the industry. The principle should have the support of every right-thinking man in the community.

Hon. J. Ewing: Within proper limits.

Hon. J. CORNELL: Yes. Its proper limits will be gauged by the wording of this legislation and by the conduct of the inspectors. The timber industry will not be subject to any more control than is the case with the mining industry. Inspectors will be appointed under the Act, and they will not behave any more harshly than the inspectors appointed under the Mines Regulation Act.

Hon. V. Hamersley: Do you know who they will be?

Hon. J. CORNELL: How do I know that? What does it matter who they are? Having decided the principle governing the position, we shall have done our duty. Surely we can leave the rest to the Government, and not concern ourselves as to who may be appointed inspectors. What could an itinerant machinery inspector accomplish? He could no more accomplish the work entailed in a close and minute inspection of timber, than he could do in connection with the mining industry. Inspectors of machinery deal with machinery only. The mines of this State are inspected by Government inspectors, assisted by workmen's inspectors. It is a tribute to those officials that the work has for so long been carried out so satisfactorily to both employer and employee. Few members, if any, can point the finger of suspicion at mining inspectors for any dereliction or excess of duty. If there are such incidents within the knowledge of hon. members, we should have particulars so as to know what to guard against. Mr. Nicholson raised a point regarding health inspectors. In connection with the mining industry, the Government and workmen's inspectors pay some attention to that work both above ground and below ground, and I take it that the position of a district inspector, from a health point of view, would be identical with that obtaining in connection with the mining industry.

Hon. J. Nicholson: But have not the companies' men to look after sanitary matters, irrespective of the local board of health?

Hon. J. CORNELL: I have no complaint to make against the companies. The timber companies do no more than the mining

companies. They have men looking after the sanitary arrangements, but the inspectors pay some attention to them as well. What human being would object to such inspections?

The Honorary Minister: No one would object.

Hon. J. CORNELL: During the course of the debate, no doubt, the many duties of health inspectors will be referred to. In my opinion any inspector who will be appointed under the provisions of the Bill could qualify as a health inspector in a very short time. The sanitation obtaining in connection with the timber industry does not necessitate the appointment of a university graduate as a health inspector. I have carefully compared the Bill with the Mines Regulation Act upon which it is modelled. I find that there is very little departure from the provisions of the Act.

Hon. E. H. Harris: The inspectors will have twice as much power as are possessed by those under the Mines Regulation Act.

Hon. J. CORNELL: I will show what departures have been made. Clause 3 of the Bill is similar to a section in the Mines Regulation Act. Clause 4 provides that every inspector shall be under the control of such officer in the Public Service as the Minister may appoint. Practically a similar provision appears in the Mines Regulation Act, although there is a slight departure. Then, dealing with inspectors, I would draw attention to paragraph (a), which will be found to be practically identical with the section appearing in the Mines Regulation Act Amendment Act of 1915, with a slight exception. Section 7 of the Act contains a provision for a district inspector having to pass "an examination prescribed or approved by the Minister in accordance with the regulations." I think that is a good provision, and I do not think the Minister would demur if an amendment were moved to incorporate it in Clause 5 of the Bill. Generally speaking, the provisions regarding the appointment of district inspectors and of workmen's inspectors are the same as appear in the Mines Regulation Act.

Hon. E. H. Harris: I was talking about their powers.

Hon. J. CORNELL: The provision regarding the powers of inspectors is practically identical with that appearing in the Mines Regulation Act.

Hon. J. Nicholson: But the powers are slightly extended.

Hon. J. CORNELL: As a matter of fact, they are not so extensive as are the powers set out in the Mines Regulation Act.

The Honorary Minister: That is so.

Hon. J. CORNELL: There is a slight difference. There is a section in the Mines Regulation Act that does not appear in the Bill with reference to district inspectors. I suggest to the Honorary Minister that he accept an amendment to bring the clause into line with the Mines Regulation Act, which reads—

District inspectors shall be under the Public Service Act, 1904, but special and workmen's inspectors shall not, by reason of their appointment as such, be deemed to be subject to the provisions of the said Act.

If the mining industry warrants district inspectors coming under the Public Service Act, the timber industry should warrant the same provision.

Hon. E. H. Harris: Not workmen's inspectors.

Hon. J. CORNELL: No, that is made clear. Clause 13 of the Bill may appear drastic, but if hon. members take the trouble to look up Section 85 of the Factories and Shops Act, 1920, they will find the clause is almost identical with that section.

Hon. J. Nicholson: These people are subject to the Factories Act now, so why embody that provision?

Hon. J. CORNELL: I welcome the Bill if from one standpoint only, that of co-ordinating the multiplicity of inspections and Acts that apply to the timber industry.

Hon. J. Nicholson: Is there any clause in the Bill that has that effect?

Hon. J. CORNELL: I can show the hon. member how that position is arrived at. To-day the timber industry, both as regards the employers and the employees, is covered by half a dozen Acts of Parliament.

Hon. J. Nicholson: And now you want to add another.

Hon. J. CORNELL: The Bill will provide one measure to govern the industry and not, as Mr. Nicholson suggests, add another to the half-dozen that now operate.

Hon. A. Burvill: And that is a position, the necessity for which has been long overdue.

Hon. J. CORNELL: Nothing of a doubtful description is included in the clause dealing with power to make regulations. The

sooner we get away from embodying everything in an Act of Parliament, and permitting matters necessary for governing an industry to be included in regulations, the sooner we will allow those industries to be governed by a small body of individuals who will know how to deal with the situation, and will know what they want to deal with. As it is to-day, efforts are made to include in an Act various provisions, and those efforts are made by people some of whom know little about what they should seek to achieve. Clause 16 deals with general rules. I understand that the provisions regarding the guarding of dangerous machinery have been lifted from the Victorian legislation. Hitherto we have not had any legislation in this State that would cope with such a position. If the rules that have been taken from the Victorian legislation are deemed necessary in the most conservative State of Australia for application to what is practically the smallest timber industry of the Commonwealth, it is surely not too much to ask that the workers in the timber industry here should be given the same consideration. Coroners' inquests are already provided by an Act of Parliament, but there may be a specific reason for embodying the provision in this Bill.

Hon. J. Nicholson: It is simply duplicating.

Hon. J. CORNELL: I have little more to say except that I endorse the principles set out in the Bill. The Bill is long overdue, and will confer a benefit on an important section of the community; it will be of distinct advantage to the employer and the employee alike and to the industry as well. Last but not least, neither the industry nor those engaged in it will have to bear the burden of whatever additional cost may be involved. Whatever that may be it will be a charge on Consolidated Revenue.

**HON. E. H. HARRIS** (North-East) [9.17]: The object of the measure is obviously to protect the workmen engaged in the industry, and from that point of view, if I rightly judge the temper of hon. members, they will assuredly give it their support, so long as it does not inflict any hardship on the industry. Having followed closely the Minister's introductory remarks I am prompted to ask for information respecting some of the clauses of the Bill. By way of interjection when the Minister was speaking, I

suggested that there would be more than one district inspector, because one such inspector could not cover the whole of the South-West timber area and the goldfields. The Minister replied that he would not cover the goldfields area. I draw his attention to the interpretation clause which sets out that timber industry, "means and includes all operations of felling, hewing, sawing, splitting, cutting, removing, and treating timber on timber holdings."

Hon. J. Cornell: A forest ranger can be appointed an inspector.

Hon. E. H. HARRIS: I suggest to the Minister that inspectors would not be employed on the goldfields areas. There is a timber area at Leonora and there is another at Widgiemooltha, and in other centres where firewood is obtained to convey to the mines. The interpretation of "timber holding" is "the area of a timber concession or of a timber lease or sawmill permit granted under the Land Act, 1898, etc." That obviously covers the goldfields areas. Will the Minister tell us in reply how many districts or areas there will be, so that we may have a rough idea of the number of inspectors to be appointed.

The Honorary Minister: There will be two inspectors?

Hon. E. H. HARRIS: I have closely followed Mr. Cornell's speech as regards workmen's inspectors and inspectors generally, and I disagree with some of his observations. Subclause (2) of Clause 8 provides that a workmen's inspector may exercise the powers of a district inspector as prescribed by several paragraphs in a previous subclause. Extensive powers are conferred on the inspectors.

Hon. J. Cornell: I remind the hon. member that the powers conferred on workmen's inspectors are similar to those of the workmen's inspectors under the Mines Regulation Act.

Hon. E. H. HARRIS: That inspector has in reality no power at all. He may direct the attention of the inspector to certain things and the other inspector is authorised to serve a notice on the mine. Under the Bill we are discussing, the workmen's inspector has conferred upon him all the powers of the other inspectors.

Hon. J. Cornell: Nothing of the sort.

Hon. E. H. HARRIS: Then we disagree. The Minister can correct me if I am wrong in my contention. Under the heading of

special inspectors, it is provided that they may be appointed and given certain powers to carry on investigations requiring special technical or scientific knowledge. That may be desirable, but in my opinion, and with my knowledge of the Inspection of Machinery Act, there will be overlapping in respect of the inspectors to be appointed under the Bill. I also draw attention to the definition of "machinery." Under the Inspection of Machinery Act the chief inspector and the inspectors for the various districts have received their appointments because of their technical knowledge. The Bill provides that many of the powers conferred on inspectors of machinery shall be conferred on the inspectors to be appointed under the Bill. Those inspectors will not have the qualifications possessed by the inspectors under the Machinery Act. Under existing conditions inspectors making an inspection of boilers under the Machinery Act have to give no less than seven days' notice of their intention to inspect. The object is, not to notify the owner of a boiler that the inspector is coming along, but that the boiler shall be ready for inspection at the time of the visit. The inspector does not have the opportunity to make a working inspection. He examines the plant and appliances generally. It would be quite different if the inspector were to appear on the scene without notice and there carry out his examination whilst the plant was in motion.

Hon. A. Burvill: Under the Bill there is nothing to prevent that being done.

Hon. E. H. HARRIS: The inspectors under the Machinery Act have not had an opportunity of making unexpected visits to plants. They have their time tables prepared for them and so they never make what might be called a working inspection which is most desirable and necessary. Regarding the appointment of workmen's inspectors, provision is made that they shall be in accordance with the regulations and shall be elected by a majority of persons bona fide employed as workers. It is usually set out in measures of this kind that the elections shall be carried out by the workers engaged in the industry. I cannot quite follow the reason for inserting the word "person" in the clause. Does it mean that "person" covers everyone from the manager down who might be engaged in the industry, or does it mean the workmen exclusively? The regulations will provide for

the elections of person for appointment as workmen's inspectors, and I would like an assurance that some system will be evolved whereby a person will not be elected by a minority of those engaged in the industry. In the gold mining industry there were no fewer than 28 persons anxious to become inspectors, and that number involved the biggest count that has ever taken place in the State. There were 28 names on the ballot paper and the voting was preferential. I believe it has since been suggested by some industrial organisations that the ballot should be limited to casting a vote for the first two. Under such a system it would be possible for a minority of the workers engaged in the industry to elect someone; and that, I submit, would not be desirable. Furthermore the Bill provides that one must be a natural-born or a naturalised subject to vote at an election. I ask the Honorary Minister, would any person be eligible to hold any appointment under the measure if he were not a naturalised subject? If so, there should be some restriction on him by holding a similar qualification. I see that special inspectors and district inspectors are to have power to conduct prosecutions and appear at inquiries to examine witnesses, and generally to exercise discretionary functions. Those are wide powers to confer on a workmen's inspector. Overlapping of authorities is more or less pronounced throughout the Bill, having regard to the Inspection of Machinery Act and other measures. Mill gearing, machinery and plant are referred to in the Bill, and the same words are used in the Inspection of Machinery Act. I am speaking now with special reference to Clause 8 of the Bill. I suggest to the Honorary Minister to give the matter consideration with a view to preventing such overlapping. Hon. members may recall that on the Coal Mines Regulation Bill the point was raised as to whether the references to owner, agent or manager in that measure gave power to inflict three penalties for one offence. The Honorary Minister, after consultation with the Crown Solicitor, stated that three penalties were provided, and these were subsequently deleted. Subclauses (2) and (3) of Clause 12 propose some unique provisions. I know of no previous measure which calls upon the manager to notify the authorities that he has committed an offence. Such, however, is the effect of the clause in question, which represents quite a new sort

of provision. In Committee slight amendments can be made with advantage. It is provided that representatives of industrial organisations shall be allowed to inspect the books. In consonance with amendments which I submitted on a measure that came before us a few days ago, I propose to move in connection with this Bill that the books shall be open to inspection not to representatives of the workers employed, but to accredited representatives of any industrial union of workers engaged in the industry. I support the second reading, and shall have some further remarks to make during the Committee stage.

**HON. H. STEWART** (South-East) [9.36]: I agree with other speakers that it is only reasonable and proper that the timber industry should come under legislation such as this. The Bill is essentially a Committee Bill, and I hope it will during that stage receive such consideration as will avoid any overloading or duplication of inspection in its final form. Certain phases of the Bill cause me to offer one or two comments and to seek further information. I quite agree with Mr. Cornell that the Bill is comparable to the Mines Regulation Act. Indeed, that is plain on the face of it. The marginal notes show that the Bill is based on that Act as originally passed in 1906 and as amended in 1915. Giving all due weight to Mr. Cornell's observations, it still seems to me quite an open question whether in the timber industry there is any necessity whatever for workmen's inspectors. Such inspectors were adopted in connection with the mining industry after it had been conducted for many years without them, but there is a great difference between mining and the timber industry. Mining is an occupation in which there are peculiar dangers calling for more frequent inspections and for greater care on the part of the men who are on the spot, the Government inspectors not being able to get round with sufficient frequency. The phase of danger in large underground workings may alter within a few hours, certainly within a day or two. Consequently strong reasons can be adduced in support of workmen's inspectors for mining, but such reasons may not be applicable to the timber industry, at all events not in the same degree.

**Hon. A. Burvill**: I differ from that view.

**Hon. H. STEWART**: I do not know whether the hon. member interjecting fully

realises what I said. There is a wide difference between the need for inspection in connection with mining and the same demand in connection with the timber industry. Certainly there are far more insidious dangers in mining than there are in the timber industry.

Hon. A. Burvill: Again I differ.

Hon. H. STEWART: I have considerable acquaintance with both industries, though, I freely admit, not so much with timber as with mining. Still, I am not debating whether the timber industry should not have legislation specially devoted to it. I have already intimated that that is a point which I, at any rate, am prepared to concede. The question in debate now is whether workmen's inspectors are needed in the timber industry. Clause 8 provides by paragraphs (a), (b), (c) and (d) that special inspectors and district inspectors shall have power to do certain things, including quite a number of inspections. Paragraphs (e), (f) and (g) of the clause deal with matters apart from inspection.

Hon. E. H. Harris: My argument is that under the Bill the workmen's inspector will have greater powers than any other inspector under any other Act.

Hon. H. STEWART: At the present stage I am not prepared to join issue with Mr. Harris. The hon. member may be right. The question arising in my mind at the moment, a question to which I hope the Honorary Minister will give attention in the course of his reply, relates to the special inspectors who are to be appointed to make special inspections, inquiries, and investigations on matters within the scope of the Act requiring special scientific or technical training or knowledge. What phases of that special knowledge will these special inspectors deal with? One phase may be forestry in its scientific aspect, or the treatment of timber, say the powellising process, and the dangers arising from the use of arsenic and other injurious chemicals. Or it may relate to special knowledge of machinery or some particular phase of machinery. The House is entitled to further information on that point. Hon. members who have not spent a considerable time in this Chamber may jump to the conclusion that there has been no regulation of the timber industry. However, all industries in this State are under inspection for the safeguarding of the people engaged therein against danger of death, disablement or ill-health. At present

the timber industry, in conjunction with many other industries, comes under the Factories Act and the Inspection of Machinery Act. It is also subject to inspection under the Industrial Arbitration Act, Section 104 of which provides that every factory inspector and every mining inspector shall be an industrial inspector. Hon. members may not realise that under the Factories and Shops Act any place in which machinery is driven by one or more persons is a factory, and consequently comes under the Inspection of Factories Act. Even if there be no machinery in the place, if four people are employed it still comes within the definition of "factory," and so is liable to inspection by the Inspector of Factories who, probably, would inspect also in point of health, and even in the third capacity of inspector under the Industrial Arbitration Act. It is well to mention these things in order to show that the industry has not been neglected by the inspectors. I take it the measure is brought forward to consolidate and simplify administration.

Hon. J. Nicholson: There is nothing in the Bill to that effect.

Hon. H. STEWART: No. It seems to me that in the drafting the Inspection of Machinery Act or portions of it, and portions of the Mines Regulation Act, have been just taken and slopped in here. When that kind of thing is done we do not get the best legislative results. I want the Minister to let us know what is going to be the connection between the Forestry Department and the Bill and the industry. Also, I wish to know which department is going to administer the measure. It seems to me that, given proper co-ordination, probably the Forestry Department, with necessary assistance from the Mines Department, should be responsible. Of course that idea may be quite wide of the mark. However, the Mines Regulation Act is administered by the Mines Department and the inspectors are under the technical head of that department, namely, the Chief Inspector of Mines. So it seems to me not unreasonable to inquire whether the Forestry Department, or some branch of it, will administer the measure before us. Someone has to determine as to the qualifications of the inspectors. I assume those men will have to prove their competency for the position, and as the Bill deals with all phases of the industry, from falling to hauling and milling, certainly the inspectors should be thoroughly

conversant with the industry in all its branches. Another point: Throughout the Bill, in Clauses 11, 14, 15, 20 and 27, the term "industrial magistrate" is used. In the Industrial Arbitration Act as amended in 1924, the term was used for the first time. This is the way it came into being:

The powers and jurisdiction of the court under the last four sections may be exercised by any police or resident magistrate appointed by the Governor as an industrial magistrate for the purposes of this Act.

From my perusal of the Bill I am of opinion that if the word "police or resident magistrate" appeared in the Bill, probably it would suit the purposes of the State better than "industrial magistrate." "Industrial magistrate" gives the idea that this deals more especially with industrial matters. But in most instances where the term "industrial magistrate" is used in the Bill, that magistrate would be acting in his capacity as a police or resident magistrate. If the Bill passes, it will deal with any and every phase of the timber industry. Some day we may have pine plantations, or a timber industry in the North; and, as Mr. Harris indicated, the Bill will apply to goldfields areas where firewood is being cut, unless those areas are specially exempted. It can apply to sandalwood areas, to mallet bark stripping, and to wherever the activities of the timber industry extend. Consequently in many instances, unless all the police and resident magistrates of the State are gazetted as industrial magistrates, it might happen that there is a prosecution in some place where no industrial magistrate is available. Therefore a man might have to be specially authorised to act as an industrial magistrate, whereas if the term used in the Bill were "police or resident magistrate," that difficulty would not arise.

Hon. J. Nicholson: In many places there would be no industrial magistrate available.

Hon. H. STEWART: That is so. When the Industrial Arbitration Act was before us, it was as the result of an amendment of mine that the restriction was made respecting industrial magistrates. It is a couple of years since that was passed, and if that term "industrial magistrate" comes into general use, it will get into the public mind that an industrial magistrate deals solely with industrial matters. That was not the intention behind the original adoption of the

term. We do not want the term to become weakened in point of status, nor do we want industrial magistrates to be relieved of qualifications which it is at present provided they shall have.

Hon. J. Nicholson: Not every police or resident magistrate is an industrial magistrate.

Hon. H. STEWART: I thought I had made that quite clear. In brief my argument was that if we leave the term "industrial magistrate" in the Bill, seeing that the Bill applies to the whole of the timber industry, certain actions under the Bill might be taken in parts of the State where there was a police or resident magistrate who was not an industrial magistrate. Consequently I believe the better term for use in most of these clauses would be "police or resident magistrate." I thank the hon. member for his interjection, which has enabled me to emphasise the point. I think it is one that deserves the attention of members so that they will be prepared to consider the matter when the Bill reaches Committee. Let me direct attention to Sub-clause (4) of Clause 14 dealing with an examination and inquiry as to the cause of an accident. It provides that a representative of the industrial union of workers to which the injured man belongs, or of the industrial union of workers in the class of work in which the injured man was employed, shall, subject to the regulations, be entitled to examine the place where the accident occurred. There is a differentiation that is not clear to my mind, but is evidently clear to the mind of Mr. Harris. In Committee I should like to understand whether there is any particular reason for the alternative allowed, so that I shall know what attitude to adopt towards any amendment that may be considered necessary. Clause 15 reads—

The place in which any accident has occurred shall not be interfered with, except with a view of saving life or preventing further injury, until it has been examined as provided in Section 14 or, where the accident has proved fatal, until the coroner has granted permission.

I draw particular attention to the concluding words "until the coroner has granted permission." Then follows a proviso, reading—

Provided that where immediate resumption of work in the place in which the accident has occurred is urgently necessary, a person appointed by an industrial magistrate may give permission in writing for such resumption, after making full examination of the place and



a report in writing of the result of such examination in the record book.

I cannot see why a police or resident magistrate would not do as well as an industrial magistrate. Much of this measure has been taken from the Mines Regulation Act, including the provision that where an accident has proved fatal the place shall not be interfered with until the coroner has granted permission. I take no exception to provision for any necessary precaution, but when a clause is lifted out of an Act and the term mine is altered to timber industry, incongruities are likely to occur that may have to be rectified in Committee.

Hon. J. Nicholson: That would apply if a man cut his finger.

Hon. H. STEWART: Such an injury would be hardly likely to prove fatal.

Hon. J. Nicholson: But where an accident has occurred the place shall not be interfered with.

Hon. H. STEWART: The interjection is quite to the point.

Hon. J. Cornell: Men in the mines sustain cut fingers and a similar provision applies.

Hon. H. STEWART: The hon. member was not in his place when I was dealing with that phase of the question. Coming to the regulations I direct attention to paragraphs (15), (16) and (17). It is provided—

The Governor may make regulations for all or any of the purposes following, that is to say:—(15) Requiring bush lines to be cleared of dangerous trees to a prescribed width, and for the patrolling of lines. (16) For the clearing of house sites of dangerous trees. (17) To regulate the construction of bush landings and mill landings, and for the prevention of overcrowding of logs at such landings.

The only reason why I comment on those paragraphs is—

Hon. J. Nicholson: That they are drawing the long bow?

Hon. H. STEWART: No; those are matters on which it is particularly difficult to frame a series of regulations. A good deal would depend on the personality of the men who, as inspectors, were administering the measure. It is important that the right men be chosen for the positions of inspectors, men fully conversant with all phases of the industry. I support the second reading.

On motion by Hon. Sir William Lathlain, debate adjourned.

*House adjourned at 10.7 p.m.*

## Legislative Assembly,

*Tuesday, 16th November, 1926.*

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

### QUESTION—YACHTSMEN, COMPETENCY.

Mr. MANN asked the Minister for Works: Will he cause inquiries to be made concerning a recommendation submitted through the Chief Secretary to the Chief Harbour Master relative to ensuring that only competent yachtsmen shall be allowed to handle sailing boats on the river?

Hon. S. W. MUNSIE (for the Minister for Works) replied: This matter is receiving consideration, and a reply is awaited from the Boat Licensing Board, to which body it was referred on the 20th ultimo.

### QUESTION—NORTH-WEST COAST, SURVEY.

Mr. TEESDALE asked the Premier: Will he endeavour to secure the services of one of the survey warships now in Australian waters with a view to surveying the North-West coast?

The PREMIER replied: Representations in this matter will be made to the Federal Government.

### BILL—DENTISTS ACT AMENDMENT.

Introduced by Hon. S. W. Munsie (Honorary Minister), and read a first time.