

Legislative Assembly

Wednesday, 4th November, 1953.

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

QUESTION.

HOUSING.

As to Commonwealth-State Agreement, Administration Costs.

Mr. OLDFIELD asked the Minister for Housing:

Are the administrative and supervisory costs incurred by the State Housing Commission in connection with the Commonwealth-State rental housing agreement paid out of the moneys received annually from the Commonwealth, or are such costs paid from revenues raised by the State Government?

The MINISTER replied:

These costs are included in the capital costs and rents charged.

BILLS (3)—FIRST READING.

- 1, Veterinary Medicines.
Introduced by the Premier (for the Minister for Agriculture).
- 2, Aborigines Welfare.
Introduced by the Minister for Native Welfare.
- 3, Hairdressers Registration Act Amendment.
Introduced by the Minister for Labour.

BILL—RURAL AND INDUSTRIES BANK ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—ADMINISTRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 28th October.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre) [4.38]: I have carefully read the Bill. I think it is extremely commendable and I hope it will receive the support of the House. In all legislation of this nature, especially that dealing with wills, consideration should be given to the majority of the people, and this measure has reference to that aspect. This is a social question and not a legal one. Actually, it is a matter of opinion and a question of whom it suits. Testators who are married usually make reference to their near relations when drawing a will, such as their surviving spouses, their issue of children and occasionally their parents, brothers and sisters are given consideration.

The next-of-kin, other than those I have mentioned, are seldom mentioned in wills, unless perhaps the testator is very affluent and wishes that some of his assets shall be distributed among them after he passes on. I have taken notice of the circumstances associated with this problem and I feel that when a person dies intestate the existing Act is too wide in its scope. As a result quite a good deal of money is wasted on advertisements setting out the distribution of the estate, and also in making inquiries as regards next-of-kin far distant from the domicile of the testator.

Often next-of-kin, other than near relatives, are difficult to trace because they may reside in England, Ireland or in other parts of the world. The Bill is to provide for the relatives of a testator on the basis of the usual form of drafting a will. That is, it seeks to protect the wife or the husband, as the case may be, then the children, parents and probably brothers and sisters in that order.

Under the provisions of the Bill, in the case of intestate estates, the beneficiaries will be better served than they are under the present Act. The Bill introduced by the member for Maylands is very commendable, and is really more helpful to the general public. It confers the same rights as wills have done in the past. There is no more I can say except that nowadays people who die intestate do not leave much property. A person who dies leaving a big estate has usually made provision for its distribution. I support the second reading.

HON. C. F. J. NORTH (Claremont) [4.41]: I wish to support the Bill. Having heard the remarks of the mover and the

Minister, I shall not enlarge on their arguments. The Bill will constitute an all-round improvement on the present Act, and I support it.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—RETURNED SERVICEMEN'S BADGES.

Second Reading.

Debate resumed from the 28th October.

MR. SEWELL (Geraldton) [4.45]: The Bill relates to the unauthorised use or possession of membership badges of the Returned Soldiers' League, and, if passed, will protect the R.S.L. in this State. There is no reason why the league should not receive protection. The league and its branches do a very good job in the community, and its members take an active interest in the affairs of the districts in which they reside. The organisation is very active in supporting any moves for the benefit of the people. The member for South Perth, in introducing the Bill, said that there has been some traffic in R.S.L. badges. I do not doubt the statement, and that is the reason why I will support the Bill.

I suggest that other organisations could perhaps come under the scope of the Bill, which might have been called "The Badges Bill." In all walks of life we find people who are willing to profit from the efforts of others, and I have no doubt that happens with regard to the R.S.L. Such people are willing to grab anything without contributing at all to the welfare or benefit of any organisation. I believe such organisations should be protected, and every assistance should be given to them. I support the second reading and look forward with interest to the Committee stage.

MR. COURT (Nedlands) [4.48]: I support the Bill. I have had the privilege of being associated with the Returned Soldiers' League since the age of 12.

Mr. Oldfield: A war baby!

Mr. COURT: Not that I had any war service at that time but, through special circumstances, I have been in very close touch with the league continuously for nearly 30 years. The organisation was first formed through the will and courage of a small band of people, following World War I. They showed indomitable courage in fighting for the rights of men and women who had served this country in World War I and in any other war in which the British nation had been engaged.

In those early days, they had to fight very hard for recognition by Governments of the day and the various bodies within the community, but the founders achieved success, and I feel that the Legislature is responsible for preserving the league's reputation. It can do so by giving legal recognition to the emblem that is worn by members of the league. In view of the peculiar circumstances of membership of the institution, it is important to ensure that each and every wearer of its badge is a bona fide member, and not an imposter.

League membership is more than mere membership of an ex-servicemen's organisation. When one accepts membership, one pledges oneself to service and above all to loyalty to the Crown. It is impossible to obtain the benefit of membership without committing oneself to service and to the sacrifice involved. I wish to make it clear that the object of the league and its members is not to seek unfair benefits. All that they ask is an equal opportunity and, above all, the privilege to serve the community in peace, having given proof of their willingness to serve the country in time of war.

There has been some misunderstanding regarding what constitutes financial membership of the league. A Press report conveyed the impression that three months' grace was allowed in which to retain one's financial membership. I have studied the rules of the league and the situation is this: The membership subscription of 15s. per annum is payable yearly in advance on the 1st January and one month's grace is allowed after that date when a member becomes unfinancial within the meaning of the rules and is not entitled to vote at sub-branch meetings. After two months the membership is terminated and a responsibility devolves upon the member to return his badge.

The Bill provides for a period of three months, which I think is a reasonable period to elapse after the two months provided by the rules of the league. I considered it desirable to clear up this misunderstanding because already there has been some reaction that three months' grace is allowed whereas the rules provide for one month's grace, after which date a member becomes unfinancial within the meaning of the rules and is not entitled to vote at sub-branch meetings, and after two months he is under an obligation to return the badge.

Another point of importance is that the rules provide that the badge remains the property of the league. A member, therefore, when joining the league has already acknowledged, by accepting the rules of the league, that this is so, and it cannot be said that this legislation will be imposing some extra burden upon members for which they did not bargain when they joined the league.

I also inquired whether this legislation was desired by just a few people, and I found that it was the unanimous decision of the governing body to seek this legal protection. Therefore we can rest assured that this protection is not sought lightly by a small proportion of the membership, but is a proper and constitutional decision of the main governing body of the league. The authority in the league for this decision is the annual congress, and it was at the last congress that this decision was made.

A suggestion has been made that legislation should be introduced or that this measure should be enlarged in order to afford similar protection to other badges. From my examination of the situation, I should say it would be impracticable to bring in such legislation. Many difficulties are involved in identifying a particular emblem and giving it the necessary legal background to enable prosecutions to be successfully launched. So far as I can see, this measure will give adequate protection for the badge of the league, but I cannot see how we could very easily bring in legislation to protect the badges of every body unless each one had followed the procedure adopted by the league for many years and done its best to protect the badge without having a special measure such as this.

Members will be interested to know that the introduction of this Bill has had a salutary effect, inasmuch as quite a few people have rushed along to pay their subscriptions while many more have returned their badges, and some of them have been returned through the post without any mention being made of where they came from. I support the second reading of the Bill because we have a responsibility to keep the emblem of this wonderful organisation in high repute.

MR. OLDFIELD (Maylands) [4.55]: I also support the Bill. The time has long since passed when a measure of this nature should have been introduced, especially when one realises how jealous the members of the organisation are regarding their rights and privileges as members and the wearing of the league's badge. The move for the introduction of the measure was prompted as a result of some people masquerading as returned servicemen and sporting the league badge when they had no right to do so. When we walk down the street, we can see unfinancial members still wearing the badge, which they are not entitled to do. They seem to regard the badge as one that has been issued to all returned servicemen to wear, but that is not so.

Mr. Lawrence: How do you know that?

Mr. OLDFIELD: One may see these men wearing badges without the financial clip, and in one's own district, one knows men who are members of one's own branch and are unfinancial.

Mr. Lawrence: Not always.

Mr. OLDFIELD: Perhaps if one took a closer interest in the affairs of his district, one would know the members of that district and would also know that some of them had not paid their subscriptions for three or four years.

Mr. Lawrence: You are being rude.

Mr. OLDFIELD: I am not. In Maylands there are men who have been members of the league and who have allowed their membership to lapse, but they still wear the badge. Other instances could be mentioned of men who are not entitled to belong to the league but who wear the badge. They are not returned servicemen, though they may have been attached to the service for a brief period, but they are in possession of badges which they have worn since World War II, and the sub-branches have been unable to do anything about it. The sub-branches could not demand that the badge be not worn and be returned to the league, and so they have had to suffer the indignity of seeing these persons sporting the badge in the street. The Bill is a move in the right direction and will be appreciated by all members of the league. I hope that the measure will be passed without amendment.

HON. A. V. R. ABBOTT (Mt. Lawley) [4.58]: I support the second reading of the Bill, which does not call for a great deal of debate as every member is fully sympathetic with its object. Every ex-serviceman both from the recent war and the previous one was issued with a Government badge which under a Commonwealth regulation, fully protects those who are entitled to wear it, but a great many men are not wearing the official badge as they prefer the badge of the league.

I think it only right that every organisation that cares to issue a badge, which is a form of certificate, should be protected, because people who wear badges of any nature whatever when they are not entitled to do so are guilty of a form of false pretences. Many organisations have sympathisers who are prepared to go out of their way to assist them in every direction possible. There is the badge of the association to which the maimed and limbless belong and I am sure that every member of this House, when he sees a person wearing that badge, does everything in his power to assist him on his way. I know the measure will be favourably received and I give it my full support.

HON. L. THORN (Toodyay) [5.1]: For many years I was associated with the State executive of the R.S.L. and was chairman of the club committee at Anzac House. I know how the use of the badge was abused in relation to the club. Members will recall that the late Hon. A. H. Panton

introduced a Bill in this House to make provision that the financial badge would admit financial members of the league as members of the club. A considerable amount of shuffling went on and we had to take action to prevent unfinancial members gaining admittance as it would have led to trouble.

The purpose of the Bill is to control the use of the badge and prevent those not entitled to do so from wearing it. The public generally, Governments and local governing authorities, have always given the returned men consideration in the matter of employment and in other directions, but there have been many instances of men wearing the badge without being entitled to do so.

The Minister for Housing: Would not the argument about the wrongful wearing of badges apply to many organisations apart from the R.S.L.?

Hon. L. THORN: It would, but I know the Minister does not blame the R.S.L. for taking action to ensure that only those entitled to do so wear the badge.

The Minister for Housing: No, I just wondered whether the Bill should go further and include other organisations.

Hon. L. THORN: I am inclined to agree with the Minister. I suppose there are people who at times wear union badges without being entitled to do so. I know that the wearing of badges generally is often abused and I would support any move to assist other organisations in restricting the use of their badges to those entitled to wear them. I am sure the measure will receive the whole-hearted support of this Chamber.

MR. ANDREW (Victoria Park) [5.4]: I was, particularly in the early days, an active supporter of and worker for the R.S.L. I was a foundation member and president of my branch, but when I came to the metropolitan area my activities went in other directions and I could not give the R.S.L. the same attention as formerly.

Hon. L. Thorn: I often saw the hon. member at league functions in those days.

MR. ANDREW: When the Bill is in Committee, I will ask its sponsor to accept an amendment that I propose to move. We know that many people, having joined the league, move to other districts and do not resume membership, or let their membership lapse for other reasons. I feel that the measure should be amended so that a person who may have a couple of badges in his possession, without being able to lay his hands on them, will not be liable to a penalty.

Hon. A. V. R. Abbott: But you are entitled to wear the badge and have it in your possession.

MR. ANDREW: There are probably many who are not now financial members of the league and if they had badges in

their possession, they would be liable to prosecution under the measure as at present worded.

Mr. Oldfield: They would have a lawful excuse for having the badge in their possession.

MR. ANDREW: I am trying to protect such people. We desire to prevent unauthorised use of the badge and to see that those who are not entitled to them do not receive the privileges associated with the wearing of the R.S.L. badge. I support the Bill, and am sure it will receive the full support of the House.

MR. JAMIESON (Canning) [5.7]: I think the Bill is of a rather selfish nature. It has been said that other organisations could come forward and ask for legislation similar to this to be brought down in order to protect them, but if that course is followed, members will be inundated with applications from many organisations for similar coverage. There are bodies such as the Legion of Ex-Servicemen, the Air Force Association, the ex-Naval Mens' Association and others which would probably want the same protection as this Bill will afford the R.S.L. The member for Nedlands said there were innumerable difficulties—which could not be overcome—in including the badges of other organisations under this measure, but I think that is an over-statement.

I do not think those other bodies should have to ask for individual Bills to grant them the protection to which they are entitled. Even the member for South Fremantle might eventually have to sponsor a Bill to cover the use of South Fremantle football club badges. The Bill looks well on the surface and there is no doubt that the R.S.L. does a great job in its own sphere, but it already has several Acts that give it protection in various directions. I consider that every worthy organisation could have been included in this measure and had that been done, I think the member for South Perth would have received more support for the Bill than it may receive in its present form. The badges issued by Rotary, Legacy and many other organisations are worthy of protection and I would ask the sponsor of the Bill to consider increasing the coverage in the way I have suggested.

MR. McCULLOCH (Hannans) [5.10]: I have not risen simply to jump on the band wagon. I listened carefully to the member for South Perth when introducing the measure and do not agree with all his assertions. He said, for instance, that men borrow R.S.L. badges in order to go to the Anzac Club to seek refreshments, but I do not believe that.

Hon. L. Thorn: But they do.

MR. McCULLOCH: I do not think that is the case. I have been a member of the R.S.L. for the last 27 years and have

never seen any man in an R.S.L. club—other than members—unless he was invited to be there, nor have I known of anyone to be accused of wearing the badge while not entitled to do so. I do not think a man with any decency would wear a badge of this description unless he had earned the right.

Mr. Andrew: But many do.

Mr. McCULLOCH: I do not believe a man would do such a thing. Why should it be necessary for anyone to go to the R.S.L. club in order to get a drink? We saw in the Press the other day a report that two visitors had been to Manjimup where they saw, at an R.S.L. function, members playing two-up, drinking heavily and so on, but I do not believe that, either. I have been at many R.S.L. reunions and have never seen anything of that kind. I do not know what liquor costs at the Anzac Club, but I think any person could get it just as cheaply around the town.

Mr. Nimmo: But he could not get it around the town on a Sunday.

Mr. McCULLOCH: I am not interested in when or where he would get it, but I do not think a man would be guilty of borrowing or stealing a badge for the purpose of going to the Anzac Club to get beer. Mention was made of similar badges, but I do not think the provision of the Bill in this regard is fair. I have here the badge of the South African Imperial Veterans' Association and I know that members of that association have always been at R.S.L. reunions in Kalgoorlie.

Hon. L. Thorn: They are entitled to join the league.

Mr. McCULLOCH: Certainly, but the Bill states that anyone wearing a badge similar to that of the R.S.L. should be arrested and fined £10.

Hon. L. Thorn: Is that badge similar?

Mr. McCULLOCH: Yes.

Mr. Oldfield: It does not look similar from here.

Mr. McCULLOCH: The member for Toodyay mentioned preference to returned soldiers. I never received any preference, nor have my sons—though they are returned soldiers—and they have not asked for it. I say that any dinkum returned soldier, sailor or airman would not ask for preference. He is willing to pull his weight and take a job wherever he can. An ex-Imperial man can be a member of the R.S.L. but he does not come under the preference clause. The Imperial servicemen do not get a service pension at the age of 60 whereas a member of the R.S.L., who has fought outside of Australia, gets a service pension at 60 years of age. So preference for servicemen does not apply to all members of the R.S.L.

Hon. L. Thorn: You are now getting away from the Bill.

Mr. McCULLOCH: If members of the R.S.L. can prove that a man has wilfully worn the badge of the league without being entitled to it, I think it is a disgrace to the individual concerned. In such cases I would not fine a man £10, but I would give him 10 months in gaol. That is what he deserves. However, I do not think any man would wear an R.S.L. badge simply for the sake of obtaining a beer; if he were getting any benefit from wearing it, there might be some sense in it. I reserve the right to support the Bill and if, in Committee, an amendment is moved which I feel disposed to support I shall do so.

Mr. Hutchinson: Could we have that badge you have shown laid on the Table of the House?

MR. YATES (South Perth—in reply) [5.17]: I thank members for the interest they have shown in this Bill which has been introduced on behalf of the Returned Servicemen's League and I would like to answer a few of the queries raised by certain members. Firstly, I would like to discuss the amendment which the member for Victoria Park said he would move during the Committee stage.

This matter was fully discussed in South Australia by the State executive of the league in that State. They discussed the question with the South Australian Parliamentary Draftsman, through the representative of the league who had arranged for the introduction of the Bill. They defined accurately what they thought would cover the whole position and the measure went through both Houses of the South Australian Parliament. Similar queries to the one raised by the hon. member were put forward in that Parliament, but eventually members there decided that the wording used was the only solution to the problem.

It is not the intention of the league in this State to have any unfinancial member arrested. If a member has been unfinancial for even one or two years, providing he is a decent type of person no action will be taken; the idea is to obtain protection against people who wilfully wear the badge for unlawful purposes.

Mr. Lawrence: To whom would a man have to explain if he were wearing a badge and he was an unfinancial member?

Mr. YATES: That has not been decided. We will not know until the Bill becomes law what action will be taken. I can remember a Bill being introduced into this House some time ago and in that measure, which was to amend the liquor laws, a constable was given the right to arrest people who were found drinking in public places, such as on the beach, outside dance halls and so on. But I have never heard of a constable arresting anybody on a Saturday or a Sunday evening if he were having a glass of beer while eating his meal at the beach.

Mr. Lawrence: There have been cases.

Mr. YATES: That measure gave the police the right to arrest people, but the idea was to stop parties who were creating disturbances.

Mr. Lawrence: You ask the member for Mt. Lawley.

Mr. YATES: That is not general. The police have power to take action, but they do not do so unless the people are creating disturbances. In this instance the power will be in the Act for action to be taken against people who wilfully wear a badge when they are unfinancial; but I doubt whether there will be one case in five years that will go to the courts. Under the law, as it exists now, we can take a person to court, but the law is unsatisfactory because it does not give protection to the badge itself. If the magistrate rules that the wearer of the badge shall pay to the league the value of the badge, he can keep it and wear it and no one can stop him. That is one of the reasons why the Bill has been introduced.

In his speech the member for Canning said that this was a selfish Bill. It is not exactly a selfish Bill; naturally the league thinks of itself first. It is a big organisation and no other organisation has apparently thought of this idea before. If some other member decided to introduce a Bill to give protection to the badges of all organisations the league would have no objection to the R.S.L. being incorporated in the provisions of such a measure.

Mr. Jamieson: Why is not the league big hearted? Why does it not sponsor some of these other organisations?

Mr. YATES: The league is not responsible for any other organisation. It is big enough to look after itself and it leaves other organisations to do the same.

Mr. Hutchinson: Their badges are not coveted like the R.S.L. badge.

Mr. YATES: The R.S.L. badge is the most coveted badge of any organisation in Australia. The badge of the T.P.I. organisation is different and it has a protection of its own. No one would wear a T.P.I. badge unless he was a member of the T.P.I. organisation. There are other organisations that have started up since the war, such as the Legion of Ex-servicemen and Ex-servicewomen, the Naval Association, the Air Force Association and one or two others, but their membership is small and it would not be practicable to bring down legislation to give protection to badges of those organisations, some of which have, at the most, 500 or 600 members each.

Mr. Hutchinson: Nor the same necessity.

Mr. YATES: No, the same necessity does not exist. In this State the membership of the R.S.L. stands at about 20,000, but there is a potentiality of about 40,000

members. All those fellows who returned from the war are gradually settling down and marrying and many of them are joining the league. Some men joined the organisation years after they were discharged from the forces. Also many others joined at the cessation of hostilities, received their badges and did not pay any further subscriptions.

In reply to the member for Hannans, I would say that many of those men are still wearing the R.S.L. badges and a number of them are using the badges for the purposes mentioned by the member for Toodyay. That is well known to members of the State executive and many men have tried to gain access to Anzac Club by using someone else's badge. Men have been seen throwing their badges out of the window on to the footpath to allow other men to come up to the club in the lift.

Mr. Jamieson: What action was taken in those cases?

Mr. YATES: The necessary action was taken to stop that. The State secretary of the league has in his possession a badge which, I think, was handed to him recently by the police and at the bottom of the badge is soldered a little gold plate bearing the initials L.M., which means life member.

It is a replica of a life member's badge and the man that had the badge and was picked up by the police was not even an ex-serviceman; he had no right to wear the ordinary member's badge let alone a life member's badge, which is one of the most coveted badges issued by the Federal executive of the league. So, as members can see, some people have tried to use the badge for ulterior purposes and that is why we have introduced the Bill.

This measure could be the forerunner of other Bills if other organisations desired to give protection to their badges. Perhaps later on a Bill could be introduced which would incorporate all organisations. If that were done, this measure could be repealed. I ask members to allow this Bill to go through and let us watch the position in the next 12 or 18 months to see how it works out. If the provisions of the measure function satisfactorily, and the league was content with the job that was being done, should other organisations press for similar protection, the league would be right behind them in asking for the introduction of a measure to give protection to all those organisations that desired it. The Parliamentary Draftsman, when discussing this matter, felt that if we brought in any other organisations at this stage we would make the Act unworkable because we would have to define in the measure the rules of the organisations concerned.

Mr. Ackland: And you would need to have a request from them to be incorporated in the measure.

Mr. YATES: If the rules of other organisations were to be incorporated, it would make the Bill unwieldy, especially if 40 or 50 of them wanted protection. Also, those organisations would have to ask to be incorporated and their badges would have to be registered at the Supreme Court. In that direction the league has some protection because its badge is registered and no one can use a copy of it.

Mr. Hutchinson: It is copyrighted.

Mr. YATES: Yes, through the Federal executive. The same badge is used throughout Australia for all branches of the R.S.L. I have little doubt that members will be tolerant and will give this Bill the chance of going through without amendment. I cannot see any value in amending it at this stage because I think the measure, in its present form, is quite simple and affords the protection that the league desires.

The Bill will be of benefit not only to the league, but also to the general public. People will know, if this measure becomes law, that the person who wears an R.S.L. badge is a genuine member of the organisation. We will be able to weed out undesirables who are wearing the badge when they are not entitled to do so. In the past 25 or 30 years the league has been held in high esteem and the State executive wants that state of affairs to continue.

It is not the league's intention to prosecute except in very exceptional circumstances. We do not intend to start a crusade or to have the police arresting people who are wearing badges when they are not entitled to do so. If the general public can be told that a financial member has the coloured crown attached to his badge, they will know whether or not the wearer is a financial member of the league. I think the member for South Fremantle had something to say about the financial clip when he interjected at one stage. That is the only weakness with the badge.

The financial clip has three prongs and under normal circumstances it will stay attached to the badge until the wearer removes it in order to replace it with a new clip. On occasions the clips get caught and are pulled off. In such cases the wearer of the badge would be without his financial clip, but members will notice that there is nothing in the Bill relating to these financial clips. That was done purposely so that members who lost their clips would not be charged under any Act.

Hon. L. Thorn: Such a person always has his receipt.

Mr. YATES: The records can be checked to see whether or not a man is financial. If a man has been unfinancial, even up to 12 months, the league does nothing about it because some members do leave their subscriptions go for periods up to a year. As the member for Nedlands mentioned, the badge always remains the pro-

perty of the league and even though a man might be unfinancial for a period of five years and then wish to become a member again, the league would not ask him to pay the five years back subscriptions when he rejoined. All he does is to pay the current year's subscriptions. The league claims that the badge was never charged for in the first place, but is always the property of the organisation and when a member becomes unfinancial he should return his badge. The member for Nedlands read out certain rules of the league this evening and they cover the position.

I suggest to members that the Bill is a good one and its provisions will be useful and will help the League which is already held in high esteem by all Governments throughout Australia. The work it is doing is well known even though there might be some criticism in the Press from time to time about sub-branch meetings and so on. That sort of thing happens in all big organisations and if a certain member likes to criticise, and the Press gives publicity to it, it does not mean to say that the organisation is doing a bad job; far from it.

The member for Hannans mentioned that aspect also. He said that in his opinion sub-branches, not only in the league but also in other organisations, carry out their business and have their pleasures afterwards. There is a happy combination of the two. Of course, members know only too well that the man who went to the war, roughed it and came back, likes to have his annual function and talk over old times. Very often they have a drink or two and at times the party might get a bit rowdy, but in the main the league works hard and helps wherever it can. The league has a good name in this State and it aims to retain it.

Question put and passed.

Bill read a second time.

In Committee.

Mr. J. Hegney in the Chair; Mr. Yates in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Unauthorised use or possession of badges:

Mr. LAWRENCE: I move an amendment—

That in the penalty provision the following words be struck out:—"or imprisonment for not more than one month."

The reason I move in that direction is that I think the penalty of £10 for the first offence and £25 for the second is already too much, particularly when we consider the punishment meted out to people who commit such crimes as drunken driving. I agree entirely that the league does good work, but I do not think that if a man is fined £10 he will be likely to

come up again for a second dose. The prospect of having to pay £25 for a second offence would certainly stop him.

Mr. ANDREW: Mr. Chairman, I have an amendment which I wish to move before that moved by the member for South Fremantle.

The CHAIRMAN: In that case, perhaps the member for South Fremantle would ask leave to withdraw his amendment and move it later.

Mr. LAWRENCE: I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr. ANDREW: I move an amendment—

That in lines 2 and 3 of Subclause (1) the words "without lawful excuse have in his possession" be struck out with a view to inserting the words "who knowingly has in his possession and refuses to return same on demand by an authorised officer of the league" in lieu.

After hearing the member for South Perth replying to the debate, I have not altered my decision to move this amendment. The hon. member said that the purpose of the Bill was to prevent the misuse of the badge. I agree that that is desirable. But I think a person who may be inadvertently in possession of a badge should be protected. The penalties are stiff. If a person has a badge and is misusing it and refuses to give it up on demand by an authorised person, he will then be liable to penalty. But there must be a demand made.

Mr. YATES: I cannot accept the amendment. Firstly, we would have to define an authorised person and that would mean a good deal of research. Secondly, the Bill has been considered carefully by the Parliamentary Draftsman with whom I discussed the matter, and he said that the words "without lawful excuse" were sufficient coverage. It would cover, for instance, a woman who might have a badge that has been presented to her mounted on a frame, and who could prove that she had a lawful reason for possessing it. Any person who is interrogated and can satisfy the authority concerned why he or she has the badge in his or her possession would be quite safe and would be covered by the words I have mentioned.

Mr. Lapham: An unfinancial member is not supposed to have one either.

Mr. YATES: He is given three months to return his badge. After that he can be interrogated for not having the badge in his possession. All men do not wear their badges; some carry them in their pockets and wear them occasionally. I have already mentioned the case of a man who had a life-member's badge when he had no authority at all to have even the ordinary badge.

Mr. Lapham: Under the amendment he only has to have it in his possession.

Mr. YATES: The hon. member proposes to take that out.

Mr. Lapham: No, you are wrong.

Mr. Andrew: Perhaps we are at cross-purposes.

Mr. YATES: It would not be an offence unless a demand were made. The Bill has been designed to be presented in a similar form in each State and we do not desire to have a different interpretation in South Australia from that which we have in Western Australia. After further consideration I feel sure the hon. member will find that the clause gives adequate coverage. If a provision is inserted that an authorised member of the league should interrogate the person concerned, then it will cause complications.

Mr. Andrew: Why do you want to summons a person who has a badge in his pocket?

Mr. YATES: I cannot see that a legitimate member would have anything to worry about, or that he would have any difficulty in wearing his badge. It is those who have no legitimate reason that will have to worry. In its Bill presented in 1952, South Australia had the same wording as is contained in the Bill now before the Committee.

Mr. NORTON: Whilst I agree with the member for Victoria Park in his amendment to strike out certain words, I would insert in lieu only one word, namely, "exhibit." The reason for that is that in paragraph (b) we find the words "any badge" or a similar badge. The original badge had two figures showing the army and the navy and was a large badge. It was altered to a smaller badge as worn today with still only two figures and could be mistaken very easily. There are many people such as widows or sons of men who fought in World War I who wish to keep these badges in their possession as keepsakes, and it would be an offence for them to do so. Accordingly I think we should insert only the word "exhibit" after striking out the words proposed by the member for Victoria Park.

Mr. MOIR: I agree with the member for Victoria Park and I favour the amendment foreshadowed by the member for Gascoyne. I can imagine many instances of people having badges in their possession; I have some myself. I did not give it any thought at all until I heard the member for Victoria Park mention his objection when speaking to the second reading of the Bill. It was then I realised that I had two or three badges. I am not entitled to have them, and there might be quite a lot of people in the same position. They could have had in their possession for many years badges that belonged to deceased relatives or friends, and

if this Bill is passed in its present form, they will be committing an offence. I think that the only offence should be where a person exhibits a badge with the idea of making people believe he is entitled to wear it.

Hon. L. THORN: I consider the position is well covered by the use of the words "without lawful excuse." The circumstances mentioned by the member for Boulder could quite possibly arise, but the people concerned could submit a good, lawful excuse for having the badges in their possession. I know that the league has no wish to take proceedings against people of that kind.

Mr. Moir: It would not lie with the league to prosecute. Any police officer could do so, and he would have no need to refer the matter to the league.

Hon. L. THORN: At the same time, the person concerned could probably submit a reasonably lawful excuse to the police.

Mr. Moir: It would depend upon what was regarded as a lawful excuse.

Hon. L. THORN: If the Committee favours the suggestion of the member for Gascoyne, I suggest he use the word "displays" instead of "exhibits." But I feel confident that the position is fully covered by the words "without lawful excuse."

Mr. OLDFIELD: Any person who is not a financial member of the league, but has a badge, can usually show some lawful excuse for its possession. If a person is an unfinancial member of the league, he is supposed to return his badge. Some widow may have a badge which belonged to her husband, and she does not think about returning it. She has the lawful excuse that her husband was a financial member of the league and that she retained the badge, together with his other personal effects. In such a case, there would be no prosecution.

But if a person possesses a badge that he found in the street, he has no lawful excuse for retaining it, because whatever is found in that way is supposed to be taken to the nearest police station, or to the C.I.B., with a view to the legal owner being traced. To retain a badge so obtained would constitute being in unlawful possession of it. I do not think there will be any cases of injustice or hardship as a result of the use of these words, "without lawful excuse," because any person who has any right to retain a badge can substantiate his claim. The Bill aims to protect the league from people wearing badges to the possession of which they are not entitled. I ask the member for Victoria Park not to proceed with his amendment, because I do not think it will achieve what he desires.

Mr. NORTON: Paragraph (b) refers to badges similar to the returned serviceman's badge. The league has every right to demand the return of its badge if a member is not financial, but it is not right for it to demand the return of a similar badge. I think the position would be safeguarded if the word I suggested were added, plus the one suggested by the member for Toodyay, so that the reference would be to "exhibits" or "displays."

Hon. A. V. R. ABBOTT: I cannot imagine anyone exercising the power of prosecution under this provision except in the case of false pretences. I cannot see any great objection to the proposal. If one forgot to return a badge and had it in one's possession, one would have a good excuse.

The Premier: But would it be legal?

Hon. A. V. R. ABBOTT: The Premier knows that before one can be guilty of an offence, one must have intended to commit that offence.

The Minister for Education: Why should it be an offence to wear something that is not an R.S.L. badge?

Hon. A. V. R. ABBOTT: It is not an offence.

The Minister for Education: Under this Bill it is.

Hon. A. V. R. ABBOTT: A little more has to be added.

The Minister for Education: What has to be added?

Hon. A. V. R. ABBOTT: The words "as to be likely to deceive."

The Minister for Education: In whose opinion?

Hon. A. V. R. ABBOTT: That of a magistrate.

The Minister for Education: Who will police this?

Hon. A. V. R. ABBOTT: The magistrate.

The Minister for Education: Who takes action in the first place?

Hon. A. V. R. ABBOTT: I take it that the R.S.L. would.

The Minister for Education: Then it would be in its opinion.

Hon. A. V. R. ABBOTT: No, it would not; it would be in the opinion of the magistrate.

The Minister for Education: He does not take the case before the court; it has to get there first.

Hon. A. V. R. ABBOTT: I agree with that; but whether an offence was committed or not would be a question for the magistrate to decide. I do not consider members need be technical about this. I think we are being rather technical.

The Minister for Education: I think it is much too wide.

Hon. A. V. R. ABBOTT: Lots of laws are framed in order to catch a man who intends to commit an offence from which it is proposed to protect the public. There are a hundred and one laws on our statute book in respect of which, if we started to look into them, I would not say where we would get. They are never utilised except where there is a deliberate intention to deceive. If there were any difficulty about this, the Premier would take a serious interest in the Bill; but he realises, as I do, that this is a technical matter and there will probably never be any prosecution. However, the Bill does give some assistance to the league in preventing false pretences. The only people who would indulge in such behaviour would be people of disrepute. It is wise to provide protection against the man who is carrying a badge which does not belong to him, and which he may have stolen.

Mr. McCULLOCH: The word "possession" has too wide an application. I support the amendment but I would like to see included what the member for Gascoyne has suggested because it would make the position clear and would achieve what the R.S.L. wants. The interpretation of "lawful excuse" would not come into the matter. I do not think the R.S.L. wants to chase the 350 people in Western Australia or the thousands throughout the Commonwealth that the member for South Perth mentioned.

The MINISTER FOR EDUCATION: The member for Mt. Lawley was most unconvincing. This is not a question of technicalities. I am in complete sympathy with the desire of the R.S.L. to prevent unauthorised persons from having or wearing R.S.L. badges. I think the organisation is entitled to do that, but not to go any further. The difficulty has arisen here because of the intention of the hon. member who introduced the Bill to cover anything that looks like an R.S.L. badge. A number of people could unwittingly get into bother because of the provision that a person shall not wear any badge similar to a returned serviceman's badge.

Hon. A. V. R. Abbott: As being so nearly similar as to be likely to deceive.

The MINISTER FOR EDUCATION: Yes. If he wore it for the purpose of deceiving, I would agree, but if he put it on unwittingly how could he prove he had not done so for the purpose of deceiving someone?

Hon. A. V. R. Abbott: That is not the proposition.

The MINISTER FOR EDUCATION: He wears a badge which looks like an R.S.L. badge.

Hon. A. V. R. Abbott: And it is likely to deceive.

The MINISTER FOR EDUCATION: In whose opinion?

Hon. A. V. R. Abbott: In the opinion of the magistrate.

The MINISTER FOR EDUCATION: No, in the opinion of the man who laid the charge in the first instance. He would say, "Come along to the police."

Hon. A. V. R. Abbott: He could not do that.

The MINISTER FOR EDUCATION: He would get a policeman and say, "In my opinion, this man is wearing a badge which is likely to deceive."

Hon. A. V. R. Abbott: And the policeman would say, "Do not be stupid."

The MINISTER FOR EDUCATION: The policeman would have no right to say that. If a member of the R.S.L. laid a complaint under this measure he would have to take it to the magistrate and let him say whether it was stupid or not. I could bring half-a-dozen badges issued by football clubs which, at a distance, look like an R.S.L. badge.

Hon. L. Thorn: That is not comparable—at a distance.

Hon. A. V. R. Abbott: You have the same provision in regard to police badges.

The MINISTER FOR EDUCATION: The hon. member ought to be content with controlling the R.S.L. badge. The R.S.L. ought to be in a position to say that no person who is not a financial member of the league shall wear a league badge or, without lawful excuse, have a league badge in his possession, but I think it ought to stop there. I cannot see the right of any organisation to tell people they cannot wear a badge that is like the badge of the organisation.

The Premier: There is a bit of logic in this.

Hon. A. V. R. Abbott: If it were a forged one, it would be an offence, and that is why this provision is included.

The Premier: That would be false pretences.

The MINISTER FOR EDUCATION: If a person deliberately set out to fake a badge by false pretences, we could get him under other legislation.

Hon. A. V. R. Abbott: If he used it to obtain something, it would be false pretences.

The MINISTER FOR EDUCATION: Why would he put it on if he did not want to obtain something? We were told that the badges were used to obtain drinks.

Hon. A. V. R. Abbott: That would be false pretences.

The MINISTER FOR EDUCATION: The desire of the league would be met if it were given control over its own badges.

Mr. Hutchinson: Do you think it would be enough to take out the portion referring to similarity?

The MINISTER FOR EDUCATION: No. I think it would be sufficient to retain paragraph (a) and strike out paragraph (b). The R.S.L. should not be allowed to control other people's badges.

Hon. Dame Florence Cardell-Oliver: If it were some sort of a labour union, would you not want it?

The MINISTER FOR EDUCATION: No. The onus should be on the organisation to take action if a person unlawfully wore the organisation's badge, but it should have no rights about another badge no matter how much it looked like its own badge. If it is not the organisation's badge it should have no power to prosecute or impose a penalty. The provision here goes too far.

The Premier: The R.S.L. only wants to protect its own badge.

The MINISTER FOR EDUCATION: What I have suggested would achieve that objective.

Mr. YATES: There is some doubt in the minds of a few of the speakers about paragraph (b). After listening to the Minister for Education, I am prepared to accept the deletion of paragraph (b) if the rest of the clause is left as printed.

Mr. ANDREW: I am prepared to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr. JAMIESON: I move an amendment—

That in paragraph (a) the word "or" be struck out, and that paragraph (b) be struck out.

Amendment put and passed.

Mr. LAWRENCE: I move an amendment—

That in the penalty provision the words "or imprisonment for not more than one month" be struck out.

Hon. A. V. R. Abbott: What about making it seven days?

Mr. LAWRENCE: I do not see much difference between seven days and a month because I do not think either penalty would serve the league's purpose; and a term of imprisonment, whilst it has some effect, is not necessary. I do not think offenders would come back a second time, let alone a third time. I suggest to the member for South Perth that he agree to the deletion of these words for a trial period of twelve months, at any rate.

Mr. YATES: I am prepared to accept the amendment. I do not think there would be many repetitions by any person. I cannot see that the league would want to press for a penalty as drastic as this. I think this provision was taken out of the South Australian Act which made it mandatory to impose a penalty of £10 for the first offence and £25 for the second.

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

Clause 4, Title—agreed to.

Bill reported with amendments.

Sitting suspended from 6.15 to 7.30 p.m.

ASSENT TO BILLS.

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

1. Industrial Development (Kwinana Area) Act Amendment.
2. Industries Assistance Act Amendment (Continuance).
3. Noxious Weeds Act Amendment.
4. Mine Workers' Relief Act Amendment.
5. Associations Incorporation Act Amendment.
6. Vermin Act Amendment.
7. Kalgoorlie and Boulder Racing Clubs Act Amendment (Private).

MOTION—DEFENCE.

As to Commonwealth Provision for Western Australia—Order Rejected.

Order of the Day read for the resumption of the debate from the 28th October on the following motion by Hon. C. F. J. North:—

That this House supports the Federal member for Canning in his move at Canberra to have proper provision made for the defence of our western coastline.

Which, on motion by the Minister for Education, had been amended by striking out the words "supports the Federal member for Canning in his move at Canberra," and inserting in lieu the words "requests the Federal Government."

And to which the Minister for Education had moved a further amendment to add the following words:

"and to this end recommends that the Commonwealth assists the State in the opening up of Cockburn Sound."

Mr. OLDFIELD: I move—

That the debate be adjourned till this day three months.

Motion put and passed.

Order rejected.

BILL—STATE TRANSPORT CO-ORDINATION ACT AMENDMENT.

Second Reading—Defeated.

Debate resumed from the 28th October.

MR. COURT (Nedlands) [7.34]: I support the measure introduced by the member for Maylands because, firstly, I consider it will force an early attack on

the problem of co-ordination of transport. Secondly, I feel that, combined with the effect of the latitude already given to primary producers regarding the use of their own vehicles, it will create competition for our railways and it will be to their advantage to have such competition. Thirdly, I consider it will force the railways to re-orient their approach to the uneconomic short hauls which, to my mind, defeat the prospect of economically operating the railway system.

Personally, I am sorry that, when the Minister was speaking on the Bill, he did not make any reference, as far as I can remember, to the possibility of an early attack on the overall problem of transport co-ordination. The object of the member for Maylands in introducing the Bill may be an over-simplified attempt at revising the transport system of Western Australia, but at least it is a practical one to bring to a head the present vexatious situation. We must admit that it would be a defeatist attitude if we allowed the present transport system to continue unaltered and without a thorough examination.

Previously I have represented to the Minister, in consultation with him some weeks ago, the advantages to this State of a soundly organised, compact and properly co-ordinated system of road transport. The value of such a system, in the event of a national emergency such as war or some other cause, is inestimable and I do not think the Minister would dispute that point of view. In speaking on the Bill, I do not want to reiterate the question of what are the economic distances as between road transport and rail because they have been discussed at some length by previous speakers and obviously there is no agreement as to what are the respective economic haulage distances as between road and rail.

When it comes to determining the distance between 40 miles and 100 miles, some people, on the one hand, say 40 miles, and others say 100 miles as being the economic distance for road haulage, as distinct from rail. Neither do I want to dwell on the question of terminal charges except to make an observation on a comment made by one of the previous speakers. The hon. member concerned said that road transport would need a terminal organisation of a fairly elaborate nature and claimed that this has been proved in recent months when road transport had been used on a large scale. I do not deny that any properly organised system of transport needs some terminal organisation, but nevertheless I submit that road transport does not need the elaborate terminal organisation that is required by the railway system.

Therefore the road hauliers have a distinct advantage when it comes to operating in a district whether it be the metro-

politan area or in country towns. With few exceptions they go right to the terminal point for their customer, take delivery of the goods and transport them to their destination, and likewise, they can deliver them to the customer direct. The exceptions of course, are those vehicles which in some instances are inappropriate to the task, and where they are unable to obtain access to the premises of certain firms or certain of their clients.

I suggest that if this short haul as envisaged by the measure were introduced, a system of transportation would be built up whereby the proper equipment would be available to operate successfully at those terminal points without the inconvenience that might have been experienced during the time when road transport was being used in an emergency. I submit to the House that a compact and efficient road transport organisation, properly co-ordinated and controlled, is capable of extremely rapid expansion in a crisis. I strongly support a move such as is proposed by this measure, to make it possible for a strong and efficient road transport body to be organised, from which could emanate rapid expansion in the event of an emergency.

In the circumstances, I feel we should go on extending road transport distances in accordance with the provisions of the Bill or along the lines proposed in it. At the appropriate stage I intend to move an amendment to reduce the milages suggested in the Bill, but I feel we should travel along in the direction of this measure so as to extend those distances; encourage proper development of road transport; keep it under control, and steadily develop a good balance between rail and road transport systems. This measure does not attempt to achieve that result.

I admit that if we are to develop our road transport system we shall have to give some thought to a different approach to our road engineering. It could be said that the means of locomotion, as far as motor vehicles are concerned, has developed far ahead of the road system that exists in this State at the moment. There are means of transport available throughout the world which have not been used in this State and which could be introduced to Western Australia if we had the necessary road system that would permit such means of locomotion to operate safely and successfully. Therefore it follows that, hand in hand with the development of our road transport, co-ordinated with our rail system, consideration of roads must be uppermost in our minds.

In the Minister's second reading speech he made some observations on the short distances in the railway system and he pointed out that the additional revenue received from the operation of the railways over those short hauls, say, from 0 to 40 miles, or from 0 to 60 miles, was revenue that would be lost

by the railway system if it were debarred or if it had intense competition in that particular area.

Mr. Norton: Would you be in favour of making the railways a common carrier?

Mr. COURT: I will come to that in a minute. I will deal with that subject in turn. I do not agree with the contention advanced by the Minister that it is economically sound for the railways to be given a close preserve in respect of that freight which it is proposed to give to road transport in competition—not as a gift—with the railway system. It appears to me that the dislocation of the system because of having to provide a service over distances from 0 to say 60 miles, must be a source of great embarrassment and a handicap to the smooth operation of the system and could cancel out the revenue received from the haulage of goods over those distances.

Going further, I would like to touch on the Minister's reference to the reported experience of the people on the Bonnie Rock-Burakin line throughout the period that they were served by road transport during an emergency. I feel that we should not take those experiences too literally. We must realise that the system of transport operating during that period was, to say the least, an ad hoc system; it was an emergency system. There were people who were operating that system in an emergency who, in my opinion, were not personally equipped or did not have the proper vehicles to do that particular work.

They would not live in open competition in a road transport organisation without the experience essential to operate such a system. We should not take too literally what happened on that service. I know a case where a firewood carter was used on that run, but he had a vehicle totally unsuited for the task. The carter had no experience in operating a road transport service, as was necessary during this crisis. He experienced some difficulty in operating that run, to the detriment of himself and the people he served.

Comment was made in the second reading speeches and by interjection on the question of common carriers. It is an important feature when considering extension of transport mileage as envisaged by the Bill. I requested a transport operator to submit figures of cartage rates to a radius of 50 miles from the G.P.O., Perth, with the instruction that he must compile his figures for work as a common carrier without evasion or any qualification. So as not to sidestep less payable freight I requested him to include goods such as clothing, footwear and breakfast foods in the form of flakes, these being particularly light. Breakfast foods are not popular items with hauliers, and as explained by the Minister quite heatedly and to the point, road carriers want the most favourable freights.

I got this list which is rather enlightening. Because of its length I will not go through it. This operator has indicated that up to 50 miles radius of the G.P.O., Perth, he is prepared to contract in writing as a common carrier, and his prices are considerably lower than rail transport, even assuming there is no backloading. The figures are all lower than rail freights except breakfast food items or the classification known as "potatoes, six tons and over."

If he were contracting he would be able to appraise his prospects and could reasonably expect a backloading of between 25 and 50 per cent., this would naturally affect his quotation, especially if he were in keen competition with another road transport system, which is what would happen if this Bill became law. Transport agencies would then reorganise so as to compete with one another. Some of the differences in freight are as much as 20 to 25 per cent., but some are between 4 and 5 per cent. Taken over the whole range of goods there is no doubt that this quotation as a common carrier would be much cheaper within that radius. I am prepared to make this quotation available to members.

Hon. A. V. R. Abbott: What about superphosphates and goods of that nature? Have you included them?

Mr. COURT: These figures relate to the operation of a common carrier up to 50 miles of the G.P.O., Perth, and include every class of goods.

Hon. A. V. R. Abbott: Have you quotations for superphosphates?

Mr. COURT: I have. The question of road transport has received a set-back during the last day or two because of the announcements regarding the Wiluna-Meekatharra run and the decision of the Government on the Bonnie Rock railway line. These announcements relate to the problem covered by the Bill because we have to consider the merits of the two systems side by side, whether the radius of road transport be 50 miles from the G.P.O., Perth or from an operator's place of business.

It is my intention at the appropriate time to move for a reduction of the mileage stipulated in the Bill. If we concede that the last word has been heard regarding the two railway lines under consideration, then we have to concede that road transport is not as efficient when working side by side with railways. I agree that some railway systems have to be established and retained because of the factor of development. That factor of development does not prevail over the distances immediately envisaged by the measure under consideration.

The arguments that have been heard to date, on which undoubtedly there will be a more detailed report from the Minis-

ter later respecting the closing of uneconomical lines, are not very convincing when regard is had to the problem that must confront the Government at a later date—that is, to replace the railways in a suitable form. The argument that roads would have to be developed to cope with road transport is not very sound because all these areas will demand improved roads, whether the radius covered is 50 miles from the G.P.O., Perth, or a greater distance.

It is part of the State's development to acquire and improve road systems and for that reason I consider that the long term approach to these railways, in the light of the information gained from the Press to date is not very convincing. I was rather alarmed at the indications given by the Minister regarding road transportation quotes for the Meekatharra-Wiluna run; they might give some lead as to the efficiency of road transport if this Bill became law. I found it very hard to reconcile myself to the situation that has been made public, so I sought out one of the tenderers—I think there are several—and he supplied some figures to me.

As a matter of interest, I transcribed those figures into a return showing how much freight that carter would earn had he succeeded in obtaining that contract. I understand this was by no means the lowest tender. Based on the maximum freight available, on his reckoning, his earnings would have been £9,281 for the year. I disagree with the figure; I think his earnings would have been £12,200.

If we relate this state of affairs to the experience of the railways we would find that the gross earnings of that operator for that freight would be £12,200, using any figure, as against the Government railways showing a loss in that area of some £50,000 per annum. I realise that when a railway is closed certain charges go on; they have been incurred and a complete saving cannot be made. The difference between £12,200 for freight which I suggest was the maximum this operator could earn, and the loss that was incurred by the railways even if we took out the items saved on closure, would be very considerable.

In any tender given the operator must be prepared to go off the regular route, which the trains cannot do. The tenderers would have to go to destinations as directed, and the quotes would have to include mileage rates to cover journeys off the main track. Without a lot of experience it would be extremely difficult to put in a keen tender to truly indicate the cost of operating that route permanently as a road transport business.

We should support this measure. While it may be unwise to extend the area to the mileage prescribed in the measure, it is time that we objectively ap-

proached the problem of road transport. We must advance with the times; the railways must expect competition from a well organised road transport system. By all means keep road transport under control to prevent abuse of the roads or freights; make the operators carry the full burden of the routes so that they do not pick the eyes out of the best freights and leave the railways with the rest.

MR. OLDFIELD (Maylands—in reply) [7.58]: I cannot understand the opposition to the second reading of this Bill. Only 12 months ago certain Cabinet Ministers of the Government when sitting on this side of the House laid claim to the fact that any private member's Bill should pass a second reading provided amendments could be made to it. If suitable amendments were not carried then the Bill could be thrown out on the third reading. I am therefore most surprised at the attitude adopted by the Minister during the debate on the second reading when he said that he was opposing the Bill. He cannot say that suitable amendments cannot be made to the Bill. In his own second reading speech the Minister admitted that it was time the 20-mile limit was increased to a greater distance.

The Minister for Transport: I did not say that at all.

MR. OLDFIELD: I read the Minister's speech in "Hansard" this afternoon and he said that the limit should be extended beyond the 20-mile limit from the G.P.O., but the Minister referred to the distance that a haulier might operate from his place of business as dynamite and said he would not have anything to do with it. If the Minister wishes to be co-operative, I would be agreeable to having the second provision deleted in Committee. The House has been told by the member for Nedlands that in Committee he intends to move an amendment to reduce the mileage.

When moving the second reading, I stated that I would be agreeable to co-operate with any member in arriving at suitable amendments. When the Bill was framed, some figure had to be included, but this left it open for members to consider what would be a suitable mileage in the best interests of the railways and of transport hauliers. We must realise that a lot of advantages accrue to the community in general from road transport. It is a modern form of transport, and we have to face up to the fact that in recent years, and especially in the post-war years, rapid strides have been made in the class of vehicle transporting large loads over long distances.

In New Zealand recently private firms found that they had to apply to the transport licensing authority, Mr. G. W. Baird, for permission to transport their

own goods because of the loss through breakages and damage. Mr. Baird, in his judgment, stated—

The protection of the Railway Department from competition is of great public interest, but does that interest predominate to such a great degree that to maintain it the public must be permanently deprived of the very considerable advantages accruing from modern road transport? If that were so, progress in modes of transport would be stifled and the public would certainly suffer in the end.

At the hearing, no suggestion was offered of an improvement in respect of damage due to handling necessarily associated with delivery by rail. It seems that the only means whereby the evil can be remedied is to resort to modern methods which can be provided by road transport.

In the face of all the facts, I cannot see that the public interest in maintaining the railways outweighs the public interest in having these products transported with a minimum of breakage and damage. It has been established to my satisfaction that rail transport presents definite, serious disadvantages, which would be remedied if carriage by road were resorted to.

That is the judgment of a man appointed by the Government of New Zealand to protect the railways. I must agree with the member for Moore in his statement that competition would do the Railway Department a lot of good. The management of the department seems to be imbued with the idea "It does not matter", and this attitude has been growing in the upper strata of the department over a period of years.

All of a sudden new commissioners were appointed, amongst them two importations from overseas, and in the space of five years they have fallen into the trap, "What does it matter?", and last year the department cost the taxpayers of Western Australia £9,500,000. Officials of the department realise that they are protected and that they have no competition. We have legislation to protect them, and if they continue to lose money, the Government has to devise ways and means for the taxpayers to foot the bill.

The Minister for Transport: Would the metal trades strike have had anything to do with that?

Mr. OLDFIELD: The member for Guildford-Midland, although indicating that he would oppose the Bill, said that the time had arrived for the Government to set up a suitable co-ordinating board and a board with sane ideas. I agree with him. We have a Transport Board operating under the State Transport Co-ordination Act, but I agree with the member for

Guildford-Midland that there appears to be very little co-ordination about the board's activities. I suggest to the hon. member that here is an opportunity for him to take a step in the right direction with a view to getting a proper co-ordination of our transport services.

Another member who indicated his intention to oppose the second reading was the member for Gascoyne. Let me point out that he is in a very happy position because his electorate is not burdened with a railway—except the short line from Carnarvon jetty to the town—and is very efficiently served by a road transport system operated by private hauliers. Furthermore, his electorate is also served by the State Shipping Service, which is costing the taxpayers £500,000 a year. However, I do not object to that because the State Shipping Service is necessary for the progress and development of the North and is doing a good job. However, the point I wish to make is that the electors of Gascoyne are not being burdened by increased charges. Carnarvon is well served by road transport, and the people are very grateful that they are able to have their produce thus transported to the Perth market.

We must bow to progress. We must realise that we are approaching the time when the railways as a means of transport will be out-moded. Last week the Government accepted the report of Messrs. Dumas and Brisbane regarding the chord line and a site for goods yards. There was included in the report a reference which, had it been made in the House a week earlier, would have caused an outcry. I refer to the use of Burswood Island as a landing place for helicopters transporting goods. The Government accepted that proposal from its own engineers.

We have to admit that the helicopter is a modern form of transport indicating the progress that time brings, and we certainly ought to look to the future. I was pleased that the Government accepted that proposal and did not strike it out of the report. I take it that its adoption indicates that some Ministers are looking to the future. It may be only a matter of a few years before we find helicopters landing at Burswood Island.

The Minister for Transport: It is to be hoped that they are cheaper than other forms of air transport.

Mr. OLDFIELD: Is the Minister signifying that he does not agree with the report of the engineers?

Mr. SPEAKER: The hon. member is not permitted to discuss that matter.

Mr. OLDFIELD: The Minister in his speech, indicated that the public should not expect the adoption of a distance of 20 miles from the G.P.O. I would be quite happy if the limit were made 30, 35 or 40 miles, or whatever members might

think suitable. Therefore I ask members to support the second reading and, in Committee, decide upon a reasonable limit. If an amendment be moved along those lines, I shall not fight or stonewall it, so long as it is considered reasonable. If the Minister objects to the limit for operating from a haulier's normal place of business, which might be in the country, I shall accede to his wishes and approve of that provision being deleted.

Mr. Cornell: It would be a well-emascu-
lated Bill by the time you have finished.

Mr. OLDFIELD: I thought the hon. member would come to light in view of the fact of his having got the Bonnie Rock line retained. I commend the Bill to the House and hope members will pass the second reading.

Question put and a division called for.

Point of Order.

The Minister for Education: On a point of order, Mr. Speaker. Before the vote is taken, should not the member for Maylands take his correct seat in the House? He claimed a division when the vote was given with the "Ayes" and, having done that, I think he must now vote on this side.

Mr. Speaker: The vote was given to the "Ayes" and the member for Maylands challenged that, and therefore he must vote against the second reading. I must ask him to transfer to the other side of the House.

Hon. Sir Ross McLarty: This is a dirty trick, Mr. Premier! We are justified in refusing you any further pairs after this, and we certainly will.

Mr. Speaker: Order! Any objection to the Speaker's ruling must be taken straight away. I ask the hon. member to keep order. Before announcing the result of this division, I draw the attention of members to Standing Order 196, which states—

A member calling for a division shall not leave the House and shall vote with those who, in the opinion of the Speaker, were in a minority.

Division Resumed.

Division taken, with the following result:—

| | | | | |
|------------------|------|------|------|----|
| Ayes | .... | .... | .... | 16 |
| Noes | .... | .... | .... | 21 |
| | | | | — |
| Majority against | .... | .... | .... | 5 |
| | | | | — |

Ayes.

| | |
|------------------------|------------------|
| Mr. Abbott | Sir Ross McLarty |
| Mr. Ackland | Mr. Nalder |
| Dame F. Cardell-Oliver | Mr. North |
| Mr. Doney | Mr. Owen |
| Mr. Hill | Mr. Thorn |
| Mr. Hutchinson | Mr. Watts |
| Mr. Mann | Mr. Yates |
| Mr. Manning | Mr. Court |

(Teller.)

Noes.

| | |
|---------------|---------------|
| Mr. Brady | Mr. McCulloch |
| Mr. Cornell | Mr. Moir |
| Mr. Graham | Mr. Norton |
| Mr. Hawke | Mr. Nulsen |
| Mr. Heal | Mr. Oldfield |
| Mr. J. Hegney | Mr. Rhatigan |
| Mr. W. Hegney | Mr. Sleeman |
| Mr. Jamieson | Mr. Styabte |
| Mr. Johnson | Mr. Tonkin |
| Mr. Lapham | Mr. Sewell |
| Mr. Lawrence | |

(Teller.)

Question thus negatived.

Bill defeated.

BILL—DECLARATIONS AND ATTESTATIONS ACT AMENDMENT.

Second Reading.

Debate resumed from the 28th October.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre) [8.20]: This Bill is quite commendable and I feel that, if agreed to, its provisions will be of great convenience to the public. I am sure members of Parliament would be suitable persons to act as commissioners for declarations and to witness signatures, although a busy man might at times find the duty a burden. If passed, the Bill will compel all members of Parliament to be commissioners for declarations and will give them the same power to witness documents as is possessed by justices of the peace.

I remind members that a commissioner must be careful always that the declarations witnessed by him are made in good faith and that those making them are not ignorant of what they are doing, because if they were they could get themselves into trouble. Under the provisions of the Criminal Code, a false declaration is a serious offence. I support the measure whole-heartedly because members of Parliament, being available in their various electorates, would be able to render service to their electors in this regard.

As a justice of the peace, I sometimes find it burdensome, because people will come along at meal hours or other inconvenient times to have signatures witnessed. The measure deals not only with members of the Western Australian Parliament but also members of the Commonwealth Parliament. I compliment the hon. member for bringing the Bill down.

Mr. Lawrence: What will be the position if a member ceases to be a member? Will he then cease to be a commissioner for declarations?

THE MINISTER FOR JUSTICE: It seems to me that he would, as the measure applies only to members of Parliament. Once he ceases to be a member of Parliament, he will lose the power to witness documents.

Hon. L. Thorn: Yes, because he has that power only by virtue of his office.

The MINISTER FOR JUSTICE: That is so, but at all events, a member who had proved himself a worthy person would have no trouble in becoming a commissioner of declarations, as I would facilitate matters for him. I commend the Bill to the House.

MR. J. HEGNEY (Middle Swan) [8.25]: I compliment the hon. member on having introduced this Bill—

Hon. L. Thorn: Why compliment him?

Mr. J. HEGNEY: Why disparage him? I hope that at the next attempt—

Hon. Sir Ross McLarty: You people have done one discreditable thing tonight—

The Minister for Education: Then what is the Standing Order there for?

Mr. SPEAKER: Order!

Mr. J. HEGNEY: I hope that next time the hon. member will try to merge this legislation with that dealing with justices of the peace. Persons are appointed commissioners and after a time they wish to become justices of the peace. I think members will agree that it would be a good thing if the two statutes were merged. A number of people desire to become justices of the peace, not so much for the purpose of giving service to the community but in order to be able to put the so-called title after their names. I think the member for Canning has done a good job. I remember when, during a Commonwealth election, a State member in a district could not witness a declaration in connection with a vote but had to call a policeman, or someone else, to do it. Again I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—SUPPLY (No. 2), £9,000,000.

Returned from the Council without amendment.

BILL—PUBLIC TRUSTEE ACT AMENDMENT.

Second Reading.

Debate resumed from the 20th October.

HON. A. V. R. ABBOTT (Mt. Lawley) [8.31]: This Bill embodies two proposals; one is to increase the fees which may be charged by the Public Trustee on certain small estates and the other is to alter the period in which interest is to be distributed and credited to the various estates from the common fund. I propose to support the second reading because I think that the first proposal is a reasonable one but I do not favour the second provision.

If the Minister had wanted to place in the Public Trustee Act a provision similar to that contained in the private trustees' Act—that is a minimum charge of £25—I would have been prepared to support it. There is a good deal of work to do in connection with many of these estates if there are no near relatives concerned, and in some cases the relatives reside outside Australia. Under those conditions the Public Trustee, in my opinion, would be entitled to charge a reasonable remuneration for the work entailed in finalising the estate even if the fee were as high as £25.

However, the Minister has not thought fit to take the provision that far and I can see no objection to the first proposal in the Bill. The Public Trustee carries on two duties and in my opinion those duties should be severed. Prior to the creation of the office of Public Trustee there was an officer known as the Curator of Intestate Estates and it was his duty to finalise and wind up estates where there were no claimants to administration.

Naturally those estates were very small ones and the curator was not expected to be fully paid for his duties out of the estates because he carried out his duties in a public capacity and the revenue of the State contributed towards the expenses incurred. The cost of those duties could be clearly ascertained from the public accounts but today the costs of those duties are merged with the general accounts of the Public Trustee, so no one knows how efficiently, or otherwise, the duties are being performed.

I believe that the work is being carried out in an efficient manner but a good deal of the expenditure incurred should be at public expense. It is not fair to the Public Trustee because from time to time the Auditor-General has pointed out the losses made by that department. At times the department has made considerable losses and it is not possible, from the public accounts, to find out how much of that loss is connected with the duties of the curator. So I think steps should be taken to sever the duties of curator and the ordinary duties of the Public Trustee; in my view they are entirely separate.

The second provision in the Bill has reference to that section of the Act which empowers the Public Trustee to create what is known as a common fund. He is entitled to consolidate and pay to an account moneys from various trusts where required to be invested. Ordinarily a trustee would not have power to do that but there is a provision in the Public Trustee Act to cover it. At present the Public Trustee is bound to distribute quarterly the profits arising from that fund and to credit the various estates with their share of the interest.

Of course, until the estates are credited with the money the beneficiaries are not entitled to be paid and they cannot get

the money because no one knows, until the segregation is made, how much each estate is entitled to receive. The proposal under the Bill is that the segregation shall be done half-yearly and I do not think that is fair to the beneficiaries. I admit that there may be some little saving.

The Minister for Justice: It will be a tremendous saving.

Hon. A. V. R. ABBOTT: The saving might be fairly considerable but it is not a privilege that the private trustee companies enjoy and it seems a little unreasonable that beneficiaries should have to wait six months for their money. Some of them might need the money and in such cases I think the six months' period is unreasonable.

The Minister for Justice: A beneficiary would not have to wait six months; it is only a difference of three months.

Hon. A. V. R. ABBOTT: If this measure is passed he will have to wait for six months; now he has to wait for three months. Suppose the beneficiary was a widow or a child. In such cases the beneficiary would still have to wait six months for the money and I do not think it is reasonable; even though it might cost a little more, I think the segregation ought to be made every three months. I know that the Public Trustee is worried about his losses and as far as I can ascertain those losses have been caused by the duties he has carried out as curator. No curator's office has ever paid its way.

The Minister for Justice: Other Public Trustee offices pay their way; for instance, those in New South Wales and New Zealand.

Hon. A. V. R. ABBOTT: I am not aware of that. But do they carry out the duties of a curator as well?

The Minister for Justice: Yes.

Hon. A. V. R. ABBOTT: They may pay their way but, in my opinion, the Public Trustee in this State carries out his duties in a most efficient manner.

The Minister for Justice: Very efficiently.

Hon. A. V. R. ABBOTT: If he does not pay his way it is not because of the manner in which he handles the larger estates, but it is because of the large number of duties imposed upon him in what would be normally termed the work of a curator. The Minister will remember that a few years ago there was a Public Trustee and a curator's office and the curator required a good deal of assistance from revenue. So in justice to the Public Trustee I think the two departments should be severed.

The Minister for Justice: It cannot be done under this Bill.

Hon. A. V. R. ABBOTT: I realise that. However, even though the Public Trustee is losing money I do not think it right that a beneficiary should have to wait six months for his money. It is the custom in Australia for interest and increments to be paid quarterly and I see no reason why the Public Trustee should not conform to the usual custom. I propose to support the second reading of the Bill but in Committee I shall vote against that provision which deals with the common fund.

Question put and passed.

Bill read a second time.

In Committee

Mr. Hegney in the Chair; the Minister for Justice in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Section 40 amended:

Hon. A. V. R. ABBOTT: I hope the Committee will reject this clause. Under it a beneficiary will only receive his increment half-yearly, instead of quarterly, and I think that is unreasonable.

The MINISTER FOR JUSTICE: I feel the clause is all right. It will make no difference to the beneficiary. The only little difference will be on the small amount on interest, but it will make a good deal of difference to the Public Trust Office.

Mr. Yates: What about the period of six months?

The MINISTER FOR JUSTICE: I do not think that comes into it. It is three months now. I am not sure that he cannot collect the money within that duration. We are always wanting to put things on a business footing and to make them pay and yet the member for Mt. Lawley wants to make it 18 days instead of half-yearly or quarterly. The Public Trust Office is administered very efficiently and the Public Trustee is jealous of his efforts and is anxious to help all those who come under his management. It might be well if I cleared up the matter as to whether payment can be made in between the interest being calculated, and I would ask, Mr. Chairman, that you do now report progress.

Progress reported.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

In Committee.

Mr. J. Hegney in the Chair; the Minister for Labour in charge of the Bill.

Clauses 1 to 3—agreed to.

Clause 4—Section 4 amended:

Hon. A. V. R. ABBOTT: Even if the amendments I shall move are carried, I propose in due course to vote against this clause. I would want to delete from the Bill authority to carry out both fire and

life insurance but the Committee may not agree to go as far as that. The first amendment in my name on the notice paper seeks to delete from the Bill authority to carry on life assurance. That form of insurance is carried on by mutual companies to such an extent that I think I am right in saying that in Western Australia they do something like 90 per cent. of the business. They are carried on very efficiently under the control of the policy holders.

The question of the State Insurance Office being empowered to carry the business of life assurance was considered by a select committee which reported against it. The select committee was of the opinion that authority should be given to the State Insurance Office to carry on fire insurance. If the office were to be given authority to carry on life assurance, it would have opposition. That is not usual in the commercial world and I do not know of any public companies that carry on both fire and life insurance. There may be some, but I do not know of any in Western Australia. It is insurance of a different type.

I can see no reason for the State encroaching upon that sphere. If the people of Western Australia were not receiving life assurance at appropriate rates or under proper conditions then there might be some justification for this measure. The duty of a State is to regulate and control and to come into management and conducting only when it was essential in the interests of the community. It certainly is not essential here.

These non profit-making concerns are conducting their businesses in a very efficient manner. Many of them are highly respected, not only in Australia but overseas. The State cannot render the same service. Let us take the Australian Mutual Provident Society. That company has offices in England, as well as all over Australia and in New Zealand. If a resident of Western Australia transfers to London or another State, or elsewhere, and desires to conduct negotiations about his policy, he can do so at the local office. The public would not get the same service from a State organisation.

I cannot see any reason why the Minister should introduce this change. He hinted and said, "If we do not, the Commonwealth might." As I pointed out, it is doubtful if the Commonwealth has the power to do so under its Constitution. That opinion was expressed by a learned K.C. in this House and some credence must be given to it. He said they only had the power to regulate and control, but not to manage and conduct. I do not think the Commonwealth will come in. It has not done so in all these years that the Constitution has been in operation, so why should it do so now? I have always understood

that on principle the Government supported co-operative concerns. I know the member for Guildford-Midland is a very keen supporter of that method of trading and I do not think he would favour the Government entering into competition with co-operative concerns.

Mr. Brady: Would you favour co-operative concerns doing all the business in Western Australia?

Hon. A. V. R. ABBOTT: I do not believe in monopolies. There are a large number of insurance companies in Western Australia.

Mr. Brady: Too many.

Hon. A. V. R. ABBOTT: If a life assurance office were to be set up, fairly large sums of money would have to be put aside initially. There would have to be large premises and we would have to build up another huge organisation to carry on life assurance on the same basis as the mutual companies are doing at present. I think I will have the support of the member for Guildford-Midland.

Mr. Moir: You hope.

Hon. A. V. R. ABBOTT: Yes, I hope with some expectation, because I think he would feel justified in voting for the provisions that deal with fire, since the office is already carrying on a very large fire business on behalf of the Government, but actually in its own capacity. So we have a de facto situation where it is already carrying on a fire insurance business. I do not think there is any comparison between the two businesses. I move an amendment—

That in line 4 of proposed new Sub-section (1) after the word "business" the words "other than life assurance" be inserted.

THE MINISTER FOR LABOUR: I do not propose to agree to the amendment. The Bill gives the State Insurance Office authority to participate in general forms of insurance as well as life assurance. The member for Mt. Lawley seeks to exclude the provision that it should participate in life assurance business. He said he did not favour monopolies and I have heard him advocate open competition on many occasions. Why does he somersault to-night and wish to exclude the State Insurance Office from participating in this business? I know his antipathy to State trading and I think the Committee will realise that the hon. member is biased against the Bill as a whole. I suggest that members approach this measure on an impartial basis and not introduce a political aspect.

Hon. Sir Ross McLarty: I thoroughly agree.

THE MINISTER FOR LABOUR: I am glad of the interjection by the Leader of the Opposition. As Premier, he led the Government of this State for some years,

and he was the leader of a party which would not have any State instrumentality operating at any price. But for six years all the State instrumentalities in Western Australia were carried on, and his Government did not put its policy into operation by abolishing those State concerns.

For some years the State Insurance Office operated on an illegal basis. It started with practically nothing behind it except the reputation of the State, but over the years it has built up a reserve exceeding £2,000,000. Any member who is prepared to investigate the administration of the office will come to the conclusion that it is very efficiently managed; and the remark made during the second reading debate to the effect that, although the office has been carried on satisfactorily up to date, its business transactions might not be satisfactory in the future if it were given this increased authority, I consider is just a feeble argument submitted for the purpose of trying to discredit this State undertaking.

To date the office has had the right to deal in workers' compensation, motor vehicle insurance and the local authorities' insurance pool, and it has worked very efficiently. All we seek to do by this Bill is to give the office power to deal with general insurance and life assurance. The member for Mt. Lawley said that no State could carry on an undertaking such as this. Why did not his Government abolish the State office when it was in power for six years? There is no answer. It did not do so because it must have realised that the State Insurance Office has a place in the community, and is performing a definite service for the people.

So far as life assurance is concerned, the member for Mt. Lawley need not worry about whether the State office is able to undertake that. I think it will be found that the office is capable of carrying out that insurance, the same as private companies. There will be no monopoly, but the State will take the opportunity to compete on a reasonably fair basis with the well established mutual life assurance companies. In Queensland and New South Wales, State insurance offices have been operating for many years.

Hon. Sir Ross McLarty: Will the State office run life assurance on mutual lines?

The MINISTER FOR LABOUR: The State office will run life assurance in the interests of the State and the people of the State. I think that is mutual enough. The State Insurance Offices in Queensland and New South Wales are expanding. The member for Mt. Lawley indicated that this proposal would require the establishment of a large office. We have made provision even for that. It is hoped that in the next couple of years a building will be erected, nine storeys high, in the heart of the city; and that will house the State Insurance Office, as well as a number of

other Government departments. The Bill provides for the State to undertake life assurance business, and we believe that Parliament should give endorsement to the State office and amplify its activities. The amendment is not a wise one, and I ask the Committee to reject it.

Hon. Sir ROSS McLARTY: I hope the amendment will be carried. I cannot see the least justification for this proposal, and I am perfectly certain it will not meet with public approval. There are 400,000 policy-holders in Western Australia today, and they are a satisfied lot of people. That is a tremendous number in a State with a population of something like 600,000. The great bulk of life assurance business is done by the great mutual companies, and I doubt whether any people in the world are served as well in this respect as are the people of our State. Yet here we have the Government wanting to rush into a field where there is no demand for it, and where there is certainly no justification for it to operate.

The Minister for Housing: People will be able to please themselves whether they take out policies or not.

Hon. Sir ROSS McLARTY: I know. I do not think the State office will do very much with regard to life assurance, because people who have had experience of our great life assurance companies are satisfied with them. But there is more behind this than the Minister has told us, much more. The Minister can frown.

The Minister for Labour: I am not frowning; I am smiling.

Hon. Sir ROSS McLARTY: This is my opinion: The Minister has been over east. He has seen his Federal friends, and they have decided on an all-out attack on the life assurance companies of Australia. In his second reading speech, the Minister said it was likely that the Commonwealth would enter this field should there be a change of Government at the forthcoming elections. The Minister's party failed with its socialistic proposal to nationalise the banks. Now it is coming at the matter in another way. It is out to attack the great life assurance companies which handle hundreds of millions of pounds of the people's money.

These great companies have been of untold benefit to Australia. They have supplied this country with hundreds of millions of pounds by way of loan moneys, which have been used for public works, for the development of Australia. It is the people's savings that are invested in Government securities, and I would think that a Government would want to encourage those companies, and would want to encourage the thrift which the people of Australia have shown in regard to life assurance. But no! Those companies are to be attacked, in order that a socialistic policy may be carried out. I am convinced that that is what is behind this

particular move, and I will not hesitate to tell the people of this country that that is so.

Mr. McCulloch: Then you do not believe in competition.

Hon. Sir ROSS McLARTY: I have no objection to competition, but I object to our entering into competition with the life assurance companies. Probably the hon. member has got a life assurance policy.

Mr. McCulloch: I certainly have not.

Hon. Sir ROSS McLARTY: I am sorry the hon. member has not. Most members have life assurance policies. Is there any one of them who will say that he is not satisfied with the treatment he has received from the companies?

The Minister for Labour: We have not died yet.

Hon. Sir ROSS McLARTY: No; but it is not necessary to die in order to receive the benefit of life assurance. Let the Minister adopt a reasonable attitude in regard to this Bill. It seems to me that when he brings down a Bill he sticks to every line, and will not give an inch. But I realise his position in this case. He is acting under instructions. He has joined with Dr. Evatt and his friends in the attack to be made on the life assurance companies of Australia.

The Minister for Housing: You are getting as bad as a chap called Murray.

Hon. Sir ROSS McLARTY: I do not know to whom the Minister refers.

The Minister for Housing: You are concocting all sorts of stories without a scintilla of evidence to support them.

Hon. Sir ROSS McLARTY: I am not concocting anything. I am giving the facts.

The Minister for Housing: You have a vivid imagination.

Hon. Sir ROSS McLARTY: There is no question about it; and I will fight this proposal to the very last ditch.

The Minister for Housing: You have probably got your instructions.

Hon. Sir ROSS McLARTY: I know that I have the overwhelming majority of the people of Western Australia behind me.

The MINISTER FOR LABOUR: I have a lot of respect for the Leader of the Opposition, and I know that sometimes he makes valuable contributions to our debates. But for unadulterated piffle, I have never before heard the like of what he has just said.

Hon. Sir Ross McLarty: You know it is factual.

The MINISTER FOR LABOUR: I have never heard such unadulterated piffle coming from a responsible member of the Opposition. As a matter of fact, I was over east, but I did not discuss insurance business with any responsible Minister or with anybody else over there.

Hon. A. V. R. Abbott: How did you know they were likely to enter the field?

The MINISTER FOR LABOUR: I have not seen Dr. Evatt for approximately a year, or two years.

Hon. Sir Ross McLarty: You seem to have a fair idea of what is in his mind.

The MINISTER FOR LABOUR: For lack of argument, the ex-Premier tried to introduce the old thread-worn idea of socialism. I challenge him to answer a question. If he does not believe in socialism, why did he not abolish the State Insurance Office?

Hon. Sir Ross McLarty: That is drawing a red herring across the trail.

The MINISTER FOR LABOUR: Why did he not abolish the Wyndham Meat Works and the State Shipping Service? Because it suited him to see them carried on. Only the other night we heard that certain railway lines were to be closed. That is a socialistic undertaking, but the Minister for Railways had deputations waiting on him and he was asked to go into the marginal areas to meet people who wanted the railway lines left open.

Hon. A. V. R. Abbott: That is a public utility.

The MINISTER FOR LABOUR: That is what the State Insurance Office is. The same arguments that were submitted 20 years ago when there was an endeavour to legalise the State Insurance Office are being put forward again tonight. The ex-Premier tried to make out that he would fight to the last ditch the proposal to allow the State office to undertake life assurance. Let me tell him that this Government will be in the last ditch fighting him on matters of principle.

Hon. Sir Ross McLarty: I wish you would appeal to the people on this issue.

The MINISTER FOR LABOUR: If this proposal is not carried now, it will be carried in five, 10, 15 or 20 years' time, and if there is a Liberal Party Government in office in 30 years' time it will not have the courage to abolish the State Insurance Office. The Leader of the Opposition is trying to indicate that we are attacking the life assurance companies.

Hon. Sir Ross McLarty: So you are.

The MINISTER FOR LABOUR: Nothing of the kind! The hon. member is trying to belittle the State Insurance Office. He is putting himself up as the spokesman of the insurance companies as against the interests of the State.

Hon. Sir Ross McLarty: I am doing nothing of the sort.

The MINISTER FOR LABOUR: The Bill seeks to give the State Insurance Office the authority to carry out life assurance—not on a monopolistic basis but on a reasonably competitive basis. Let the people of the State decide whether they will take out policies with the State office or the Colonial Mutual Life Society

or the A.M.P., or any other accredited society. Many people may feel disposed to take out policies with the State office. There are 400,000 policies in Western Australia where we have a population of 620,000. I suppose in a few years it will be 750,000. If the people desire to take out life policies with the State office, why not let it do the business?

Hon. Sir Ross McLarty: What good will this do for the people?

The MINISTER FOR LABOUR: What harm will it do?

Hon. Sir Ross McLarty: I certainly think it will do harm.

The MINISTER FOR LABOUR: Let the people decide for themselves.

Hon. Sir Ross McLarty: I wish they could.

The MINISTER FOR LABOUR: On occasions the arguments of the Leader of the Opposition have been sound, but I have not before seen him skating on such thin ice as he was a few minutes ago. I hope the Committee will reject the amendment. The Leader of the Opposition has said he is against socialistic undertakings, but during his leadership of the State he did not abolish any of the instrumentalities I have mentioned. If he had his policy to carry out, it was hypocrisy to permit them to continue. Now that we are trying to expand the work of the State Insurance Office the hon. member is trying to hamstring us.

Mr. BOVELL: The amendment is a wise one. The people who indulge in life assurance—no less than 400,000 of them—contribute to a mutual benefit. In addition to what the Leader of the Opposition has said, let us consider the work of the A.M.P. Society. It has commenced a land settlement scheme in South Australia without calling on any public moneys to develop the country, but is doing it all from the funds available to it through its shareholders who are, of course, the policy-holders. The State Government here seeks to intrude into and interfere with the rights and privileges of the people in this regard.

Mr. Moir: The people will decide.

Mr. BOVELL: Yes, but what sort of a war is going to take place when the State office sets out to get business. If the present Government remains in office it will, no doubt, offer additional benefits to the people. Then the adverse effects will be felt by all the life assurance societies in Western Australia and the 400,000 or more policy-holders.

Without doubt this is a socialistic enterprise. It is a continuation of the 1921 conference when the Labour Party denounced its interest in the worker and commenced to socialise the whole of the Commonwealth and make the State the master of the people. We have life assurance societies which are mutual con-

cerns so that they have no shareholders apart from the policy-holders; and it is wrong for any Government to intrude into the liberties of the people. I commend the amendment because I am convinced it is in the best interests of the people.

Hon. A. F. WATTS: I had no intention of intervening in this debate had it not been for the eruption of the Minister. Mount Vesuvius could scarcely be vaster than was the hon. gentleman. He kept on asking, "Why did not the ex-Premier shut up the State Insurance Office?" In 1937 the ex-Premier and I, under the chairmanship of the present Premier, were on a select committee which inquired into this very subject.

For some years prior to that time the State Insurance Office had been carrying on, as the Minister almost admitted a few minutes ago, illegally. On four occasions attempts had been made by different Governments to put through Parliament legislation which would put a period to the illegality, but unsuccessfully. The select committee investigated the situation closely, and not only did it recommend that the past transactions of the State Insurance Office be legalised, but that the office be given legality in respect to certain types of insurance which it has been carrying on from that time to the present day.

As the result, in my opinion, of the unanimous conclusions of that select committee—although there was dissent by myself and the present Leader of the Opposition from one or two proposals—the legalising legislation was passed by Parliament. In consequence, the State Insurance Office has functioned in the way it has up till now with the sanction of Parliament and the support of all the members of that select committee from both sides of the House; because Parliament did not pass at that time any proposals which were not unanimously supported by the select committee.

So, was it likely that when the member for Murray, the present Leader of the Opposition, and I came into office, we would undermine the very things we had supported 16 years before? I come now to the question of life assurance as a proposal for the State Insurance Office to handle. I have no very decided views on the question of fire and marine insurance, but I hold quite different views in connection with life assurance.

If we examine the position a little more closely, we shall find that the companies which deal in fire and other forms of insurance, apart from life, operate on a purely profit-making basis. They have shareholders in the normal way who subscribe the capital and look for dividends. There is tremendous numerical competition between them—at least 50 or 60 of them operate in Western Australia. To the great life assurance companies—the

Australian Mutual Provident Society, the Temperance and General and the Mutual Life and Citizens—these considerations do not apply, because they do not have shareholders in the ordinary sense of the term.

The people who provide their funds are merely the policy-holders—in short, those who pay the premiums for the cover they get. All the money they have after actuarial calculation of the future risks and liabilities is distributed amongst the policy-holders in the form of bonuses. In consequence, these societies hold a very different position in the community from that which is held by the other concerns; and whatever views we might hold in regard to the fire and general insurance companies, we ought to agree that a different view must be held with respect to the mutual life companies.

Is it practical politics, let alone anything else, to suggest that after the years of experience and good results that have been achieved for the policy-holders, the State Insurance Office can successfully hope to compete with them? In my opinion the answer must be in the negative. I do not see how the State Insurance Office, operating in one State, can hope successfully to compete with these mutual organisations which do not interest themselves in the declaration of dividends on shareholders' capital. I believe they have reduced their premiums to the lowest possible figure which will enable them successfully to cope with any claims made upon them in drastic circumstances.

We know perfectly well that only in regard to such matters as miners' diseases, because of the unknown risks contingent upon certain happenings was the State Insurance Office obliged—quite wisely—to build up substantial reserves. We know, too, that for some time there was a strong inclination—in fact a demand—from the Treasury to carry into Consolidated Revenue a greater proportion of the annual surplus that remained to the State Insurance Office instead of allowing these reserves to be substantially increased.

In the first six months of my term as a Minister, when I was in charge of the State Insurance Office, that was one of the matters which the then manager brought to my notice. In consequence a much more substantial portion of the State Insurance Office surplus was applied to its reserve funds, and with very favourable results, but even so it is not quite certain that its reserve funds are sufficient, in the event of the contingencies I have mentioned taking place.

I believe that, bearing in mind all the possible changes that may arise, and under the care of most competent actuaries, the life assurance mutual corporations have at present reduced their premiums and extended their benefits to the ultimate degree possible. In competition

with them, the State Insurance Office could not hope to do any good. It would suit it far better if at present, at any rate, it would content itself with expanding, to a limited degree, the powers it has under the existing Act, and ensuring that it is able to perform those functions as efficiently as it has, so far, carried out the powers entrusted to it after 1937.

For those reasons, and without committing myself to any other amendment, I propose to support the amendment now before the Committee, because I do not think it practicable that the State Insurance Office can do better than the mutual life assurance companies at present. I fear it might do a great deal worse, to its own detriment, and I prefer to retain the status quo.

Mr. JOHNSON: I want to make some comment on the speech made by the hon. member who informed us tonight that he never gets annoyed. He said that there were 400,000 policy-holders, and therefore there would be 400,000 voters. That is not so. For example, I have no less than six policies taken out with different insurance companies. No doubt I would be better off dead.

The CHAIRMAN: The hon. member must not reflect upon himself.

Mr. JOHNSON: Very well, Mr. Chairman, I apologise to myself. The point I wish to make is that some people carry more than one policy, and if there are 100,000 voters in this State, that figure would be nearer the mark. During other debates, we have heard members on the other side advocating competition. This Bill is to allow further competition in the insurance field. Therefore, if members opposite are true to their policy, they cannot oppose it because, as they have said, competition is the lifeblood of commerce, trade and finance.

Hon. A. V. R. Abbott: Not State competition.

The Premier: No; they believe in the competition that the oil companies have with each other.

Hon. A. V. R. Abbott: I do not think that is very apt.

The CHAIRMAN: Order! The member for Leederville has the floor.

Mr. JOHNSON: Apparently it was a new idea to adopt the principle that it is only State competition that is no good. I thought any competition was preferable to none. Anyone would think that the intention of the Bill was to force every person to take out a life assurance policy, but that is not so. It is only to give those people an opportunity to take out life assurance policies in the State Insurance Office.

Hon. A. V. R. Abbott: I understand that a good deal of pressure is brought to bear in Queensland.

Mr. JOHNSON: This happens to be Western Australia. There might possibly be a good deal of implied pressure on people to insure in various ways. Pressure might be applied under a Government that is of a Fascist type. That is not likely to occur in the near future, because there is little likelihood of a Liberal Government being returned during the next few years. I am a believer in life assurance and would prefer to have at least some of my policies with the State Insurance Office, and I am sure there are many people that prefer State enterprises.

Hon. A. V. R. Abbott: I quite agree.

Mr. JOHNSON: They should be allowed to make their own choice. The experience gained by mutual assurance companies is available to anyone capable of establishing a new life assurance company. However the size of those companies is such that it is doubtful if any small concern, other than a State instrumentality, could enter into competition with them. The capital that will be amassed to provide the necessary reserves for claims paid on the deaths of policy-holders will be available for investment at possibly a lower charge than that which we have to pay to life assurance companies when filling our Government loans. I would remind the Leader of the Opposition that on this occasion the bulk of the money for the loans came from insurance companies. I remember, during a previous debate, the Leader of the Opposition making very heavy play that loans were filled by individuals and not by large sums obtained from various organisations.

Hon. Sir Ross McLarty: I did not say anything or the sort.

Mr. JOHNSON: My memory is young and perhaps a little more accurate than that of the hon. member. There is a demand for the State to enter this field of insurance, and the benefits will accrue to the taxpayer. I oppose the amendment.

Mr. YATES: I move —

That progress be reported.

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

| | |
|------------------|----|
| Ayes | 17 |
| Noes | 18 |
| Majority against | 1 |

Ayes.

| | |
|------------------------|------------------|
| Mr Abbott | Sir Ross McLarty |
| Mr. Ackland | Mr. Nalder |
| Dame F. Cardell-Oliver | Mr. North |
| Mr. Court | Mr. Oldfield |
| Mr. Doney | Mr. Owen |
| Mr. Hill | Mr. Watts |
| Mr. Hutchinson | Mr. Yates |
| Mr. Mann | Mr. Bovell |
| Mr. Manning | |

(Teller.)

Noes.

| | |
|---------------|---------------|
| Mr. Brady | Mr. McCulloch |
| Mr. Graham | Mr. Molr |
| Mr. Hawke | Mr. Norton |
| Mr. Heal | Mr. Nulsen |
| Mr. W. Hegney | Mr. Rhatigan |
| Mr. Jamieson | Mr. Sleeman |
| Mr. Johnson | Mr. Styants |
| Mr. Lapham | Mr. Tonkin |
| Mr. Lawrence | Mr. Sewell |

(Teller.)

Motion thus negatived.

Mr. YATES: I support the amendment in order to find out why the Government intends to enter the field of life assurance. The Minister spoke at great length but so far he has not disclosed the real reason for the Government introducing legislation of this nature. I am of the opinion that the Government does not desire to enter this field because of lack of competition. The Minister did not prove to the Committee that the public has been exploited by the mutual life companies. Therefore, we can assume that the companies are doing a good job for the community at large. I do not think that the entry of State insurance into the life field would benefit the public. There would be no increase in the number of policy-holders or the amount of premiums, and consequently with the business split up, benefits would be less.

The Minister for Housing: But they will not all patronise the Government insurance office.

Mr. YATES: With the introduction of a new company there would be less business. The Minister said there were some 100,000 policy-holders.

Mr. Lawrence: How many are there?

Mr. YATES: I do not know.

Mr. Lawrence: How do you know it is 100,000?

Mr. YATES: No one can assess that accurately.

Mr. Lawrence: You are accusing the Minister of giving that figure.

Mr. YATES: It was stated that there were 400,000 policy-holders of all types. That figure is in the statistics.

The Minister for Lands: That does not prove anything. For instance, I have three policies.

Mr. YATES: But the Minister does not constitute three policy-holders. There are 400,000 policy-holders holding 800,000 policies. Three-fourths of the population of the State hold policies and presumably for every child born a policy is taken out. This is a cheap policy and the premium is 1s. per week, and on reaching the age of 16 the child receives £75 to £100. In some families the husband possesses two policies, the wife one and the children one each. It is safe to say there are more policies than people in Western Australia. The State office over a period of many years, has been in one field of insurance, which has no bearing on life assurance, and

would probably have to induce experienced officers from the private companies to join the Government office.

Mr. Lawrence: How did you get on when you first entered politics?

Mr. YATES: An insurance office does not commence with a totally inexperienced staff.

Mr. Lawrence: You started off in politics totally inexperienced.

Mr. YATES: That is a different job. Anybody can be a member of Parliament. The job is first to get here. One learns afterwards. With insurance, experienced officers are required to work out the amount of charges, etc.

Mr. Heal: Do you not think that officers in the State Insurance Office have that experience?

Mr. YATES: They have not in the field of life assurance. In any case, more officers would have to be employed, and these officers would have to be attracted from other insurance companies. Another question is interference by Governments in such an office. There has always been interference in the past in any department controlled by the Government.

The Minister for Housing: Has there been any interference in workers' compensation?

Mr. YATES: It might start off flourishing. The first thing the Government would do would be to hand over to the State office all the superannuation funds and within twelve months the Government could show a handsome profit made by the State Insurance Office.

The Premier: Is it profitable?

Mr. YATES: The Government will make it profitable.

The Premier: The Government pays 4 or 5 per cent. of the money.

Mr. YATES: The entry of the State Government would reduce the volume of business and affect the bonuses at present given; business would also be reduced. The Minister said the office would be run for the good of the State; this proves conclusively that he is not interested in the policy-holders. It is not a mutual company but run entirely for the State. It gets back to the socialistic trends of Governments, especially Labour, and this is a socialistic trend to compete against industry and gradually freeze out those engaged in private enterprise.

The Minister for Lands: You are not doing yourself justice.

The Premier: He does not need justice; he needs mercy!

Mr. YATES: This is a bad move. The Premier is very facetious on this matter and is not taking the slightest interest in the Bill. He is talking to his Minister on other matters.

The Premier: What I am saying to the Minister is that you are talking drive!

Mr. YATES: What does the Minister intend to do regarding the collection of payments? Will he send collectors round from house to house as is done by the private companies? It is only by this system that the mutual societies have progressed. When a policy-holder knows that a collector is coming around, he generally leaves the money with someone else at home if he is going out that day.

The Premier: Do the life assurance companies send round collectors?

Mr. YATES: Yes.

Hon. A. V. R. Abbott: The industrial life assurance companies do.

Mr. YATES: If the State Insurance Office follows this practice it will mean the employment of a very large staff. I favour the amendment because the business is well catered for by the present societies.

Hon. C. F. J. NORTH: I have nothing to add to the argument except to refer to my own experience with regard to national insurance. Some years ago an attempt was made by the Federal Government to introduce the system and recently further moves in that direction were made. At a meeting in my electorate the Prime Minister was present.

The Minister for Labour: What Prime Minister?

Hon. C. F. J. NORTH: Mr. Menzies.

The Minister for Labour: At the time of the introduction of national insurance?

Hon. C. F. J. NORTH: At the time of the elections. This move was advocated by the Liberal Party. The scheme was that policy-holders could draw the benefits at the age of 65. With the private insurance companies the policy-holders draw out at 55, or on their death the money due goes to the beneficiaries. It was pointed out that when they received the benefits the amount would be worth only half of what they paid in because of the decreased value of the £. This is evidenced by the increases in pensions granted in the last few years to make up for the loss in money values. At present, in the case of private companies, on reaching 65 the policy-holders would get not the amount they paid in but that amount plus bonuses, so that a holder would receive not £1,000 which he paid in, but £1,800 or £2,000 including bonuses.

If a Government system of that description is introduced, no plans will be made to counter inflation or to provide for bonuses. At the conclusion of the meeting I have referred to, I asked the Prime Minister if provision was made in the Government scheme to ensure that policy-holders received their benefits in the same "coin" that they contributed throughout the years. That was a nasty question to ask the Leader of the Australian Liberal

Party and it was not keenly received by the front-benchers but the other benchers thought it was a good one.

The Prime Minister undertook to refer the matter to the Federal Executive and I believe that has been done. The other day there was an article in "The West Australian" on national insurance—years after I had committed my faux pas—which said that the only question was: How could the value of the money people would draw at the end of the period be accommodated to the amount paid in owing to inflation? Can the Minister say that State insurance would be able to meet that situation and permit of bonuses commensurate with the increased cost of living?

Mr. ACKLAND: I support the amendment. I believe that the Government, by introducing this legislation, is doing a real disservice to the State, because there is no justification and no need for further offices to deal with life assurance. The Minister said it was intended to erect a building in Perth some nine storeys high. No doubt it will be financed out of reserves, and it may be a business proposition. On the other hand, when we visualise the tremendous amount of capital already represented by life assurance buildings in the city, it seems to me that the money could be better spent on hospitals, schools, comprehensive water schemes and all sorts of other necessities for which the Government is constantly telling us no money is available.

The Minister for Labour: Large sums will be paid in rent.

Mr. ACKLAND: I said it might be a business proposition. I know something of the resumptons that have been made to provide for the contemplated building.

The Minister for Labour: Recommended by the member for Mt. Lawley when he was in office.

Mr. ACKLAND: That is something which aroused strong feeling in me against the previous Government.

The Premier: A farmers' organisation bought a theatre in the city.

Mr. ACKLAND: Yes, a business undertaking, not designed to make profits; the organisation had to do something with its money. There is one society that is doing a great service in South Australia and I believe it could be induced to give similar service here. Apart from declaring large bonuses, as these companies are doing—in many instances the accumulated bonuses exceed the amount of the policy—I doubt whether the State office could compete with the record achieved by such societies. All of them are mutual and the policyholders are the shareholders. There are 400,000 policies in this State, for a population of 600,000 people.

The A.M.P. Society has started in South Australia one of the grandest land settlement schemes in the history of Australia and has done that out of its reserve funds. During Royal Show week, two members of this Chamber and two of another place visited South Australia and returned full of enthusiasm for what they had seen: The society is using its reserve funds to improve half-a-million acres of land, and another £300,000 is ready for development in Victoria. In three years the society has improved 45,000 acres and is now improving at the rate of 25,000 acres each year. It is expected that within a few years, 40 new farms will have been started in what is known as the 90-mile desert. I wish our war service land settlement scheme could show something like the results that have been achieved in South Australia. It was interesting to note that the men there were working with great enthusiasm.

The CHAIRMAN: I hope the hon. member will not proceed too far along those lines. Under the amendment, he is not entitled to discuss the details of farming in South Australia.

Mr. ACKLAND: Quite so. The funds are being utilised in South Australia to enable the country to produce foodstuffs for people overseas and provide credits to enable Australia to meet its commitments. Such a business arrangement as is proposed by the Bill land already satisfactorily filled by mutual societies is not in the interests of the State. I desired to say that the A.M.P. Society is not seeking men with capital for its scheme. It is looking for men with the desire and will to make good—men who are prepared to work and serve a probationary period of five years.

The CHAIRMAN: The hon. member will have an opportunity to discuss that matter on the Estimates.

Mr. ACKLAND: Yes; I have probably strained the latitude allowable by the amendment. Members should realise that when so many societies are operating and doing such satisfactory work, the Government, in trying to introduce yet another socialistic scheme, is not operating in the interests of the people.

Mr. MOIR: I hope the amendment will be rejected. On several occasions since I entered this Chamber, I have been approached by prospectors and small mine-owners who desired to obtain cover in their occupations. The insurance companies in the main are reluctant to provide the cover or would do so only at a prohibitive cost. I have had several interviews with the manager of the State office with a view to obtaining protection for the men on the lines of the Workers' Compensation Act. They cannot be covered under that Act because they are working for themselves. These men constitute a very important part of the goldmining industry, and it is

unfair that they should have to face the hazards of that occupation without adequate cover against the risk of injury.

Hon. A. V. R. Abbott: That would hardly be a form of life assurance.

Mr. MOIR: No, but I wonder whether the scope of the State office could be extended so that these men could be covered. I cannot appreciate the argument of members of the Opposition. They have referred to the valuable work being done by mutual societies, and most of us can agree with that, but I cannot agree that the policy-holders come in the same category as the shareholders of a company. I have held policies in mutual companies for many years and have not had any say in their conduct such as shareholders of a company would have, so that I cannot see that any comparison can be drawn between the two. If the scope of the State office were extended to include life assurance, the people would not be compelled to do business with it. They would take out policies only if they considered it a business proposition to do so.

Hon. A. V. R. Abbott: Is it not part of your policy to nationalise insurance?

Mr. MOIR: I have never heard it mentioned until tonight when the Leader of the Opposition accused the Minister of wanting to nationalise insurance. I agree with the Minister who said that he had never previously heard so much piffle spoken. If members opposite believe in competition, what is wrong with the State Insurance Office entering these fields? If it does do that it will operate on the same basis as the other offices because no insurance organisation can operate at a loss and therefore there will be no cut-throat competition.

Hon. Sir Ross McLarty: You think it would be of benefit to the public?

Mr. MOIR: I think the expansion of the State Insurance Office over the years proves that it has been of great value to the people and especially to the employers who have been able to obtain insurance at favourable rates.

Hon. Sir Ross McLarty: Do you think they would get life assurance at a cheaper rate from the State Insurance Office?

Mr. MOIR: I do not know, but that office is run on business-like lines which compare favourably with those of any similar concern conducted in this State. People would not do business with this office unless they desired to.

Hon. A. V. R. Abbott: You do business with the railways although they do not serve you best.

Mr. MOIR: I hope the amendment will be rejected. I point out to members opposite that, from my discussions with the manager of the State Insurance Office, I know that organisation would give cover to the people in the back country if empowered to do so.

Mr. BOVELL: I suppose most members of the Committee have life assurance policies, but the member for Hannans said he did not possess any. I have always believed in life assurance and as a lad took out a policy with the A.M.P. Today, with bonuses added, it is worth double the amount for which it was originally taken out. If I died in the near future my beneficiaries would receive double the original value of the policy. About two years ago I received from the A.M.P. Society an endowment policy which I originated 20 years before and it came in very handy. I also took out a policy with the industrial department of the same office a long while ago. I paid in only a few shillings per week, but that policy which will mature in about two years time, will be well worth receiving.

The Premier: The probate duty on the hon. member's estate will be worth collecting some day.

Mr. BOVELL: Unfortunately I am not allowed to enter into a discussion with the Premier on probate duties. I have some decided views on his move in that direction and I will discuss them at the appropriate time. If the Bill becomes law in its present form, the State Insurance Office will open up a life assurance department and, like any other business of this nature, where competition is keen, it will be necessary to secure trained staff. There will be only one way open to the State office, that is to secure them from existing life assurance companies. To do that, the State office will have to offer a higher remuneration than these people have been receiving. That will be all added expense and, in view of the circumstances I have outlined, I suggest that the amendment be agreed to.

Mr. HUTCHINSON: I support the amendment. Firstly, are the existing facilities for life assurance adequate and do the companies cater for the public of Western Australia? I think members will agree that we are particularly well catered for as regards all classes of life assurance. The Leader of the Opposition pointed out that in 1951 there were nearly 400,000 policy-holders in this State and those policies, together with bonuses, amounted to £98,000,000. In 1952 there were more than 18,000 new ordinary policies taken out and over 19,000 new industrial policies were issued. That is proof of the wide coverage in all classes of life assurance.

Secondly, what effect will this move have on Government finances? As has been pointed out, the bulk of life assurance business is transacted on the mutual principle. If this principle is observed it is logical to assume that the State cannot expect to derive any great revenue from that class of business and there will be considerable financial difficulties to overcome because of the necessity of accumu-

lating further reserves. There would be a number of administrative difficulties, as the member for Vasse has just pointed out. As is well known, insurance has to be sold, and it is necessary to have a highly-trained sales organisation. The necessary staff would have to be drawn from the Public Service and I do not know how that would affect public servants because agents selling life assurance get commission and unless some commission is offered there is no incentive for them to try to obtain new business.

In the event of the State office handling this type of business I do not know whether it would be taxed to the same extent as the mutual life assurance companies. It is possible that inequality would occur because of the State Insurance Office being a State instrumentality. It is necessary for certain companies to extend extra travelling facilities to their policy-holders and we should ask ourselves if such facilities will be made available by the State office. Most companies in this State and in other parts of the world make arrangements for transfers to be effected to the advantage of policy-holders.

The State Insurance Office could meet with certain difficulties in this respect if it did not fall into line with the private companies. The mutual life assurance companies widely disperse their investments and acquire a sound interest in the State's economy which is to the benefit of the community generally because it makes for well-balanced development. The funds of private companies are beyond political control, but is it not conceivable that at some future time when the octopus of State enterprise has fattened its own body, the Government in office might not have the same respect for the funds of the policy-holders?

The intervention of Government in industry should be severely curtailed. It should not interfere in an industry that is already adequately served by private enterprise. Of course, Governments may enter industries where monopolies exist, but there is none in this field. The Committee should accept the amendment moved by the member for Mt. Lawley because, if agreed to, it will be a blow to socialism. The Minister, when speaking to the amendment, pooh-poohed the idea that any form of socialism was intended by the measure, but the fact remains that it does exist. Since the inception of the State Insurance Office it has gradually increased its control over the various forms of insurance business, and I fear that a similar encroachment could occur in other industries.

The Minister for Labour: Do you know that your Government gave the State Insurance Office a monopoly over workers' compensation business a few years ago?

Mr. HUTCHINSON: That may be so.

Hon. Sir Ross McLarty: You stick to life assurance and justify that at present!

Mr. HUTCHINSON: The people of this State might have to revise the idea held by them previously that a State Government does little to implement a socialistic policy because whenever a Labour Government is in office it uses its power to implement socialism.

The Minister for Labour: What is socialism?

Mr. HUTCHINSON: It is the policy that the supporters of the Minister's party adopt, but not so blatantly as to offend the good sense of the people of Western Australia.

The Minister for Labour: What is it?

Hon. Sir Ross McLarty: You ought to know. You are a socialist.

Mr. HUTCHINSON: Socialism is a handicapped way of life.

Hon. Sir Ross McLarty: A better answer would be that it is the policy of the Western Australian Labour Government.

The Premier: On your interpretation, you are the biggest socialist in this State.

Mr. HUTCHINSON: Many textbooks have devoted hundreds of pages to the definition of socialism, but generally speaking it is to make the State master of the ordinary individual. The welfare of our country is based upon individualism, as the majority of us will admit. I hope the amendment will be carried.

Mr. COURT: I move—

That progress be reported.

Motion put and a division taken with the following result:—

| | | | |
|------|------|------|----|
| Ayes | .... | .... | 16 |
| Noes | .... | .... | 18 |

Majority against 2

Ayes.

| | |
|------------------------|------------------|
| Mr. Abbott | Sir Ross McLarty |
| Mr. Ackland | Mr. Nalder |
| Mr. Bovell | Mr. North |
| Dame F. Cardell-Oliver | Mr. Oldfield |
| Mr. Court | Mr. Owen |
| Mr. Doney | Mr. Watts |
| Mr. Hutchinson | Mr. Yates |
| Mr. Manning | Mr. Hill |

(Teller.)

Noes.

| | |
|---------------|---------------|
| Mr. Brady | Mr. McCulloch |
| Mr. Graham | Mr. Moir |
| Mr. Hawke | Mr. Norton |
| Mr. Heal | Mr. Nulsen |
| Mr. W. Hegney | Mr. Rhatigan |
| Mr. Jamieson | Mr. Sleeman |
| Mr. Johnson | Mr. Styants |
| Mr. Lapham | Mr. Tonkin |
| Mr. Lawrence | Mr. Sewell |

(Teller.)

Motion thus negatived.

Mr. COURT: We should have some explanation from the Minister as to what is the policy of the Government in the conduct of the life assurance office. It

is entering into a highly competitive and efficient field of mutual endeavour and at no stage during this debate or in his second reading speech, did the Minister give us an outline of the method of attack on this problem of assurance. There are many questions on how they propose to obtain business. Members have touched on it lightly, but we should have some indication of the method of endeavouring to obtain the more difficult types of insurance; certain types of insurance which require skilful handling and an understanding of the problems.

I refer particularly to the aspects of superannuation schemes of which some Government members have a good knowledge. These cannot be handled merely by a book of rules. I see an hon. member opposite who is very skilled at that type of work and who has a sound knowledge of superannuation schemes. It is important that we know what types of risks are to be sought. Does the State office propose to seek out a hazardous type of risk which has been touched on by the member for Boulder and which may not be acceptable as a straight out proposition to the mutual companies?

The Minister would have made out a better case had he touched on some of those aspects. If the State office is not going to be as selective in its risks as are mutual companies, then the degree of risk will be greater and the premiums will have to be varied and the office's rates altered accordingly.

The Minister for Labour: It will be run on a business basis, the same as the other companies.

Mr. COURT: The Minister has not told us whether it is going to be selective or not, or whether it will handle hazardous risks. There is the further proposal of handling life assurance outside the State. It may be that with other State offices throughout Australia he will be able to make reciprocal arrangements to the satisfaction of all concerned for dealing with settlements of claims and payments of premiums. It is different when we move outside Australia but he may have anticipated that and provided for reciprocal arrangements. I would also ask for some enlightenment on the question of the bonus policy.

As I see it, during the initial life of this office, it will be almost impossible to pay bonuses because they must be related to certain income and reserve factors, and unless the Government is going to step out in some manner that I cannot see provided for in the Bill or in the Act, the establishment of the life assurance department will be extremely difficult, particularly with respect to the bonus side of it. Perhaps the Minister can indicate that during the first few years of the life of this office the bonus policy will

be slightly different from the normal orthodox policy of mutual life assurance companies and the policy holders will receive a benefit from some other source.

He might have in mind using the existing funds of the State Insurance Office but if I read the Bill aright, it provides that life assurance funds will be separate and distinct from the other insurance office. The member for Boulder touched on a very significant point when he referred to the difficulty that self-employers have in obtaining cover—whether it be personal, accident or life cover—when they are engaged on hazardous types of undertakings. There is a field to be explored, but not in life assurance. The State Insurance Office may develop something independent of life assurance. My own experience with the mutual companies has proved very satisfactory, in respect of assistance to self-employers. I was insured first as a youth, in a very modest way. I went to them for advice, as a struggling practitioner. I had experience with them as an ex-serviceman, and later as a mature businessman.

Through the great resources and experience of the mutual companies, they were able to meet my needs very satisfactorily. Their advice was sound, and they gave me the greatest possible cover for the minimum cost. My needs as a young practitioner and as an ex-serviceman were entirely different, but in each case when I submitted my policies, they were able to meet my requirements, and proved to be of great advantage on the changeover to meet my new requirements. On the question of socialism, some remarks have been passed, good humoured and otherwise. I am surprised that the Government has thought fit to bring down this provision, together with the other major advance proposed with respect to the Government Insurance Office.

I understood that the Federal leader of the Labour Party had seen fit to change his attitude to socialism. A supporter of the Labour Party, who is trying to divert my allegiance, told me that if an industry or need was adequately and efficiently covered, and not exploiting the public, then private industry should be encouraged to continue. It is important at this stage to note that that attitude is being adopted by the Labour Party in Great Britain. The Federal Labour leader would be horrified to learn of the entry of the State Government into a highly efficient and competitive field especially against the mutual companies. It is not competition against companies paying large dividends in the ordinary industrial sense. The establishment of such an office would present great difficulties, as also would the conduct of its business. This is a method of establishing an organisation which can be expanded gradually so as

to intrude into the field of the mutual companies and eventually absorb the whole of the life assurance business. I support the amendment.

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

| | |
|------------------|----|
| Ayes | 17 |
| Noes | 18 |
| Majority against | 1 |

Ayes.

| | |
|------------------------|------------------|
| Mr. Abbott | Sir Ross McLarty |
| Mr. Ackland | Mr. Nalder |
| Dame F. Cardell-Oliver | Mr. North |
| Mr. Court | Mr. Oldfield |
| Mr. Doney | Mr. Owen |
| Mr. Hearman | Mr. Watts |
| Mr. Hill | Mr. Yates |
| Mr. Hutchinson | Mr. Bovell |
| Mr. Manning | |

(Teller.)

Noes.

| | |
|---------------|---------------|
| Mr. Brady | Mr. McCulloch |
| Mr. Graham | Mr. Molr |
| Mr. Hawke | Mr. Norton |
| Mr. Heal | Mr. Nulsen |
| Mr. W. Hegney | Mr. Rhatigan |
| Mr. Jamieson | Mr. Sleeman |
| Mr. Johnson | Mr. Styants |
| Mr. Lapham | Mr. Tonkin |
| Mr. Lawrence | Mr. Sewell |

(Teller.)

Amendment thus negatived.

Progress reported.

House adjourned at 11 p.m.

Legislative Assembly

Thursday, 5th November, 1953.

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The SPEAKER took the Chair at 2.15 p.m., and read prayers.

PERSONAL EXPLANATION.

Hon. C. F. J. North and Western Australian Defence Motion.

Hon. C. F. J. NORTH: With your permission, Mr. Speaker, I would like to make a personal explanation concerning a report in this morning's issue of "The West Australian" dealing with the debate on my motion regarding the defence of the Western Australian coast. The report stated that a motion had been moved by me to the effect that the House request the Federal Government to have proper provision made for the defence of the western coastline. That, however, was the amendment moved by the Minister for Education. My motion was as follows:—

That this House supports the Federal member for Canning in his move at Canberra to have proper provision made for the defence of our western coastline.

The amendment and the motion were two different things. The amendment was to request the Federal Government to do