Legislative Assembly

Wednesday, the 10th May, 1978

The SPEAKER (Mr Thompson) took the Chair at 2.15 p.m., and read prayers.

TAXI-CARS (CO-ORDINATION AND CONTROL) ACT AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by Mr O'Connor (Minister for Works), and read a first time.

Second Reading

MR O'CONNOR (Mt. Lawley—Minister for Works) [2.17 p.m.]: I move—

That the Bill be now read a second time.

The purpose of the Bill before the House is to establish beyond doubt the areas of responsibility of the Taxi Control Board and to provide the necessary machinery for the administration of the Act.

When the Taxi Control Board was first established, it became responsible for the issue of taxi-car licences and registration of drivers, although its powers were extremely limited as the Police Department continued to exercise considerable control over some facets of the industry such as vehicle testing and driver testing.

As there was a statutory body administering the industry, over the years there has been a progressive withdrawal of the Police Department—now the Road Traffic Authority—from the area of responsibility in relation to taxi-cars. During this time, the board has endeavoured to upgrade the industry and has paid particular attention to driver qualifications and behaviour and types of taxi-cars, in order to ensure a reasonably adequate service day or night, and the standard and types of taxi-cars available for public hire.

In addition to normal taxi services, the board has endeavoured to develop the operation of the more prestigious types of vehicles as private taxi-cars to meet the public demand for special functions and overseas visitors.

In pursuing its policy, the board has called upon the experience and advice of the industry members on the board and, as a general rule, their actions have been supported by most operators in the industry as they appreciate the need to ensure acceptable standards of service. Whilst there has been a large degree of co-operation from those in the industry, doubt has been cast upon the validity of the board's actions under its present powers due to a relatively small minority group in the industry defying board policy and directives. A court decision indicated that the board's actions could be outside the provisions of the Act.

After discussions with Crown Law Department, if was considered necessary to seek an amendment to the Act which would permit the making of appropriate regulations to overcome the deficiencies which had been highlighted at the court hearing, one of which was the inability of the board to direct its officers to, on its behalf, perform administrative tasks considered necessary to implement the board's policy. It has also become necessary to remove any doubt as to the board's role and ensure that persons involved in the industry shall act in accordance with the policy as determined by the board.

Members will be aware that the Taxi Control Board consists of the following members—

The Commissioner of Transport	—Chairman
One member	—Representing Road Traffic Authority
One member	—Representing local authorities
One member	—Representing Metropolitan (Perth) Passenger Transport Trust
Three members	—Elected by industry under ballot conducted by the Chief Electoral Officer.

The recent court case was brought about by several operators who changed seat configurations in their taxi-cars without the authority or knowledge of the board and after officers of the board had carried out their inspection of the vehicles. Not only were these changes contrary to the board's policy but also seat anchorages for motor vehicles are the subject of specific Australian design rules and vehicles should not be modified without the approval of the Road Traffic Authority which administers road uniform design rules set up in the interests of road safety and in the interests of the public generally.

Members will, therefore, clearly see that the board must have the power to ensure that only approved vehicles operate as taxi-cars and that modifications will not be permitted unless specifically approved by the board and the Road Traffic Authority.

Mr Skidmore: I cannot see how bucket seats can be dangerous.

Mr O'CONNOR: If they are in the wrong type of vehicle thay can be. For instance, if a vehicle is designed with a bench seat and a bucket seat is installed without the proper precautions being taken it is reasonable that they should have to be approved to ensure the safety of the occupants of the vehicle. Normally bucket seats would not be dangerous, or they are not dangerous. It depends on the way in which they are installed in the vehicle.

Mr Skidmore: The supportive attachments for bucket seats are exactly the same as for bench-type seats except that there is another attachment at the back of the bucket seat.

Mr O'CONNOR: It depends who installs the bucket seat and how it is installed. This particular regulation says "unless specifically approved by the board".

Mr Harman: What would be the case where a car is purchased as new with the bucket seats already installed?

Mr O'CONNOR: This would be up to the board to decide. The board has the power to decide what action would be taken in that particular case.

In empowering the board to license taxi-cars, it is imperative that sufficient statutory authority be provided to enable the board to determine the type of taxi-car which is required for the provision of taxi services in the Perth metropolitan area and, furthermore, that once a vehicle has been passed as fit for use as a taxi-car, that the owner shall not alter or modify that vehicle without the proper approval of the board. I believe that qualifies the point I have just made.

Quite obviously, we cannot have a situation arise where a taxi-car owner whose fares are fixed by the board can operate or modify a type of taxi-car without the board having the opportunity to consider the effect upon the public.

It is interesting to note that although a great deal of publicity has been given to the "rebel" minority group, the board has received two petitions from responsible operators in the industry supporting the stand the board took in the recent issue.

Mr Skidmore: They are probably lessees.

Mr O'CONNOR: It may be interesting to note that two of the members of the board were re-elected by a majority of the members of the board after this particular issue was raised. It can be seen, therefore, that they have the support of the members of the board. I should just like to make that point. I will not argue with the honourable member about that.

In addition to establishing the authority of the board in relation to types of cars which may be used as taxi-cars, the Bill also contains a machinery provision necessary for the administration of the board's activities and provision has been made to define a secretary to the board.

Accordingly, therefore, I submit this Bill is a necessary piece of legislation designed to prevent abuses by operators in not complying with board policy in relation to their behaviour and the type of fitments to taxi-cars.

Debate adjourned, on motion by Mr Pearce.

Message: Appropriations

Message from the Governor received and read recommending appropriations for the purposes of the Bill.

BILLS (2): INTRODUCTION AND FIRST READING

1. Parks and Reserves Act Amendment Bill.
2. Northern Developments Pty. Limited Agreement Act Amendment Bill.

Bills introduced, on motions by Mrs Craig (Minister for Lands), and read a first time.

AUSTRALIAN CONSTITUTIONAL CONVENTION

Participation by WA and Appointment of Delegates: Motion

SIR CHARLES COURT (Nedlands—Premier) [2.27 p.m.]: I move—

> WHEREAS it is desirable that the Legislative Assembly of the Parliament of Western Australia should by resolution declare its will in regard to the continued participation of the Parliament in the Australian Constitutional Convention and make such decisions consequent thereupon as may seem appropriate: NOW, THEREFORE, the Legislative Assembly resolves to continue to participate in the Australian Constitutional Convention and further resolves:
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> 1. That for the purposes of the Convention—

(a) the delegation from the Parliament of Western Australia should consist of twelve members of whom seven should be appointed by the Legislative Assembly and five by the Legislative Council;

(b) the seven members appointed by the Legislative Assembly shall comprise two members from the Liberal Party, four members from the Australian Labor Party and one member from the National Country Party; and

(c) the five members appointed by the Legislative Council shall comprise three members from the Liberal Party and two members from the Australian Labor Party.

2. That each appointed member of the delegation shall continue as an appointed member while a member of the Parliament of Western Australia unless—

(a) the House of Parliament by which he has been appointed terminates his appointment;

or

(b) he resigns as a member of the delegation by writing addressed to the President of the Legislative Council or the Speaker of the Legislative Assembly, as the case requires.

3. That the seven members appointed by the Legislative Assembly shall be—

The Hon. Sir Charles Court.
The Hon. D. H. O'Neil.
The Hon. R. Davies.
The Hon. C. J. Jamieson.
The Hon. A. D. Taylor.
Mr R. E. Bertram.
Mr W. R. McPharlin.

4. That the Hon. Sir Charles Court or his nominee be Leader of the delegation, and the Hon. R. Davies or his nominee be Deputy Leader.

5. That where, because of illness or other cause, a member of the delegation is unable to attend a meeting of the Convention, or of a committee of the Convention, or of a sub-committee or working party of such a committee, the leader or senior available member of the party from which that member is drawn may appoint an alternate member, and the member so appointed shall be a member of the delegation for that meeting.

6. That the Leader from time to time, make a report to the Legislative Council and the Legislative Assembly respectively of such information and matters arising out of the Convention as he thinks fit, and such report shall be laid on the Table of each House of Parliament.

7. That the Leader and Deputy Leader of the delegation, or their respective nominees, be appointed to represent the delegation on the Convention's Executive Committee.

8. That the Honourable the Attorney-General be asked to provide such assistance to the delegation as it may require.

9. That the Legislative Council be informed of this resolution and invited to continue its participation in the Convention on the basis outlined herein.

I gave notice of this motion yesterday, because it is necessary before the House rises to set out the details of our participation as a Parliament in the Australian Constitutional Convention, the next plenary session of which will be held in Perth in July.

Members might or might not know there are a series of standing committees, working parties, and study groups functioning all the time and between the main conferences they operate virtually under an executive committee.

The executive committee, of course, can do only certain things. It cannot dictate to the Parliaments or pre-empt the decisions of the Parliaments of the different States with regard to the actual participation and the conditions of participation. On an analysis of the motion, I think members will find that it is largely formal and it is consistent with previous motions. However, it is necessary to make sure there is no doubt about the eligibility of our delegates from this Parliament.

There is provision for equal representation from the Government and the Opposition, and there is a breakup between the Legislative Assembly and the Legislative Council which is set out in the motion. The most important matter, however, is to have the names of those who will participate incorporated in the motion.

The names of the nominees of the respective leaders—that is, the Premier and the Leader of the Opposition—are stated in paragraph 3 of the motion. They are, the Hon. D. H. O'Neil, the Hon. R. Davies, the Hon. C. J. Jamieson, the Hon. A. D. Taylor, Mr R. E. Bertram, and Mr W. R. McPharlin.

When the motion has been passed here it will go to the Legislative Council for its concurrence. I am advised that in the form of the motion which will be moved in that House it will provide for the following participants: The Hon. G. C. MacKinnon, the Hon. I. G. Medcalf, the Hon. N. McNeill, the Hon. D. K. Dans, and the Hon. R. F. Claughton. The Legislative Council, in turn, will advise us of its concurrence and of its nominees.

I want to advise the House that although the name of the Leader of the National Country Party, the Hon. R. C. Old, does not appear in the motion he will, in fact, be a delegate to the convention. He will be acting as delegate in place of the Hon. G. C. MacKinnon who will be out of the State at that time.

In accordance with this resolution I have indicated I will nominate Mr Old to be one of the delegates from the Government side. I cannot make that nomination formal until the motion is passed by the other House. I commend the motion to members.

MR DAVIES (Victoria Park—Leader of the Opposition) [2.32 p.m.]: As the Premier has just said, this motion becomes necessary because of a change in the membership of the delegation which has been participating. For various reasons, Parliament needs to approve the change before the convention meets in this State towards the end of July.

As we have already nominated our members, it is natural that we should support the motion which has been moved on this occasion. The Australian Constitutional Convention has been meeting for some considerable time, and I believe it has been close to foundering on a couple of occasions.

Mr Bertram: It was on strike.

Mr DAVIES: I have not been aware of any strike, but I am sure we could have obtained a good mediator!

From what I have heard, the various committees associated with the convention are settling down to some reasonable work—if that is the correct expression. There is hope that although the end may yet be far away there is now a better feeling amongst the various States and the members of the committees generally.

I thank the Premier for introducing the motion in order to formalise the nominees. I note what he has said in regard to the Leader of the National Country Party, and we support that suggestion also.

Question put and passed.

LIQUOR ACT AMENDMENT BILL

Second Reading

Debate resumed from the 26th April.

SIR CHARLES COURT (Nedlands—Premier) [2.34 p.m.]: The Government has studied this Bill submitted by the member for Albany and it has no opposition to it. We have also studied the amendments which appear on the notice paper and we understand the reasons for them. We have no objection to those amendments.

MR WATT (Albany) [2.35 p.m.]: I thank the Government for its support of the Bill. I assume there is no objection from the Opposition and, therefore, I commend the second reading.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr Clarko) in the Chair; Mr Watt in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 36A amended—

Mr WATT: Since introducing this Bill it has been further examined by the Crown Law Department. That department decided that in a strict legal sense the interpretation for which the amendments were intended would not be achieved. It was decided it would be difficult to amend the wording of clause 2 as it stands, and it was recommended that new subsections be inserted. Therefore, I move an amendment—

> Page 2—Delete paragraphs (a) and (b) and substitute the following—
>
> (a) by deleting subsection (1), and substituting a new subsection as follows—

(1) A vigneron's licence may be granted or renewed if the court is satisfied that the applicant carries on the business of a vigneron on the premises named in the licence and is—

(a) the occupier of such premises, being a vineyard of not less than two hectares of vines in full bearing or an orchard of not less than two hectares; or

(b) an apiarist owning not less than one hundred hives in production, the honey from which is processed on such premises. ; and

(b) by deleting subsection (2), and substituting a new subsection as follows—

(2) Where a person who would otherwise be eligible for the grant of a vigneron's licence satisfies the court that the vineyard or orchard occupied by him, or the place where he processes honey, is not a convenient location for the sale of wine, a vigneron's licence may be granted to that person in respect also of other premises situate in reasonable proximity thereto and named in the licence.

The problem is that although a person may occupy an apiary that apiary need not necessarily contain the hives from which honey is taken. Subsection (1) is split into two parts. The first part deals with the requirements of the orchardists and vignerons and the second part deals with the situation relating to apiarists.

The second new subsection will tidy up the reference to a place where honey and mead can be processed.

Amendment put and passed.

Clause, as amended, put and passed.

Title put and passed.

Report

Bill reported, with an amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Mr Watt, and transmitted to the Council.

GOLDMINING INDUSTRY

Stabilisation: Motion

MR GRILL (Yilgarn-Dundas) [2.41 p.m.]: I move—

That in the opinion of the House urgent action should be taken by the Government to stabilise the mining industry on the Goldfields by:

1. Encouraging and seeking Federal Government support for a scheme to stabilise the price of gold.
2. Initiating a study, backed by the resources of the Mines Department and the Department of Industrial Development, into a feasibility of establishing a custom gold treatment plant in the Eastern Goldfields.
3. Providing a low interest long term loan to North Kalgurli Mines Ltd. to allow it to convert its nickel treatment plant back to gold treatment, thereby retaining its present workforce.
4. Appointing a special committee comprising representatives from the Chamber of Mines, Education Department, W.A. School of Mines and Unions, to inquire into and make recommendations on the needs of education and training of workers in the mining industry.

It is not with enthusiasm that I move this motion. It is, in fact, my rather dubious honour to have become the member for Yilgarn-Dundas—formerly known as the electorate of Boulder-Dundas—at a time when the major industry in the area is in a very parlous position.

It is tempting for me to be over-emotional and somewhat dramatic about a matter which so closely concerns the people who are my constituents, and I bear that in mind when I say that the economy of the eastern goldfields has been decimated. We have seen the lay-off of huge numbers of men in the goldmining, nickel, and associated industries. Businesses and shops have closed down. The population of the area has been falling; houses are empty, and there is a general air of despair amongst many people in the community.

It appears that the Government is doing

nothing about the matter, and I put that charitably by saying it appears the Government is doing nothing for the area. I do not want to be emotional about it, but measures must be taken, and they must be taken in the near future if the area is to go ahead and carry out its role as one of the most important regions of Western Australia.

Certain measures can be taken; the outlook is not altogether gloomy. There is some reason for optimism as long as this Government and the Federal Government are prepared to take minimal action to alleviate the situation.

The goldmining industry and the nickel industry are the basic industries of the eastern goldfields. I would like to indicate to the House just what the employment situation is in relation to those industries at the moment. Since August, 1977, the number of men laid off or sacked are as follows—

Kambalda nickel operation	450 men sacked
Redross nickel mine, Norseman	120 men made redundant
Scotia, Great Boulder, and Carr Boyd mines	200 men laid off
Windarra	400 men under notice or retrenchment at end of month
North Kalgurli	103 men made redundant

On top of that, at least 200 contractors will lose their jobs or have already lost their jobs.

Adding up those figures, and without counting the contractors who have been put off, a total of 1 273 men in the eastern goldfields have lost their jobs since August, 1977. That represents 35 per cent of the basic work force of the area. If we then add the 600 or 700 men put off when the Fimiston goldmining operation closed down in 1975-76, the total number of men who have lost their jobs on the goldfields through redundancy or the closure of mines totals 1 973.

The present mining work force in the eastern goldfields is as follows—

	Work Force
Kambalda	1 220
Agnew nickel mine	138
Central Norseman goldmining operation	260
Mt. Charlotte goldmining operation at Kalgoorlie	380
Selcast nickel mine	131

The Windarra nickel operation will be down to 100 employees in the near future, and the Nepean nickel mine currently has a work force of 187. In all that is a total of 2 421 employees.

If we take the figure representing the number of redundancies and sackings since 1975 as a percentage of the total work force, it becomes fairly clear that nearly half the basic work force in the eastern goldfields area—45 per cent—has been made redundant. Very few areas of this State could take a blow of that nature and come back for more.

The potential of the area is still reasonably good. There is an obvious potential at the Fimiston end of the Golden Mile for the employment of perhaps 700 men. Kalgoorlie Mining Associates presently are looking at two proposals. It could re-open part of the Golden Mile with a 10 000 tonnes a month per four-week period operation employing 145 men, or it could look at an operation of some 40 000 tonnes a month employing some 700 men.

At the present time Kalgoorlie Mining Associates have consulted geologists, metallurgists, and other highly qualified specialists in regard to the re-opening of the Golden Mile. I understand some undertaking has been given by the Government that a decision in regard to the re-opening of those mines will be made by the 30th June of this year. So there we have a potential for 700 jobs.

In respect of the North Kalgurli Mines Ltd. operation, there is a potential for jobs for approximately 250 more men. There is a potential for a marginally increased work force in the eastern goldfields by a further 250 men who will be required at Agnew by the end of the year. Apart from that, there may be some potential in the uranium mining field. However, that is a matter for speculation and I would not like to count on employment in this field in any realistic assessment of the future work needs of the eastern goldfields.

Putting it rather bluntly, the present situation is this: There is virtually no real prospect for any great increase in the work force in the nickel industry in the next two to four years. The only real prospect is that of a further 250 jobs at the nickel mining operation at Agnew.

However, there is a potential—and it is a real potential—for a further 950 jobs in the goldmining industry, and it is to this industry that the Government must look in the future. I would suggest the Government must look to it in the very near future to make up the numbers in the work force in the Kalgoorlie-Kambalda-Norseman-eastern goldfields area.

That future, of course, rests upon the future of

the price of gold and the future of the price of gold is open to speculation. The unfortunate fact is that over the last two years the price of gold has varied wildly. That wild variation in price has been exacerbated by the various fluctuations in the exchange rate.

For instance, in 1975 the price of gold in terms of US ounces reached $190. It then plummeted, and a month ago it only just got back to around that figure in terms of price per ounce in US dollars. The record in terms of US dollars was set in 1975, and the record in terms of Australian dollars was set only a few weeks ago when the price reached $162 to $163. The fluctuation in the exchange rate has a tremendous and real effect on the price of gold itself, and it would seem this is the real problem relating to the rejuvenation of the industry.

I would like to quote from the *National Miner* of the 1st May, 1978. I am referring to an article which in my view sets out the various vicissitudes in respect of the price of gold at the present time and looking into the future—at least into next year. The article is headed, "Gold glut jitters", and it states—

> Everybody's selling gold, tons of it—the IMF, South Africa, Fort Knox and the Indians.
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> It's no wonder the bullion market is nervous—over the next six or seven months something like 100 tons of gold a month could go on sale.
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> The biggest proportion of this could come from India's vaults—India has announced that it will sell gold domestically (it did not say how much, but reliable London sources have been quoted as saying it will be 70 tons, or 2.24 million ounces, in seven fortnightly auctions of 10 tons each).
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> In addition, the US Treasury finally admitted a plan to sell 300,000 ounces a month in six monthly auctions starting May 23.
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> Then there is the usual monthly auction of 525 000 ounces of International Monetary Fund gold on the first Wednesday of each month, and South Africa's weekly production sales.
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> With other nations also coming into the market, through their Central Banks, there is going to be plenty to keep the big buyers occupied.
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> One bull feature was a report that Japan might buy gold to help balance its trade books by building an industrial stockpile.
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> With these factors hanging over the market one might expect to see it take a hefty tumble, but under the circumstances it has held up quite well though the rub-off on silver and some of the base metals has been marked.
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> And, of course, there has been another bear influence—the strength of the US dollar.
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> New York dealers have been saying that the futures markets currently reflect a general weakening in commodity prices because of the recent upswing in the dollar and expectations that President Carter's energy bill may soon be approved by Congress.

The article continues—

> The precious metal is now approaching its year's low of $US165.70 and it is a very nervous market at $US168.50.
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> Gold and silver have always been the major hedges against currency fluctuations and this year have ridden on the back of the weakening US currency. But when the US Treasury finally decided to sell gold to boost its trade deficit, world leaders took the decision to mean that at long last the US was determined to do something about the dollar situation.
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> The result was that the dollar exchange rate improved and gold became very bearish—a position that was accentuated by India's decision to sell 70 tons in seven 10 ton domestic sales in an attempt to curb smuggling.
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> A London source said the gold to be sold would come from stocks of confiscated gold—India has prohibited imports of gold since 1947 and the domestic price is in the vicinity of $US240 an ounce. It is estimated that about 200 tons of gold is smuggled into the country each year.
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> International bullion observers say that the US auctions should not put any lasting pressure on the metals price.
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> They said the sales should be absorbed as only a tiny fraction of Fort Knox's 277.5 million ounces would go on sale. They pointed out that in addition to the IMF sales, South Africa sold 400 000 to 450 000 ounces of gold a week—its full weekly production.

They are some of the short-term factors that from day to day, from week to week, from month to month, and from year to year perennially affect the price of gold. The real problem in respect of

gold at the moment is not so much its price, but the wild fluctuations—fluctuations over which the producers in this country have absolutely no control, and in respect of which they have absolutely no say.

A good example of just what a precarious situation goldminers can be placed in is indicated by the Marvel Loch mine. In 1975 the Kia Ora company, which runs the Marvel Loch mine, decided it would re-open the mine, much to the jubilation of the people who live in Marvel Loch. The price of gold was then in the vicinity of $130 an ounce. The company expended a considerable amount of money during 1975 and early 1976 on the development of the mine, the upgrading of plant, and such like. It installed a whole new mill, which cost well over $1 million. By the time the mine went into production in 1976 the price of gold had fallen to $85 an ounce. That was some $35 below the break-even level of the company, which was $120.

Having made the decision to go into production when the price of gold was $130 an ounce, the company struggled on in production from June, 1976, until September, 1976. It incurred a loss of several million dollars, and then closed down.

The current price of gold is such that the Marvel Loch mine can open tomorrow and make a good profit. It would not have to expend a lot of money on further development of the mine; it could operate profitably within a month or so.

The only thing that stops the company from going back into production, and hence bringing about the real rejuvenation of the town of Marvel Loch, is not the price of gold but the spectre of what happened in 1975-76; namely, the bottom falling out of the market. That occurred as a result of factors which were well beyond the control of the company, and they are arbitrary factors such as the ones I have mentioned. Also, after 30 or 40 years India decided to sell 100 tonnes of gold which it had confiscated from smugglers during that period; the Americans decided they would sell off some of their stocks in Fort Knox to bolster the American dollar; and the Russians may need to finance some long-term loans to purchase wheat from the United States and, therefore, sell off part of their tremendous gold stocks.

All these factors, which cannot to any great extent be forecast, have had a dramatic effect on the price of gold and certainly have had a dramatic effect on those people who are employed in the industry and those who have taken the risk of financing the industry.

Despite all that, it seems to me, that with the present price of gold the prospects for the industry in the long term are good. There is not a long-term economic analyst in the field of base metal prices who is prepared to say that the price of gold could not reach $200 an ounce within the next 12 months.

Nearly all the economists in the base metal field are prepared to say that the long-term prospects for gold are good, despite the short-term gloomy prospects. It seems to me that if the long-term prospects are good and if a person such as Brodie Hall, who is well respected in the mining industry, is prepared to say that he believes the price of gold could go to $200 an ounce before the end of this year, the Government should be prepared to look to stabilising, or encouraging the Federal Government to stabilise, the price of gold. In my view it is essential that the Government act promptly, firmly, and imaginatively.

Any decision to move into a situation in which the price of gold will be stabilised by the Federal Government will be a fairly gutsy one, but it is essential that it be done. It is essential that the slack in the work force in the eastern goldfields area be taken up, not so much because a tremendous number of people are out of work there—in fact in other areas more people are out of work—but because those people who are being put out of work are drifting out of the industry; and when the boom comes, which no doubt it will, people will not move back into the industry and there will not be a pool of workers to draw from. So, it is essential in my view not only that the slack in the work force of the eastern goldfields be taken up but also that the work force be prevented from drifting out of the area and into other areas. It is also important that the general economic decline of such an area as the eastern goldfields be brought to an end.

For those reasons the Australian Labor Party believes that this Government should encourage the Federal Government to support a scheme to stabilise the price of gold. There are four good grounds on which a submission could be made to the Federal Government on these lines. The first ground is that there is a good precedent for this sort of action.

About 1935 the Gold Industry Assistance Act was passed by the Federal Government. That Act bolstered the price of gold domestically, after it was fixed about 1935, by a subsidy payment by the Federal Government to gold producers. The scheme had two tiers and there were certain levels within the scheme. People had to decide whether they would be private and small producers of gold or large producers and various subsidies flowed on

to them depending upon the decisions they made and just how efficiently they ran their operations.

The scheme became inoperative in June, 1975, and at that stage a maximum subsidy of $12 per ounce was paid by the Federal Government to gold producers for each ounce of gold produced. The scheme was such that it kept at least all the goldmines in Kalgoorlie and Boulder operating. I believe it also kept the goldmines in Mt. Magnet, Norseman, and other areas of the State operating, but to a large extent the money that was paid, was paid to the eastern goldfields and retained a fairly big work force in those areas. Of course, some money was paid to Peko-Wallsend and other companies that mine gold in association with other minerals in other States, but to a very large degree it meant a lot to the economy of this State and of Australia.

Apart from precedent, there are other arguments in favour of some sort of subsidy payment. I point secondly to the Organisation of Economic Co-operation and Development's prognostications in respect of Australia's future economic welfare. Based on information given by the Federal Government that organisation has come out with fairly optimistic predictions about inflation, and so on, but has indicated rather strongly that the major weakness in the Australian economy in the next few months and perhaps even the next few years will be the balance of payments problem.

It seems to me—and the argument is fairly simple—that healthy sales of gold will help to offset the deficit which is likely to occur in future years. Gold is always a marketable commodity; in spite of the fact that its price fluctuates there is always a market for it and it can be sold at one price or another. Therefore, it is not something we will be stuck with. It seems to me that it is a product which will always earn almost its entire value in foreign currency. The second argument in respect of our balance of payments problem is a fairly strong one which could be put with some confidence to the Federal Government.

The third argument that weighs in favour of a subsidy on gold is in regard to the high tariff and other protection which is given to various industries which are not able to contribute in the same positive way that gold can to a solution of our balance of payments problems. I refer to the 120 000 textile, clothing, and footwear workers in this country who receive annually protection at the level of about $5 000 a worker. If my figures are correct that costs this country $700 million a year, which is a huge figure. Shipyard workers receive more than twice that amount; they receive $13 000 by way of protection annually per employee.

The level of protection that would need to be given by the Government to workers in the goldmining industry would be nowhere near that figure. It would be only a fraction of either $5 000 or $13 000.

The fourth ground I put forward is in relation to the level of tariff protection. It has been conservatively estimated by economists in this field that tariff and other protection given to other industries adds an extra 10 per cent and more likely 15 per cent to the cost of producing gold. If that is true—and I have not heard any economist deny that fact—

Mr Mensaros: I am sorry, could you repeat that? I was not with you on this fourth argument.

Mr GRILL: The fourth argument is linked to the third argument; it has been conservatively estimated by economists working in this field that the tariff protection given to manufacturing industry effectively increases the cost of production of gold and other base metals—it is right across the board—by 10 per cent, and most think that 15 per cent is probably closer to the figure. I put that fourth argument forward as a rational basis upon which some assistance could be given.

If the Government does go to the Federal Government on this matter it is important that it can put forward some basis for the level of protection asked for. I am suggesting the top figure of 15 per cent but the more conservative State Government might request 10 per cent protection. It seems to me that if some sort of scheme were set up—and I do not necessarily put forward a subsidy scheme—10 per cent is the figure with which the Government should be concerned.

Thus there are four good, rational grounds upon which help for the goldmining industry can be sought. There are other grounds which I will not canvass now; grounds such as the changes to be made in unemployment benefits and such like. I believe everyone has heard those arguments, so I will not go through them again.

In respect of assisting the industry I have seen three plans put forward. The WATLC recently put forward a plan akin to the wool floor price plan. In that situation the Government would set a base price for the metal and it would operate along similar lines to the wool floor price plan. There may be some good reason for that sort of plan being implemented; but it would seem to me there are basic differences between a product such as wool of which we are one of the major

suppliers, and a product such as gold of which we are one of the minor suppliers. Therefore, I have some doubts about that scheme; but I would not necessarily oppose it.

The second scheme was put forward by Senator Walsh and he argued along much the same lines as I have mentioned, that the Government pay a bounty of 10 per cent to 15 per cent to the industry to make up for the difficulties experienced in relation to tariff levels which are not experienced in other manufacturing industries. The bounty would amount to 15 per cent of the production of each ounce of gold.

The third scheme is one of my own inventions and it goes something like this: Take a 10 per cent or 15 per cent bounty as a workable figure and then say, "Some basic price for gold should be set." There are reasons for indicating that perhaps $170 per ounce might be a reasonable figure, although it could be set at some other level. I mention $170 because that would be the figure at which the Fimiston mining operation would become economical and that project offers the most potential for future employment of people in the goldmining industry.

Having taken the figure of $170 and having taken also a 10 per cent bounty, which is being conservative, I believe a case could be presented to the Federal Government along the lines that the Government pay a 10 per cent bounty on the production of each ounce of gold produced; that amount, which on today's prices would be somewhere around $15 to $16, would be paid into a fund; and the money from the fund would be paid out to producers when the price of gold fell below $170. It would be paid out immediately today. However, once the price increased above $170 the amount would be paid into the fund and kept there. It would not be used until such time as the price fell below $170 once more.

I present that scheme because it has certain attributes which would probably be attractive to the Federal Government; namely it would not be paying large amounts of money to goldmining operations which were obviously profitable and did not need the bounty. Secondly, the Federal Government could see that most of the money it takes for the goldmining industry and puts into the fund would not be used as long as the long-term price of gold does in fact rise. On top of that the Government would have to look at some sort of two-tier system similar to that which applied in the Gold Industry Assistance Act, whereby the efficient producers which are obviously making reasonable profits at the moment, do not receive the whole of the 10 per cent bounty.

There would be a good argument for saying profitable producers at the present scale of operations should not receive windfall profits at the expense of the taxpayer. I have nothing against the normal windfall profits; but I think windfall profits at the expense of the taxpayer are just not on.

I realise the arguments I have put forward concern the Federal Government primarily. I realise also to a large degree this State Government has no jurisdiction over the matters I have mentioned. However, it is up to someone to take the initiative, and it appears to me there are plenty of precedents as various State Governments have taken the initiative in respect of subsidising gold prices in the past. If we left it to the Federal Government I am sorry to say no initiative would be taken. Certainly—and I am sorry to say this also—if we left it up to the present Federal Government member in the area no action would be taken. Therefore, it is to the State Government that the people in the goldfields must look for the implementation of a scheme along these lines.

Mr Clarko: I think you would have to agree Mr Collard did not do any more than Mr Cotter.

Mr Davies: He did not promise as much as Mr Cotter did.

Mr GRILL: That is true. The previous member for Kalgoorlie, Mr Collard, did do a great deal for the industry and was responsible for saving the industry on one occasion.

Mr Clarko: He was not able to achieve things of the order you are putting forward now.

Mr GRILL: As far as Mr Cotter is concerned, at one stage he lent his weight to arguments similar to the ones I have put forward. However, somewhere along the line he changed his philosophy and he is not now prepared to support these schemes. It is to the recent change of philosophy that I direct my argument.

I think Mr Cotter made it quite clear when he referred to the Mt. Lyall operation in this matter and the subsidy paid in that regard and said "People will have to get off the gravy train", he was really directing his remarks to the goldmining industry in Kalgoorlie. However I do not want to further castigate him for that.

I believe it is up to the State Government to take whatever action is necessary. I believe also that the various companies involved feel it is essential the price of gold be stabilised in order that the industry may go ahead.

I have spoken to many people concerned with goldmining at a high echelon in Western

Australia and I have not heard contrary views expressed. I admit that I have not spoken to people who run the Telfer operation at the Paterson Range.

I should like to bring to the attention of the House the second matter contained in my motion, namely that a study backed by the resources of the Mines Department and the Department of Industrial Development into the feasibility of establishing a custom gold treatment plant in the eastern goldfields should be initiated. The first question which has to be asked there is: What is a custom mill? A custom mill, in my view, would be a medium sized plant with a ball mill, a cyanide circuit, a gold room, etc., probably operating at the level of 10 000 tonnes in a four-week period, and a mill which does not operate for the use of one mine or one company alone, but which takes in batches of ore from various small and large producers, if necessary, from the regional area of Kalgoorlie and Boulder. This concept is of tremendous importance to the goldfields.

It has been estimated by the Prospectors and Leaseholders Association, a body which has a very good reputation, and a conservative group in the goldfields, that if such a custom mill could be set up, in the medium term the whole of the unemployment problem in the goldfields could be solved. I know the Mines Department has looked at a custom mill in times gone by and it has undertaken more than one survey into the idea of a custom mill.

The Government is looking at proposals presently being put forward by the Prospectors and Leaseholders Association, the basis of which is a report by Mr T. D. Field, general manager of the Kalgoorlie mining operation and a well known metallurgist in this State. He estimated that a 10 000 tonnes per month operation could be financed for about $3 250 000 and the cost of treating each batch of ore through the mill would be somewhere in the vicinity of $8.89 a tonne, so in round figures it would cost $9 a tonne.

The present prospect of the small mineowners in the eastern goldfields is not good. not goo. No-one will disagree that although the State Batteries have done a tremendous job in the past, they are slow and inefficient and are not doing the job now. Too much of the gold production is simply lost during the process. Too much goes into the sands and although the cost of obtaining a ton of dirt is somewhere in the vicinity of $3 as against the estimated $9 a ton in the custom mill, the use of a custom mill by most small producers and prospectors in the eastern goldfields would mean a tremendous saving for them.

Mr Coyne interjected.

Mr GRILL: Yes. There are three shifts at the moment. Notwithstanding that fact they are very slow and the operation is simply not efficient.

What we are putting forward and what I think the Government is presently considering is a custom mill which is, firstly, fast and, secondly, efficient. Although on the surface it is more expensive, in the long run it is far less expensive to a prospector or mineowner than is the present State Battery.

I wish to make one point clear. Those on this side of the House would not like to see the State Batteries phased out. There is still a place for them even in Kalgoorlie. Even if the custom mill were established, there are certain types of ore and ore bodies which are best treated by the State Batteries, and prospectors would simply prefer to use the State Batteries for them. However, generally speaking, prospectors want a fast and efficient way to treat their ore and the situation in Kalgoorlie is that the ore is stockpiling. Prospectors are unable to get it into the battery and have their ore treated. Full-time workers are angry because part-time workers are getting their ore into the battery before them and are disrupting their livelihood.

There is a real need for a State-owned custom mill in Kalgoorlie, and the Government has been far too slow and tardy in respect of its deliberations on this matter. I had hoped the Government would take some initiative some time ago. This is not the first time the matter has been raised and certainly it will not be the last. The Government has had well over 12 months to consider the proposal because it was raised some time ago. In my view it is a proposal which has a tremendous amount of merit and it should not be dealt with in the amateurish way it is being dealt with. With the resources available to the Mines Department and the Department of Industrial Development, they should get behind it and carry out a thorough investigation as to its feasibility and put the operation into production as soon as possible.

The prospectors and leaseholders say that this one item could solve the whole of the unemployment problem in the eastern goldfields and therefore the Government should be looking at it doubly closely to ensure that the mill is commenced as soon as possible. This would mean that the people presently operating small mines could have their ore treated. However, in addition it would mean that some of the old mines in the area could be opened up and could commence production, because there are no treatment

facilities available at the moment. It was short-sighted of the Government and the mining companies to allow the major treatment plants in the eastern goldfields to fall into such a bad state of disrepair that they were forced to close down.

Valid criticisms can be levelled at the Government. It has been slow, inefficient, and ineffective. The situation on the goldfields is such that we cannot allow ourselves this sort of luxury. The Government cannot be seen to be dragging along behind the whole time. It is merely sitting on the sidelines, as was indicated in the papers. It is monitoring the situation and keeping an eye on it. This is not good enough.

I may not be being fair by saying that is all the Government is doing. Maybe it is doing other things. It has been fully aware of the situation and if it has been doing something, the people are not aware of the fact. If the Government is taking other steps, I would like to hear the Minister tell us so today.

Recently a petition was circulated in the eastern goldfields. Unfortunately it was circulated on paper which did not have the correct heading and so cannot be presented to the House. However, the petition indicated that the eastern goldfields wanted urgent action taken in respect of the re-opening of the goldmine. Thousands of people signed the petition, but I will not be presenting it for the reason I just mentioned. However, I feel that the sentiments of the people of the goldfields were summed up in that petition and there is a real desire on the part of the population there to see some real steps taken to get the goldmines back into production again.

The third proposal, and one which I believe the Government might well accept—not that I do not think it will accept the others—urges the Government to provide a low-interest, long-term loan to North Kalgurli Mines Ltd. to allow it to convert its nickel plant to a gold treatment plant thereby retaining its present work force. I believe there is a submission before the Government on this matter and I am aware of that fact, because according to an answer given by the Treasurer last week, the Government is seriously considering the company's submission on the subject. I know the Minister for Mines will have his staff thoroughly investigate the position.

Let me say that the Opposition fully supports the application by North Kalgurli Mines Ltd. We consider it is essential for it to retain its work force for the reasons I mentioned earlier. It is essential that an historic goldmine and producer like this one should be given the opportunity to get back into production. It has undertaken feasibility studies in respect of deep mining. If it is allowed to retain its work force while the feasibility studies are undertaken and some decisions can be made, the Government will be doing incalculable good for the economy of the eastern goldfields, not only in the short term, but also in the long term.

On the surface, the proposal by North Kalgurli Mines Ltd. looks like a short-term measure, but the real benefits will be long term because the present work force will be retained. It is unfortunate that the decision to put off the men there has been made. Notices have gone out and the men will probably be leaving by the 31st May. It is unfortunate that many of them have already made plans to move out of the area. These goldminers have been brought up and trained in this sphere, and once having left, they are reluctant to go back. I know I have touched on this subject, but it needs emphasising; namely, that the goldminers will get out of the industry if they see no long-term future in it, and they will stay out of it. They will take their wives and families out of the goldfields to other places such as the coastal areas where, generally speaking, employment prospects are more stable and where there are not the ups and downs of the economy and where work, in many respects, is probably more attractive.

As a result additional costs will be involved in training more men during the boom period, and I will move on to that aspect shortly.

In respect of North Kalgurli Mines Ltd., let me say in favour of the Government that its record is good in respect of aid of this sort. It has responded well in the past to applications made by Kalgoorlie Mining Associates and all I can say is that I hope it will respond in the same proper way in respect of this application by North Kalgurli as it has done in the past.

The last matter we raise, and which we think is important, is that of the training of personnel and employees in the mining industry. Our motion asks the Government to consider—

> Appointing a special committee comprising representatives from the Chamber of Mines, Education Department, W.A. School of Mines and Unions, to inquire into and make recommendations on the needs of education and training of workers in the mining industry.

Strangely enough, even today in the goldmining and nickel industries there is a shortage of some skilled workers. The operators of the Central Norseman goldmine and the Mt. Charlotte mine scratched their heads in wonder when mines such

as the Windarra nickel operation and the Redross nickel mine closed down completely and they had not been able to find sufficient skilled tradesmen from those mines to carry on in their own mines. It seems to be a strange situation but it is a fact, and I believe one of the main reasons for it is that, people having been kicked in the guts in the mining industries, once they have been retrenched they feel they would rather get out of the industry altogether.

The industry has problems not only in respect of the fragility and ups and downs of the economy but also in respect of the training of skilled personnel, and it is in these areas that some long-term planning must be undertaken by the Government. We would like to see a committee set up which would look into the long-term needs of the mining industry in respect of skilled personnel, and which comprised members of the Chamber of Mines, the Education Department, and the School of Mines—and I think the unions should be represented on such a body—to deliberate in respect of the needs and make some recommendations in respect of the training of these men.

Perhaps some kind of status could be given to people who work underground. It has not been thought fashionable to give any status to ordinary miners but it seems to me if miners are given some pride in their work and status they are more likely to remain in their particular trade. We have a Manpower Planning Committee in Kalgoorlie-Boulder, but I do know that it has not looked at this particular question. We on this side of the House recommend the appointment of a special committee which would be most able to look at this problem and make recommendations.

To sum up, I would say the four proposals we put forward are not radical. We believe they are sensible proposals and that in many respects the Government has already given some thought to them. We believe something quite dramatic must be done in the very short term to do something about the industry in the eastern goldfields. As I have mentioned, something like 45 per cent of the basic work force has been lost, and to correct that situation the Government must act fairly quickly.

As I have said before, we believe Governments in the past can be criticised for not having taken a long-term view in respect of the goldmining and nickel industries. They have not looked at the industries deeply enough. Their concern for the industries has been very superficial and they have adopted a *laissez-faire* attitude to mining, generally.

I do not think the present Government can adopt a *laissez-faire* attitude. In that respect, I refer to the fact that the Government is now involving itself more deeply in the day-to-day affairs of the various companies which mine the ores in this State and ship them overseas. Governments in the past have not taken a long-term view but have looked at the industries rather superficially; and in the eastern goldfields they have not tackled the problem of stabilisation of the industry.

I commend the motion to the House.

Mr T. D. EVANS: I formally second the motion.

MR MENSAROS (Floreat—Minister for Mines) [3.36 p.m.]: I do not want to prevent the member for Kalgoorlie—who obviously has an interest in this subject—from speaking, but owing to the fact that we have not much time it would be more appropriate if I replied to the motion now.

I will not criticise the member who moved the motion because I quite appreciate he wanted to highlight in the Parliament a subject which is important—there is no question about that—and which centres to a great extent on his electorate, although other electorates also are involved. The only problem with the motion from the point of view of the Government is that while the honourable member recommends certain actions be taken in the future, when we read the motion we find virtually all the actions proposed—perhaps with some differences in detail—have been carried out by the Government in the past and are being carried out as an ongoing exercise.

I do not share the view expressed by the honourable member when introducing his motion; namely, that there is an air of despair in the eastern goldfields region. Apart from the metropolitan area, I do not think that during my term of office I have visited any part of the State more frequently than Kalgoorlie and its surroundings. I think I know the area rather well and appreciate the feeling of the people. On their behalf I would like to state it is far from an air of despair that I experienced there. In fact, the people have a commendable air of confidence and of not allowing themselves to be pushed down, and there is a realisation that in the mining industry, to which they are mainly tied, there are ups and downs but they can always be overcome.

I will dwell briefly on the points the honourable member raised in his motion, but before I do so I would like to make the general comment—which to some extent has been acknowledged by the honourable member—that I do not think any

Government, State or Federal, could have taken more of an interest in the eastern goldfields than this Government has done, in relation not only to goldmining but also to various other mining operations.

We should not forget that when the question of Kalgoorlie-Lake View Pty. Ltd. arose in 1975-76, the Government spent about $440 000 and recommended to the then Whitlam Federal Government that it provide funds on a ratio of one to two to salvage the operations at that time, when world gold prices were depressed.

The Federal Government did not accept the proposition, but the State Government still gave the money virtually as a down-payment in anticipation of Federal Government support which was not forthcoming; so we have written off that amount of nearly $500 000.

Then, again, grants totalling $461 000 have been made to the Shire Councils of Boulder, Kalgoorlie, and Coolgardie to employ workers who were formerly employed by Western Mining Corporation. I think the member for Yilgarn-Dundas would recall that because he participated in negotiations which the Premier and myself conducted with local committees before he was elected to this Parliament

One could go on to refer to the establishment of the Agnew mine. The company concerned very courageously stepped into a huge construction programme at the time when nickel prices started to decline. That was also encouraged by the Government by a loan guarantee of $10 million; which is not a small amount. I think the final decision of the company to go ahead was made as a result of that decision by the Government. The results have been very satisfactory, because the company has been able to construct a mine, although it has not yet completely finished the construction. However, so far the company has not had any overrun in time or in calculated expenses.

I think it is important to emphasise that we have done a tremendous amount, particularly in respect of the mining industry. Therefore, the accusation which the honourable member has tagged onto his motion—which I can understand, of course, because after all we are in a political forum and he could not end up patting the Government on the back—that the Government has been tardy in not looking ahead in my opinion limps a little, because it is not factual.

Moving on to deal with the specific areas into which the member's motion is divided, I think it can be said that this Government has sought and encouraged Federal help virtually from the moment it came to office; yet I must admit we have not had a great deal of result. Whilst we did not get any response from the Labor Federal Government, at least we have been able to prevent under the present Federal Government the lifting of tax concessions which were built into the Income Tax Assessment Act. Members will recall that the Whitlam Government decided to phase out these concessions, and the Fraser Government first wanted to adhere to this policy. Finally the decision was made that the benefits should remain.

Mr Grill: To which benefit are you referring?

Mr MENSAROS: The income tax concessions in respect of prospecting.

Mr Grill: Both Federal Governments decided they would not strengthen them.

Mr MENSAROS: The Labor Federal Government decided to phase the concessions out, and later the Fraser Government decided to keep them. Therefore, that at least is something which is undoubtedly due to the persuasion of the Western Australian Government and the present Federal member for Kalgoorlie, to whom little credit has been given.

To go at length into the argument of the member for Yilgarn-Dundas in connection with his proposed subsidy or assistance scheme would be fairly time consuming. I thought that when the member tried to produce the opposite argument he was very right in saying that presently Western Australia and the whole of Australia play a very small part in world gold production, as opposed to past times during the depression when the Federal gold stabilisation scheme was introduced.

Another important point which should be understood from the point of view of any Federal Government is that gold does not now play such an important role, particularly in respect of export earnings, as it played during the 1920s and 1930s. Since then not only have we developed more our agricultural industries, but we have developed tremendous other mineral exports which have overshadowed the income from gold production, quite apart from the fact that gold production has fallen somewhat.

Sitting suspended from 3.45 to 4.05 p.m.

Mr MENSAROS: I continue to deal with the individual suggestions made by the member for Yilgarn-Dundas in connection with the first point of his motion. Perhaps today, the interest of any Federal Government would be less than it was in 1935 because of a decrease in the relative importance of the gold industry. Also, at that time there were fewer fluctuations in the price of gold, and cost increases were very much less.

The second point based on the balance of payments argument in connection with the comments of the OECD was again weak because of the small part Western Australia and Australia play in the world gold market, and because of the smaller proportion of gold in connection with our economy and our exports generally.

I do not argue against representation, but I could not accept the third point he made relating to high tariff protection policies. The honourable member said that because it costs $5 000 per worker to protect the textile industry and up to $13 000 per worker to protect the shipyard industries, a high level of protection is justified in the case of the goldmining industry. He surely does not mean to suggest we should attempt to rectify one wrong with another. The honourable member quite correctly talked about establishing long-term policies and, in the long term, I do not think it can be accepted that we should encourage a non-competitive industry.

I do not think the member for Yilgarn-Dundas was very convincing in the fourth point he made about increasing tariff protection because it exists somewhere else, and because tariff protection in other fields might increase the cost of gold production.

However, I can assure the House and the honourable member who moved the motion that the State Government continuously is making representations to and having discussions with the Federal Government. I again emphasise this point: Representations are continuing, and will continue in the future.

Again, I am not saying this is right in principle; I am simply saying that because the whole region is represented by one electorate and because the relative importance of gold is smaller than it used to be, in all objectivity and practicality, one can expect less from the Federal Government than one would have expected 30 or 40 years ago. That is the sad fact of life, and we must accept it. However, the intention of the motion has been achieved long before the motion was moved because the State Government has made continuous representations to the Federal Government.

I refer now to the second point made in the motion moved by the honourable member; in fact, I believe it could almost be combined with the third point. In point two, the honourable member advocates the establishment of a custom milling plant and in the third part of his motion he advocates assistance to North Kalgurli Mines Ltd. for converting its plant to custom-treat gold. The member for Yilgarn-Dundas continues to advocate assistance, despite the citations from the field report, which has been examined by precisely the same people to whom he referred; namely, officers from the Department of Industrial Development and the Mines Department.

It is very difficult to establish the feasibility of setting up a new general custom milling plant for the treatment of ore. In fact, the honourable member himself used the word "feasible" when he said the feasibility of such a proposal should be examined, and that an investigation should take place as to whether it would be feasible to charge $8-plus per tonne with a $3.5 million investment.

That is the reason I say point two of the motion should be combined with point three, because the submission from North Kalgurli Mines Ltd. is being examined. In fact, the examination reached a fairly final stage and even at that stage it became patently clear that if the capacity of the existing concentration plant were adjusted to enable it to treat gold ore we would be looking at a milling cost of about $17, $18 or even up to $20 a tonne, despite the fact that the capital expenditure would be very much smaller than that involved in establishing a new custom gold treatment plant. Therefore, in a new plant it could not be done for the $8 or $9 a tonne suggested by the member for Yilgarn-Dundas.

However, it is still possible that the recovery rate of the converted existing plant being increased—an additional capacity of 17 to 20 per cent has been talked about—contributors would accept the high charges. A larger plant could also treat much greater quantities of ore in a shorter time. So, these points are being considered.

It must be borne in mind that the prospectors and other people who would be the contributors to this plant would then have to consider the economic cost and, consequently, the price of treatment—around $17.20—as opposed to treatment by the State Batteries, which even today is only $3 a tonne, and cannot cope with the work. This represents a tremendous additional subsidy by the State Government to the eastern goldfields in that the State Batteries still charge only $3 a tonne for the treatment of ore. This low charge results in an annual subsidy in the State Budget of some $1.4 million, so I do not think anybody could say this is not a tremendous contribution. I can see the member for Collie eyeing me enviously; probably he will suggest to me later that we should spend similar amounts in the Collie coalfields.

Mr T. H. Jones: What a good idea; there is plenty of room for it.

Mr MENSAROS: These propositions must be looked at very seriously with a view to establishing whether they are feasible.

Mr Grill: Surely a custom-built plant would be a more attractive proposition.

Mr MENSAROS: On the contrary, I do not think it would. I must point out to the honourable member that the conversion of the North Kalgurli plant would not be justified feasibly on the North Kalgurli operation alone, because the reserves are not proven. I do not think anyone should invest money, whether it be the company, the State, or outside financiers, in a project where the reserves are unproven; they would be taking a tremendous gamble. Therefore, to be practical, one must say that the only people to use a so converted general custom plant would be those people who now are customers of the State Batteries. I wonder whether the honourable member would have taken a different stance had he known those people would be required to support the cost of treating their ore?

Even if we converted the North Kalgurli plant, these people would have to pay up to $20 a tonne to have their ore treated as opposed to the State batteries charge of only $3 a tonne. I know the facilities at the State Batteries are ancient; nevertheless, they are being used because of the very low price charged.

In fact, I wonder whether, in examining these various submissions, one should not cast an eye to the price structure of the State Batteries operation which virtually is subsidised almost 100 per cent by the State Government.

The fourth point of the honourable member's motion seeks to establish yet another committee. I want to remind the honourable member that, as he knows, a tremendous amount of work has been going on in this respect. The Goldfield Manpower Committee—which does exist—continually is being consulted.

This part of the motion refers to education; the Minister for Education himself went to the area and talked to the people. The member for Yilgarn-Dundas would know it has been decided to erect a technical school in Kalgoorlie.

The member will know that the Government endeavoured to retain, and in fact has retained, the Kalgoorlie School of Mines and this was despite outside reports and other economic arguments against this. Indeed, from an educational point of view there could be and will be all sorts of retraining exercises according to needs.

I would suggest to the honourable member that I appreciate his motion and the reason he wanted to air his views here. However he will understand, as would his leader, that the Government could not go on record as accepting a motion, which although is not actually a censure motion, still asks Parliament to agree to do something that in fact is already being done. I suggest to the honourable member that he withdraw his motion. The Government has discussed the matters in it and has acknowledged that what he has suggested is, generally speaking, commendable. At the same time, however, I have just informed the House that the points he mentioned are being attended to already and have been for quite some time.

I imagine the member could have introduced this as an emergency motion but no doubt the Speaker, under the circumstances, would have declared it was not an emergency situation. Unless the member withdraws the motion the Government will be forced to oppose it despite the fact that the Government is not against the principle contained in it, our general principle being to encourage and assist the industry as much as we can in the Kalgoorlie, eastern goldfields, and Murchison areas. I give the member this opportunity to withdraw the motion as I believe it is an appropriate conclusion to the debate.

Debate adjourned, on motion by Mr Shalders.

TROTTING

Inquiry by Select Committee: Motion

MR B. T. BURKE (Balcatta) [4.19 p.m.]: I move—

> That a Select Committee be established to inquire into and report upon the control of trotting in Western Australia.

I hope to be reasonably brief on this matter but I believe it is an important one. To illustrate its importance I would refer the House to the performance of the Totalisator Agency Board both as the controlling agency of investments on racing, trotting, and dog meetings in this State, and of funds directed from investments to Consolidated Revenue—funds which are essentially for the maintenance of the sports.

The percentage of the TAB turnover from investments on trotting has declined by about 3 per cent since 1975-76. In percentage terms in 1974-75 that part of the TAB turnover which comprised trotting investments was 27.49 per cent. In 1976-77 the figure had fallen to 21.93 per cent. In money terms the part of the total invested in 1974-75 on trotting meetings was $30 439 066. In 1976 the total amount had risen by only $3 million and that rise represented a drop in the

percentage of the total turnover that is composed of trotting investments or contributions to the total.

Mr Laurance: Is that 21 per cent for the last financial year?

Mr B. T. BURKE: That is right. During the same time the Totalisator Agency Board's turnover had increased by 29.45 per cent, so we have seen the total increase whereas the contribution of one of the major components has declined. In money terms that rise has been in the order of $36 million. During the same time the TAB surplus, which is the fund from which the Government's revenue is detracted and also the fund from which assistance is provided to the controlling body of the various sports has risen. At the same time that rise in surplus has not been contributed to in any way by a parallel rise in the investments on trotting.

Mr O'Connor: Are you quoting calendar year or financial year?

Mr B. T. BURKE: I am referring to financial years. During the same period an interesting fact is that the percentage of the surplus which has been disbursed to trotting authorities and controlling bodies operating in the sport has increased quite markedly. In fact, the part of the TAB surplus which went to the sport of trotting in 1974-75 was 25.68 per cent. In 1976-77 the percentage was 28.45 per cent. So we see a situation in which the revenue being attracted by trotting meetings throughout the State is declining but at the same time the sport is receiving a larger share in disbursements.

I think the most appropriate point from which to begin my contribution is to quote one of the senior members of the WATA, and I refer to Dr Ernie Manea, who was recently appointed by the association to be one of its committeemen. He was appointed after the resignation of the former president of the association and the resignation of two other committeemen.

When reported to be accepting the position offered to him as committeeman Dr Manea was quoted as saying—

> I firmly believe that a trotting control board must eventually be introduced, but in view of the recent turmoil in the sport I do not think that the time is yet opportune...

That sort of attitude tends to be the attitude of the Opposition.

We are not saying that, although we may believe a board is necessary, this may be the best time to introduce the board. What we are saying is that an inquiry of the sort proposed in this motion is needed. We suspect that the result of an inquiry would provoke the formation of a trotting control board but we do not pre-empt an inquiry or attempt to predict its conclusions.

The Opposition says an inquiry is needed because of the declining fortunes of the sport in money terms. It is also needed because of the controversy that seems to have surrounded the association in recent months.

Mr Laurance: Where has the increased revenue come from?

Mr B. T. BURKE: Mainly from racing.

Mr Nanovich: Is the decline in the financial position a result of the controversies.

Mr B. T. BURKE: There are different stories depending on which side of the controversy one wants to look. As far as the public statements of the different factions which are apparently seeking control of the association are concerned, allegations are quite frequently made about the declining financial position of the association and the decline is placed at the door of which other person or past committee the person making the allegations is attempting to denigrate. There seems to have been some deterioration in the structure of the WATA during the past two years.

The controversy had its origins firstly in statements allegedly made by Dr Wayne Bradshaw, who was a member of the WATA. The seriousness of the comments are well illustrated by the report of the court case which followed the disciplinary action proposed by the association.

Amongst the allegations that Dr Bradshaw was said to have made to a member of the association were these—

> "I know you are an honest man. You don't want to get mixed up with members of the committee such as Weir, Leahy, Porter and others.
>
> "I was set up by the committee and at the last meeting took the chop because no one on the committee supported me."
>
> Of Trevor Warwick, a trainer licensed by the association and employed by House to train his horses—"Warwick made all his money by being a front man for Ken Ford."
>
> (Mr Ford is the deputy chairman of stewards employed by the association).
>
> "Half of the horses in Warwick's stable are owned by Ford, and Ford sets up races so Warwick's horses can win. I will be blasting the committee apart and using the courts."
>
> In relation to a meeting held at Pinjarra a week before the conversation—"Did you see

> Warwick pull Peter Anstey off the fence to allow Louiston through? Don't tell me that wasn't a set-up race."

For allegations of that sort to be attributed to a member of the WA Trotting Association appears to the Opposition to be a very serious situation. It is certainly a situation that demands some sort of inquiry. The Opposition believes the most appropriate form of inquiry is a Select Committee and that is why it is proposing this sort of inquiry to the Parliament today.

Shortly after the end of that controversy, or at that stage of what was becoming a continuing controversy, we saw the emergence of Dr Wayne Bradshaw as a much more prominent force in the sport. At the elections in 1977 four new committee members were elected to the WA Trotting Association. It was widely reported and alleged that these members were proteges of Dr Bradshaw and their arrival on the scene of the headquarters of the controlling body would add strength to Dr Bradshaw's position.

Substance was given to this when Mr Jim Leahy alleged that he had been a victim of a coup when he was subsequently displaced as president of the association. He said that further disciplinary action could be taken by the new committee and the association against other members and himself. This former president said there was at that time no way in which he could support the new body.

He made his position fairly plain at that time and I believe the events that have transpired since have justified the prediction that the controversy would continue and that the sport was becoming embroiled in something which would do it no good. It was in April of this year that three of the State's leading trotting administrators decided to resign from the WA Trotting Association. They were Mr Leahy, who was president until the previous election for that position; the former vice-president Mr Ron Porter and senior committeeman, Mr Bob Weir.

These men resigned after Mr Leahy had been replaced as a Western Australian delegate to the Australian Trotting Council, a body which the previous month had elected him as senior vice-president. The decision to replace him was seen as a snub to him and he did not waste any time in resigning from the committee. He was followed by the other two committeemen I have mentioned.

Following that resignation there were all sorts of charges levelled by each faction in what had become a clearly defined dispute. Allegations of unauthorised expenses and overpaid accounts were levelled by the association's committee against the past administration—the Leahy administration. These charges were denied but they were charges made by the incoming committee and obviously were very serious ones.

In parallel with this controversy and starting just prior to the latest episode is the controversy surrounding the sacking of Mr Ken Ford as deputy chairman of stewards. After many years as an officer of the association Mr Ford was dismissed. He said publicly that he had not received any indication or intimation that he would be dismissed, nor had he received any reason for the dismissal. Mr Ford said that after lodging an appeal which was heard by the committee that dismissed him, he could not reasonably expect to obtain a fair hearing from that committee.

His position on that matter appears to be quite rational. A committee which decided to sack him could hardly decide to reinstate him. Nevertheless, it was a trauma through which the association was forced to pass, and it attracted adverse publicity to the association.

The interesting aspect of the whole problem was that as a result of the publicity which preceded all of that to which I have so far referred there was the suspension, firstly, and the later modified disciplinary action taken against Russell Roberts who was a leading trainer-owner in the State at the time of the action. He was most upset when, during 1977, he was at first suspended and later fined as a result of an incident in which he was involved. It was widely speculated that the action taken against Mr Roberts at the time resulted in the strengthening of the moves against the incumbent committee and the strengthening of the support for Dr Bradshaw and his colleagues.

Whatever the truth is this Parliament certainly has a vested interest in determining whether there needs to be some fundamental change in the administrative structure and the controlling interests of sport in this State.

In addition to the controversy and trauma at the level to which I have referred, at a lower level—but nevertheless a very important one—there were continuing problems. I am referring to the question of staff employed at the Western Australian Trotting Association headquarters. During the period of the financial year of the previous administration and in the time which has passed since then, it is interesting to note that two country representatives of trotting on the office staff; namely, W. Myers and K. French have both resigned. It is also of interest that Mrs Mansard, who had worked for the

association for 21 years, arrived for work one morning at 8.15—she had only four months to retirement—and was told she was to be dismissed immediately due to reorganisation of the staff. She was told not to wait even for morning tea.

Mr Laurance: What date was that?

Mr B. T. BURKE: That occurred during the last year of the previous administration—during 1975-76.

So the problems to which I have referred apply not only at the committee level, but also at the administrative or staff level. The Opposition realises that the Government has commissioned, or authorised, an inquiry by the Acting Director of the Department of Corrections. The Opposition does not believe that that sort of inquiry is a suitable vehicle for the public exposition of matters that have attracted a considerable and widespread interest. If it is necessary to have an inquiry with respect to racing and trotting it is quite clear that the public should be able to see that things are above board, and that shady practices are not tolerated. The proposed inquiry hardly appeals to the Opposition as one which will demonstrate publicly to those who wager quite large sums of money on events conducted by the trotting association as a satisfactory means of exposition. We say this Parliament has an interest in making sure that what has been going on is the correct and proper thing to proceed with.

We believe that a Select Committee of this House should be empowered to call witnesses, empowered to publicise evidence, and empowered to make recommendations so that we can reassure people that the sport of trotting is not in the sort of condition that it appears to be in. Even if it is in that condition, an inquiry by a Select Committee is the only way we can assure the people that recommendations for changes to its control or administration are based on a proper assessment of proper information.

Mr BARNETT: I second the motion.

SIR CHARLES COURT (Nedlands—Premier) [4.34 p.m.]: The Government feels it should indicate today that it does not propose to support the proposition for the appointment of a Select Committee. As the honourable member has mentioned, the Government has instructed that an inquiry be undertaken for the purpose of allowing those parties known to be interested, such as the Fremantle Trotting Club, the country clubs, the breeders and owners, the trainers, the reinsmen, and any other body which can be identified—they have already been invited—to make submissions to the Chief Secretary's Department. When those submissions are received it is intended to have them studied to see whether any changes are desirable or whether any changes in the constitution of the control of trotting are desirable or necessary.

I want to say here and now that we are of the opinion that this information can be obtained administratively, bearing in mind that even if there is to be a change in the statutory provisions in respect of trotting in this State, it would have to come back to the Parliament. We are of the opinion that we can obtain the information necessary, administratively, much quicker, and obtain it quite effectively.

I am aware that many allegations have been made from both sides. That is not unusual in a sporting body, or in any other body for that matter. Periodically there is a controversy similar to the one which is now raging. I well remember the great controversy that arose in the WATA at the time when James Brennan was the great father of trotting in this State. The Stratton faction then started which led to a lot of ill-feeling and to many unkind things being said by the different parties.

Mr Jamieson: There was a Royal Commission on that occasion.

Sir CHARLES COURT: There was much instability in trotting at that time. The trouble was sorted out on that occasion, and trotting has settled down for many years under a very effective administration.

I would express the view—without trying to prejudge the case before we see the whole of the picture—that when the representations which come from varying interests in the industry are studied the Government will decide what action should be taken.

For my own part, I have always counselled that Governments want to get involved in these activities—whether they be football, racing, or trotting—as little as possible. We do have a vested interest, of course, on behalf of the taxpayers because of the money which comes from the TAB as part of the Government's revenue. Naturally, for that reason we have to watch that situation closely, which we do. A very good organisation has been set up statutorally that looks after that aspect.

However, when it comes to the question of the administration of trotting, and all the things that go to make up that industry, it has been my experience that the less Governments have to do with such a matter the better.

Organisations such as the WATA have the capacity within their own constitutions to depose office bearers and make new appointments. They

can appoint new presidents, as they have, under their own constitutions. Whether or not they do the right thing, I would not prejudge.

Most of us are aware that in the ordinary course of events personalities are involved. I have been at great pains to remain aloof from the representations I have received. The situation is similar to many others; when one receives a representation from one side, one feels it is a convincing story. However, when one hears the representations from the other side, one feels they are convincing also. Eventually, one has to weigh up all the particular circumstances in order to make an assessment.

Without further delay, I indicate that the Government can see no merit in having a Select Committee. We want to make our own assessment as a result of the submissions we will receive. If, as a result of those submissions, further studies have to be made on a different basis, well then, sufficient unto the day; the decision can then be made.

Mr Davies: Who did you say was compiling the submission?

Sir CHARLES COURT: The acting head of the Chief Secretary's Department was instructed to communicate with all interested parties we could identify, both metropolitan and country, and ask for submissions to be made to him.

Mr Davies: Submissions as to whether or not there should be a change, or submissions as to whether or not they were happy with the situation?

Sir CHARLES COURT: Any submissions they wished to make with regard to trotting in this State. No restrictions have been imposed.

Mr Davies: There has been an open invitation, even to individuals such as punters?

Sir CHARLES COURT: A lot of publicity has been given to this matter, but I do not know whether there has actually been any advertising. There may have been. My understanding is that the instruction to the acting head of the department was to write to all the people he could identify and seek submissions. At the same time, I have no doubt that the disgruntled punters—of whom there probably would be many as a result of no fault of the WATA, but as a result of their own errors of judgment—may want to make representations.

Mr Davies: You are inviting the public to make submissions?

Sir CHARLES COURT: Yes. There are people who would not be members of the WATA, and who would not necessarily belong to any auxiliary organisation, but who may have a profound knowledge of trotting. They may have a better knowledge than the regular participants who belong to the organisations within the trotting movement. Those people may have some very stong views on some of the policies of the WATA. We expect those people to make submissions.

The Fremantle club has a 50-year history and is becoming quite an authority in its own right. It is conducting its operations at a very high level, and it can, if it desires, put up a proposition for a change in administration.

Mr H. D. Evans: Are you examining the role of country trotting at the same time?

Sir CHARLES COURT: We have asked country organisations to make submissions because there have been expressions of discontent on a number of occasions. There have been suggestions of a rationalisation of country trotting courses. I have no doubt that country clubs will seek this opportunity to make their submissions through their various regional or other bodies.

I think members will find that the matter will be looked at in some depth. If we find, after examining the submissions, that it looks as though the sport should be researched in greater depth by some independent organisation, the Government would be quite competent to make a decision in that regard. My guess is that it will not be necessary. It will come out fairly clearly whether or not things need to be adjusted. If it cannot be done by negotiation, the only answer will be a statutory change.

Mr Davies: When do you expect the inquiry to be completed?

Sir CHARLES COURT: I could not be precise. I asked the Chief Secretary to see what could be done to get the submissions as quickly as possible. From my experience people have all sorts of ideas, but when they are asked to put them in writing there is some hesitancy because that is the moment of truth. When raising a complaint one has to be precise when writing about it.

I will ascertain for the Leader of the Opposition just what progress has been made and what response there has been to the request for submissions. In view of what I have said, we oppose the motion.

Debate adjourned, on motion by Mr Jamieson.

QUESTIONS

Questions were taken at this stage.

AUSTRALIAN CONSTITUTIONAL CONVENTION

Appointment of Delegates: Council's Message

Message from the Council received and read as follows—

> The Legislative Council acquaints the Legislative Assembly in reply to Message No. 24 from the Legislative Assembly, that it has considered the invitation to continue its participation in the Australian Constitutional Convention on the basis outlined by the Legislative Assembly, and has agreed to this proposal. It has further resolved to appoint the undermentioned members to represent the Legislative Council—
>
> The Hon. G. C. MacKinnon,
> The Hon. I. G. Medcalf,
> The Hon. N. McNeill,
> The Hon. D. K. Dans, and
> The Hon. R. F. Claughton.

AUDIT ACT AMENDMENT BILL

Returned

Bill returned from the Council without amendment.

AUCTION SALES ACT AMENDMENT BILL

Second Reading

SIR CHARLES COURT (Nedlands—Premier) [5.23 p.m.]: I move—

That the Bill be now read a second time.

This is a minor amendment involving advertisement of applications for auctioneers' licences in the newspapers.

Section 11 of the Auction Sales Act requires an applicant for a licence to cause a copy of his application together with a notice in the prescribed form to be published in a newspaper circulating in the locality of the court appointed for the hearing of the application. This provision applies to applications in the first instance and to annual renewals.

This Bill simply removes the requirement to advertise in the case of renewals.

The industry believes that the requirement at present represents an unnecessary expense and after proper examination of the position the Government concurs in this view.

I am satisfied that members of the public have sufficient recourse against allegedly delinquent licensees by report to the Police Department. Their position is not materially weakened by the provisions of this Bill.

I commend the Bill to the House.

Debate adjourned, on motion by Mr T. H. Jones.

WORKERS' COMPENSATION ACT AMENDMENT BILL

Second Reading

Debate resumed from the 4th May.

MR TONKIN (Morley) [5.25 p.m.]: This Bill is a cowardly and vicious attack upon defenceless people who have no possible way of defending themselves from this attack by a Government which does exactly what the insurance companies tell it to do. The reason it does as it is told is because of the contributions made to the Liberal Party by insurance companies at election time. If Government members do not like that, they have the invitation which we have given them many times to accept legislation which the Opposition has put forward time and time again to reveal where their money comes from. We are prepared to go along with that legislation so that we can see just who is the paymaster.

Mr Young: If we cannot agree with you, you can say anything that is not true?

Mr TONKIN: Members opposite will not accept that legislation because they are afraid of letting the people know where their money comes from. What other possible reason is there for refusing to accept the legislation? The people have to obey the laws of this land and, therefore, they have a right to know who makes them and why they make them. Members who suggest that I am making an unfair charge have an invitation to prove me wrong by accepting legislation of that kind.

Why else do we find the Minister for Labour and Industry, who is supposed to be impartial before the law and to show no fear or favour, according to the oath he took, refusing to criticise insurance companies and continually attacking so-called "compo cheats"? We reject this unfair attack upon those who cannot rise in this place and defend themselves. It is bludgeoning the helpless and the sick and we reject that kind of tactic. Unfortunately the media is aiding the Minister for Labour and Industry in this campaign.

Mr Sibson: Ha, ha!

Mr TONKIN: We hear some vacuous laughter from the back benches. Members should note the main article on the front page of the *Daily News* on the 3rd April, 1978. The headline is, "Compo Fraud Probe" and the article states in part—

> The WA fraud squad is investigating cases of alleged workers' compensation cheating.
>
> The Minister for Labour and Industry, Mr Grayden, revealed this today.

There is the Minister for Labour and Industry talking about the fraud squad and an answer given to my question—

The SPEAKER: Order! The member will resume his seat. There was just then a hissing emanating from someone or some group of people in the gallery. I want to say at the outset of the debate on this Bill that I will not tolerate at all interference in the workings of this Assembly by those people who come as a matter of privilege to witness debates and to sit in our public gallery. I call the member for Morley.

Mr TONKIN: The Minister for Labour and Industry claimed this, and yet in an answer to a question from me his colleague, the Minister for Police and Traffic and Deputy Premier, who I suppose is senior in the Cabinet to him, revealed that at present there is an investigation into only one such case in the whole of Western Australia. Yet the Minister for Labour and Industry revealed that "cases" were being investigated. Would it not be remarkable if, of all the injuries sustained in Western Australia, there was not one case being investigated? I point out that the case is not proven. The person involved could easily be innocent and yet the *Daily News* co-operated by not bothering to check on the Minister for Labour and Industry's assertions. If there were ever a Minister whose assertions should be checked it would be the Minister for Labour and Industry, given his record over the years in this place.

One person is being investigated and the Minister for Labour and Industry runs to the Press and the Press obligingly prints this on the front page. The Press printed a suggestion, which hundreds of thousands of Western Australians would have read, that we had an outbreak—a scourge—of workers' compensation cheats in this State. Do you understand then, Sir, why I am incensed at such unfair tactics?

Mr Young: How do you think that compares with the advertisements which have been appearing in the paper to date by a Mr Paul Aslan? How does it compare with those advertisements and the manner in which he has gone about obtaining photographs? How do you compare that?

Mr TONKIN: What does the member mean when he refers to "the way in which he has gone about taking photographs"? What does the member mean by that?

Mr Young: You will find out.

Mr TONKIN: The member is getting away from the manner in which photographs were taken. He is shifting his ground very quickly.

Mr Blaikie: He has not shifted his ground at all.

Mr TONKIN: When I asked the member what was wrong with the way in which the pictures were obtained he shifted his ground. He has suggested pictures were obtained in an improper fashion. If that is so, I would ask him to prove it.

Mr Blaikie: You are shifting ground again.

Mr TONKIN: The member should not be a parrot. He is using the term I used.

Mr Skidmore: He is a very quick-learning parrot.

Mr TONKIN: Yes; he would be a very good gramophone record except that he is a little scratchy.

What do members think of that? One case in the whole of Western Australia was being investigated. That case may well be unfounded and the person may in fact be innocent. However, the Minister makes an attack on employees.

Mr Grayden: What about reading the full statement?

Mr TONKIN: I have given dozens of instances of insurance company frauds and the Minister has not once come out and attacked the insurance companies.

Mr Grayden: What about giving the full statement to me and I will read it later?

Mr TONKIN: Can the Minister not recall his own statements? I will pass it over as a matter of courtesy, because I am a courteous person. The Minister intends to read the full statement. One does not need to read the whole statement. He is suggesting that when he reads the full statement somehow "one" will disappear and become "a thousand". The Minister said investigations were being carried out by the fraud squad and one person is being investigated. That appeared on the front page of the *Daily News*. Surely that is taking the situation out of all proportion. I think it is, and I deplore the attack by the media upon workers' compensation victims.

Members will recall I quoted some cases of the rackets insurance companies perpetrate. There was not a word about that in the Press; but when the Minister stood up and made allegations against un-named persons whom he alleged were behaving in a fraudulent manner, it was very faithfully reported, item by item, in the Press. It seems as if the Minister can write his own articles in the Press.

How can the people of this State obtain a fair and accurate idea of what is really happening if we see this blatant bias displayed in the Press? When Superintendent Balcombe was asked about that he said there was no evidence that other cases were involved which the Minister alleged or suggested should be investigated. The Minister for Labour and Industry said, "They are not being investigated because they have no money."

Mr Grayden: Superintendent Balcombe told somebody later that he found the chap. He was investigating two.

Mr TONKIN: The Minister says, "He found the chap. He was investigating two." The Minister for Police and Traffice said there was only one.

Mr Grayden: There were two at that particular time.

Mr TONKIN: So there were two. The Minister now claims I misrepresented him previously and I suppose I should apologise to him, because out of a million people two were being investigated.

Mr Grayden: I think the member should read the full statement.

Mr TONKIN: The Minister for Labour and Industry did not say these people were guilty. He said the insurance companies or the fraud squad had not bothered to investigate because these people had no money. Have members ever heard of a criminal not being investigated because he is penniless? If he is penniless he will be put in gaol as a vagrant. That argument does not stand up. If a person breaks the law it is not a question of how much money he has. This Government loves to put people in gaol. I am sure it is not concerned whether people have money. That is the kind of weak argument put forward by the Minister. The Minister is saying the police did not bother to take these people to court, because they do not have any money—that is an irrelevancy of course—but the fact of the matter is the Minister for Labour and Industry is sitting as judge and jury on this case and saying that these people are guilty.

These people have never been taken before a magistrate. They have never been taken before a judge. But the Minister is saying they are guilty when in fact they have not even been taken to court.

The point of the matter is the Minister for Labour and Industry apparently has not been brought up in the cherished British tradition which is that one is innocent until proven guilty. The Minister, sitting in this place and covered by parliamentary privilege, is finding these people guilty, even though he admits the case has not gone to court.

Mr Grayden: The secretary of the TLC is misled and the system is being abused black and white.

Mr TONKIN: We are not suggesting some employees do not try to make a few bob out of the system and try to defraud the insurance companies. At the present time every law in this country is being broken, so would we expect something different from the Workers' Compensation Act? It is all very well for the Minister for Labour and Industry to say people are doing this. I am not denying that is probably correct, although I should like to see the evidence; but what I am saying is the Minister is silent about insurance companies breaking the law and, to a lesser extent, employers breaking the law. We deplore that.

Mr Skidmore: He has a new adviser.

Mr Hodge: He needs all the help he can get.

Mr TONKIN: Yes; I think the Premier would be a very worried man at this time.

Mr B. T. Burke: The blind leading the blind.

Mr TONKIN: I should like to quote from *The West Australian* of the 28th June, 1974. It shows how out-of-touch the Minister and the Government are with ordinary working people on ordinary wages. The Minister for Labour and Industry said that "there appeared to be an inbuilt incentive for workers to stay away from work even if they were fit". What incentive is there? What is the incentive to stay away? There is a very large financial penalty for staying away from work if we are talking about workers' compensation; but we will deal with that in a moment. Workers are badly hit because, as a result of the amendment to the Act made by the Court Government in 1975, the employees have not been receiving overtime payments, above-award payments, penalty rates, district allowances, and so on when they are unfit for work. Therefore, it can be seen there is a considerable diminution in the income they receive.

I should like the Minister for Labour and Industry—and I am sure the House and the people would like this also—to state the nature of the incentive to stay away from work. The Minister does not say it is a financial incentive. We see this attack upon people who have been injured at work and it is the same kind of attack we have seen upon the so-called dole bludgers.

I outlined a case a few months ago of a girl who suffered permanent brain damage as a result of

working on a button machine. Had the inspectors from the department been doing their job, the machine would have been scrapped. Under the amendment to the Industrial Arbitration Act brought down by this Government it was made into a non-union shop, because the employees were told they would be sacked if they joined a union. After the accident occurred it was asked, "Why did the girl not say, 'The machine is too dangerous and I will not work on it'?" She did not say anything because a powerful feeling has been built up in the community by the Liberal Party that it is a sin to be out of work; that if a person is out of work, whether or not the reason is legitimate, he is a dole bludger.

Similar pressure is being exerted on injured workers to return to work even when they are not fit. If they do not return to work they will be called "compo cheats". This happens despite the fact that in the *Daily News* Superintendent Balcombe of the Police Force said one case only was being investigated. However, the Press, with the assistance of the Government, builds up this campaign and says there is something shameful about being on workers' compensation and one is a cheat. That is deplorable. That is the reason people are injured. That is the reason the industrial accident rate is so high in Western Australia. People are going back to work when they are unfit and, of course, they are injured very easily a second time.

Recently I was involved in a case where an eye specialist, in a callous manner, sent an employee back to work with a large degree of incapacity in the eye. The employee had to work on a machine which could have ripped off his arm. This specialist was in the pocket of the insurance company, and I shall have more to say about that later on. The specialist sent this man back to work and could not have cared less whether his arm was ripped off because he was unable to see properly whilst working on a dangerous machine.

It is bad enough if we cannot see properly and cannot read our notes; but at least our notes will not tear us to pieces. Imagine returning to work on a dangerous machine when one has an eye defect. That is the kind of pressure being exerted on employees. This Bill is part of that pressure; the campaign being waged by the Press is part of that pressure; and the Government's campaign is part of the pressure also.

Mr Watt: How many times have you heard somebody on this side of the House call a person on unemployment benefits a dole bludger?

Mr Clarko: Never!

Mr H. D. Evans: It appeared in *The Albany Advertiser*. It was said by one of your colleagues.

Mr Clarko: It was never said by one of my colleagues.

Mr H. D. Evans: A headline appeared in *The Albany Advertiser* which said, "Dole Bludgers".

Mr TONKIN: It was said also by a man who is now a member of the Federal Parliament.

Mr Watt: That has never been said by a member on this side of the House.

Mr TONKIN: I am making the accusation about the Liberal Party. I am not saying whether or not the member for Albany said it. I do not follow the member with a camera to see what he is doing.

Mr B. T. Burke: But insurance companies do that.

Mr TONKIN: A member of the Liberal Party, who is now a Federal member of Parliament in my area, has referred to people as "dole bludgers". The member for Warren has just mentioned a case which appeared in the headlines of an Albany newspaper.

Mr Blaikie: When?

Mr Watt: I do not like being associated with that type of thing.

Mr Skidmore: You are excused. Carry on.

Mr Clarko: The only people who use that term in this House are members on the other side.

Mr Watt: That is right. The member is incorrect.

Mr TONKIN: The Minister made the comment that some kind of incentive was offered for people to stay away from work and receive workers' compensation. The Minister did not actually say it was a financial incentive; but there was an incentive. I should like to know what kind of incentive is available if it is not a financial one. Members should not forget most compensation cases occur amongst people on lower incomes, because in our community if one performs honest work with one's hands generally speaking one is paid less then a person who tricks people with his brain. Therefore, we find the people who are more likely to be injured at work are generally on lower incomes.

Let us look at the position with respect to low incomes. Let us examine the position when the worker is earning a full wage and try to ascertain how he will be much better off on workers' compensation. In fact, the workers' compensation payment is 25 per cent less, because of the loss of award payments, etc. I should like to quote some figures from the Bureau of Statistics. Those

workers earning less than $80 a week have a shortfall of $20.65. In other words, they are spending $20.65 per week more than they are earning. They do this, of course, by going into debt, by juggling their bills, by entering into hire-purchase agreements, and so on.

There is no incentive for those people to go on workers' compensation, because if there is a shortfall of $20.65 while they are at work, there will be an even greater shortfall when they are in receipt of workers' compensation. I should like to look at the next bracket which comprises workers earning between $80 and $140 per week. Once again, there is a shortfall of $6.90. Those people are still spending more money than they are earning at the time they are in receipt of their full wage. Their income will be reduced and the shortfall increased if they go on to workers' compensation.

There is a great incentive for them to stay away. What happens is that even though they are ill they try to get back to work. I have heard of many cases of people who are ill forcing themselves back to work, aggravating the injury, and being forced off work again. That is a nice way to treat human beings!

The next bracket is $140 to $200. We are now getting up into a higher income bracket where the workers by and large perhaps will not be doing so much heavy work and the incidence of compensation as a result of industrial accidents could be lower. These people have 38c to spare on average. Again, when they go onto workers' compensation they are in a shortfall position; they have not enough money. So there is no incentive for them to go onto compensation and there is no incentive for them to stay away on compensation.

In the $200 to $260 a week bracket we find people have a plus of $12.30 which presumably they can save. The $12.30 will soon disappear if they are on compensation because over-award payments, overtime, district allowances, and so on will disappear.

I fail to see that there can be any financial incentive for employees to go onto workers' compensation or to stay on workers' compensation. Perhaps the Minister will be able to tell us later on what incentive there is for people to go onto compensation or to stay on it.

I would like to quote from a letter which was printed in *The West Australian* on the 29th March this year. I think this sentence really sums up the whole business. I wish we could get the Minister and this wretched Government to understand this. The letter says—

> My husband wasn't trying to have an accident the day the steel cable on the crane snapped, dumping its load on his leg.

According to the Minister, workers are rushing around trying to injure themselves and have accidents so they can lose money by going onto compensation and having all the pain and suffering associated with it. That is what the Minister seems to think.

Mr Grayden: That is not so.

Mr TONKIN: Why does he say there is an incentive for workers to go onto compensation and stay on it?

Mr Grayden: I have never made that statement in my life.

Mr TONKIN: He did not deny the statement I read from the newspaper.

Mr Grayden: I said he has an incentive if he is getting 100 per cent. He is saving rail fares or other transport costs each day. Isn't that an incentive?

Mr TONKIN: I know rail fares are high but they are not that high. What about the position of a man whose wife normally goes out to work and has to stay home to look after him because he is bedridden? Not only is his income reduced but so is that of his wife. The Minister talks about rail fares. What about the people whose cars are repossessed because they have to wait 12 months, due to the Government's inactivity, before they can get to the Workers' Compensation Board?

Mr B. T. Burke: They save money on petrol.

Mr TONKIN: The letter from which I have just quoted goes on to say—

> No reduction in compensation payments could have stopped that accident from happening and no financial incentive is going to help him to go back to work any sooner, he has to wait until he is fit. Why should men in this position be penalised?

That is a very good question.

Mr Grayden: Who is penalising them?

Mr TONKIN: Perhaps the Minister does not understand the Bill he has brought to the House. I have read his second reading speech and find it is full of inaccuracies. I suggest the Minister get rid of the person who writes his speeches. If compensation is cut back from $150 to $140, the Minister says that is not pruning back. It is a funny way to use the English language.

Let us look at what was said by our Minister for Labour and Industry—and how it hurts to say "our". I say it because I am a Western Australian but it is a shame we have to say it. Let us look at the statement in the *Daily News* of the 4th April,

1978. It was headed "Scrap compo for heart cases" and read—

> Heart cases and back injuries should not be covered by workers' compensation. This was the view of many doctors, the Minister for Labour and Industry, Mr Grayden, said today.

Mr Grayden: A large number of medical practitioners hold that view.

Mr TONKIN: Why did the Minister make this statement to the paper? Why not let the medical practitioners make these outrageous statements? To continue—

> Mr Grayden said medical opinion was that heart and back problems were largely due to causes outside work and consequently should be excluded from the Workers' Compensation Act.

Such problems are not caused by the Minister's work. He sits or stands somewhere night after night.

Mr Bertram: Tries to.

Mr TONKIN: I do not hurt my back by standing here.

Mr Grayden: What about the distinction between a degenerative condition and a genuine work-caused heart complaint?

Mr TONKIN: Certain kinds of heavy physical activity can exacerbate a heart complaint which is a degenerative disease. For people who have back complaints to have to lift heavy weights—pianos and so on—is atrocious. It is inhumane and belongs to the 13th century. The article went on to quote the Minister as follows—

> He said he wanted this opinion discussed by Government, union and industry representatives.

There we have it again. He does not trot out the opinion of many doctors who—God bless them—are humane, and point out that on the other hand other doctors have quite different opinions and are scandalised by the activities of the legal profession and the insurance companies. He does not mention that but, no matter where it comes from, he mentions any opinion which is anti-worker, employee, and against the person who is injured and on compensation. He uses this place as a forum to build up a campaign against those who have been unfortunate enough to have a great weight fall on them.

The West Australian of the 4th March, 1977, contained a letter to the editor regarding workers' compensation and its application. It referred to a comment made by Mr N. Haywood of the Young Liberal Movement. Here we see again what permeates this political party—its inhumanity. Mr Haywood had said there was no incentive for people on compensation to recover and return to work as soon as possible. All these lazy workers are lying around. They are not really injured at all. They are just pretending and are living off the fat of the land. Their income has been cut by 20 or 30 per cent and there is no incentive to go back to work to feed and educate their children. The 30 per cent cut results after a case has been heard by the board. What happens in the 12 months while they are waiting to get to the board?

We see this attitude permeating the Liberal Party. Mr Haywood spoke about the perks available to an injured worker. I wonder what that young Liberal does for a living. I wonder how hard he works.

Mr Nanovich: He does work hard.

Mr TONKIN: What does he do?

Mr Nanovich: He works for a member of Parliament.

Mr Young: He is permanently incapacitated. He has only one finger on one of his hands and has never missed a day's work in his life.

Mr TONKIN: The attitude that injured workers are lying around living on perks is obscene.

Mr Young: You asked what he did for a living.

Mr TONKIN: The question has been answered. He has a job. I could take the honourable member to hundreds of workers who have been declared fit for light work but who cannot get a job. We have the situation where whole families are being torn apart by the strain caused by people having to wait 12 months to get before the Workers' Compensation Board. A specialist can see them and say, "Yes, he is definitely unfit for work", and the insurance company will hunt around until it finds someone—

Mr B. T. Burke: Cromack.

Mr TONKIN: Not necessarily. It could be a GP, but a GP's certificate will veto the certificates of a hundred specialists. The payments are terminated and then they have to wait for 12 months to get before the board. Imagine the strain this puts on a family. I have seen some men break down and cry over this matter. It is terrible to see men with dignity—more dignity, in my opinion, than this Government has—who are humiliated in that way because of the unnecessary delay and these kinds of pressures.

Mr Watt: That is one of the things the Bill seeks to rectify.

Mr TONKIN: How?

Mr Watt: By setting up a second board.

Mr TONKIN: I brought before this Parliament last year a Bill seeking to set up a second board and the Government rejected it because it came from the Opposition. That is a shocking lack of statesmanship!

I spoke previously about some of the activities of insurance companies and their agents—putting rocks in the driveway of a worker's house so that he would have to move the rocks, and having a camera ready to prove he was fit, but the poor wife had to come out and move the rocks because he could not. One injured worker had his car tyres let down outside the Royal Perth Hospital, which was an infringement of the law; and when he came out he changed the tyres in such a way that, to the chagrin of the insurance company's investigator, it proved he had a very serious back injury. Then there is the practice of taking statements from injured workers as they come out of a general anaesthetic. Anyone who has been under a general anaesthetic knows that one hardly knows what day it is. Statements taken under these circumstances have been used against workers.

Those are some of the matters I have mentioned previously. The Press, in its prejudiced and partial manner, did not see fit to print what I had said. I am not necessarily attacking the people up here who write the stories as they see them.

Mr Grayden: Not much!

Mr TONKIN: If I wanted to get on side with the Press I would get on side with the people who make the decisions. The point I am making is the reporters here may write stories but it is the people down there who decide what will be printed.

Mr Clarko: Who gets the greatest coverage in this House? You. You get more coverage than any other member. I do not know whether it is because you attack people, but you get the best coverage.

Mr TONKIN: I do not see jealousy; I think he is a comedian. I suggest that the member can pick up any newspaper printed within the last 12 months and make a count to see how accurate his statement is.

Mr Clarko: How much publicity did you get on the matter of sewerage in the City of Stirling? Then you refused to comment when the whole matter was decided against you.

Mr TONKIN: Decided against us?

Mr Clarko: When the decision came out you refused to comment.

The SPEAKER: Order! The House will come to order.

Mr TONKIN: I think perhaps I should read the short title of the Bill. It is certainly not a Bill to deal with sewerage. My comments in respect of the City of Stirling were justified; in fact, improper practices occurred.

Mr Clarko: It cost $100 000, and not one single decision was made against it.

The SPEAKER: Order! The member for Morley will resume his seat. It seems to me that he and the member for Karrinyup are discussing a matter which has little to do with the Bill before the House.

Mr TONKIN: Mr Speaker, I would go further than that and say it has nothing to do with the Bill. However, you will note that I did not initiate the discussion, and it is rather unfair if I cannot reply to the inane interjections of the member for Karrinyup, who has not even got a clue about what happened.

However, let us proceed with the Bill. A person employed by Kalgoorlie Lake View, a subsidiary of Western Mining Corporation, was not paid workers' compensation for some five weeks after the accident, even though appropriate criteria were produced. The AWU took action through the SGIO and achieved a result. The employer's excuse—just listen to this one—was that the cheque had been received from the SGIO, but he had forgotten to post it. Some people would call that stealing. He forgot to post the cheque, and there was an injured employee who was without money in that time.

Another person employed by Boans Ltd. injured her back on the 27th July, 1976, and was later issued with a light duties certificate. She reported to Boans, and was subsequently dismissed. Probably she was not able to do the light duties for which she was allegedly fit. The insurance company was the C.E. Heath insurance company which endeavoured to avoid payment of compensation by alleging that at one stage she was exaggerating her symptoms. The AWU sent her to Mr R. C. Griffiths, an orthopaedic surgeon, who found that she had a disc protrusion. Operative measures were required and were carried out.

The woman finally had her payments restored due to the efforts of her union, despite the distortions which were made of statements she made to insurance investigators of her own free will.

A gentleman who was employed by Tony Howson Pool Service injured his back on the 5th May, 1977, and was paid workers' compensation. The National Mutual Fire Insurance Company Limited decided to cease payments and ignore the provisions of the Act; it did not send the 12(b) notice under which it is required to give an employee 21 days' notice before terminating compensation payments; it simply terminated the payments when it obtained a certificate from a doctor certifying the injured worker was fit for light duties.

This was queried with the National Mutual Fire Insurance Company, and the company advised the union verbally that the issuing of notice was a lot of rot, and it did not consider it was necessary. The union advised the company that it considered the company had a legal obligation under the Act to give notice, and demanded that it did. On the 20th March, this year, a letter was written to the company confirming that telephonic discussion, and indicating the company had a legal obligation. Subsequently the company was contacted again by telephone when it did not comply with its undertaking to send medical reports to the union. As at the 12th April, 1978, nothing had happened; I will amend that: as at the 10th May, nothing has happened.

There are some cases of compensation payments which are swinging. Are these the people who are living off the perks, off the fat of the land, and who go onto compensation because they have found the good life? The union has still not had any advice in respect of them. Remember these people are lucky; they have a union to fight for them. Many people are being forced out of unions because the employers say if they do not sign a form seeking exemption from union membership they will be sacked. Employers can do that now under the Act.

Mr Hassell interjected.

Mr TONKIN: That is true.

The SPEAKER: Order! Could I suggest to whichever member is interjecting that he do so at a level that both the Speaker and the *Hansard* reporter can hear?

Mr TONKIN: Mr Speaker, the member for Cottesloe asked, "What about the provisions of the Industrial Arbitration Act which forbid anyone from discriminating against a trade union?" Of course, the answer is that in a time of high unemployment when there is a lot of pressure on people not to be called dole bludgers, this is what happens. Some of these people do not even speak English and cannot point to the Industrial Arbitration Act and say, "I know my constitutional rights." These people are not even literate in the English language, and they are the ones who are being forced out of unions.

Once they are injured—like the one who has suffered permanent brain damage—they do not even know there is such a thing as the Workers' Compensation Act. How would they know? They are not in touch with unions, they do not speak the language, and they do not read our newspapers.

A man who worked with the Chamberlain John Deere firm was injured when operating a machine on the 18th November, 1977. Compensation was paid from the period of incapacity until he was certified fit for light duties. He was unable to continue with those light duties, after trying to do so for a period. The West Australian Insurance Company refused to pay him. No. 12(b) notice was issued. The AWU took action and obtained all moneys due to this employee. However, the certificates to be supplied by the insurance company still have not yet arrived. There is another flagrant breach of the Act.

Yet this Government talks when it wishes to about law and order. It is very selective law and order because it is applied against small people and not large people such as insurance companies.

Mr B. T. Burke: The Minister is very interested; he is reading the newspaper under the desk.

Mr Grayden: For your information, I am reading something about workers' compensation.

Mr Skidmore: Is that where you get your information from—the newspaper?

Mr Grayden: The heading of the article is, "Compo Adverts False".

Mr TONKIN: The Minister for Labour and Industry is reading his own Press statement! It is always said in Hollywood that once a person believes his own propaganda he is finished. Here is the Minister for Labour and Industry reading his own propaganda under the desk.

Mr B. T. Burke: He should be looking at the "Situations Vacant".

Mr Grayden: For your information, I want to see whether the details are accurate.

Mr TONKIN: Another man, whose employer insured with Wesfarmers Insurance, is an illiterate; probably he is not illiterate in his own language but is illiterate in the English language because he is not of British extraction. He is on compensation at the moment. He can do nothing but hard manual work because he has no trade; and certainly he cannot do anything which

requires a knowledge of the English language. He tried to get a job, but was told by the insurance company that failure to seek lighter work is misconduct under the Workers' Compensation Act.

That man just cannot find lighter work. The specialist, once again Mr R. C. Griffiths, said the man is not fit for anything but manual work because of language problems.

That is the problem of light duties, and there are thousands of examples. This is a disgraceful situation. In South Australia and New South Wales an employer is required to find light duties for a person who is certified as being fit only for light duties. If the employer cannot find light duties for the worker, the worker must be paid full compensation. However, in Western Australia if a worker is given a certificate saying he is fit for light duties it is the kiss of death because he cannot get light duties, especially if he is a tradesman or an unskilled worker. The amount of work these people can do is limited; there are only a certain number of brooms that can be pushed, so these people are in real trouble once they receive that certificate.

We have had the allegation made that doctors are giving certificates lightly. Members may recall the cartoon in which a worker was depicted sitting in a chair in a doctor's surgery with his head on his knee, and the doctor was saying, "I am not one of those doctors who just give workers' compensation certificates for nothing."

So here we have a situation in which it is alleged that a worker can just go off to a doctor—the allegation is that such doctors abound in Perth—who will give him a bogus certificate. I would like to read to members clause 5 of the first schedule to the Workers' Compensation Act, if I can find it.

Mr Grayden: Can I help you?

Mr TONKIN: I think any help from the Minister might be rather dangerous; perhaps he could help me if he has a copy of the Act. I have found my copy, and I would like to read clause 5 of the first schedule.

Mr B. T. Burke: Read it slowly for the Minister.

Mr TONKIN: I think the member for Balcatta is being very unkind.

Mr B. T. Burke: No, honest.

Mr TONKIN: This is a most important clause because it shows what nonsense it is to suggest that one can obtain a certificate from any doctor, which solves one's problems. I am indebted to the Hon. Fred McKenzie in another place who drew this provision to my attention. It is as follows—

> 5. Any worker receiving weekly payments under this Act shall, if so required by the employer, from time to time submit himself for examination by a duly qualified medical practitioner provided and paid by the employer. If the worker refuses to submit himself to such examination, or in any way obstructs the same, his right to such weekly payments shall be suspended until such examination has taken place, and shall absolutely cease unless he submits himself for examination within one month after being required so to do.

So his payments are stopped if he refuses to go to the doctor. Suppose he goes to a doctor who is chosen by his employer, or by the insurance company, which is the agent of the employer, and the doctor says, "You are fit for duty." It does not matter whether that worker already has a dozen certificates from other doctors saying he is not fit; he will no longer receive weekly payments, and must wait for an open court hearing, which will take 12 months.

Mr Grayden: Seventy per cent of cases are heard in two weeks or less.

Mr Skidmore: You are in a dream world.

Mr TONKIN: Is the Minister referring to interlocutory proceedings?

Mr Grayden: Seventy per cent of cases going to the Workers' Compensation Board are dealt with within two weeks or less.

Mr TONKIN: If the Minister is referring to interlocutory proceedings, I do not believe Judge Mews uses the full power available under the Act. If he is talking about open court cases, they are being set regularly 11 and 12 months ahead.

Sitting suspended from 6.15 to 7.30 p.m.

Mr TONKIN: I have here a case of a person who was injured and it is really an indictment of the WA Insurance of Canberra Limited, which seems a strange title. In the first schedule to the Act there is a requirement for the registering of papers. The insurance company must get the papers from the employer so that it can send them to the board. The WA Insurance of Canberra Limited has not registered the papers and has ignored correspondence from Mr Keith Summers who is the TLC compensation officer. Mr Summers, was requesting the action on behalf of an employee. This is another example of an insurance company ignoring clause 15 of the first schedule to the Act which requires an insurance company to register in this way. The forms were

sent to the insurance company on the 13th December last year and nothing has happened so far. That is about six months ago. I hope the Minister is taking note of these cases.

Mr Grayden: What did you do about it?

Mr TONKIN: The Minister will realise that I am not a Minister of the Crown and I cannot attempt to pass things on to the Crown Law Department for action. I am drawing the Minister's attention to the matter.

Mr Grayden: That is not good enough. You are the member for Morley and you should have taken some action.

Mr TONKIN: What action?

Mr Grayden: You should have referred it to me at the time.

Mr TONKIN: This is just the time it should be raised.

Mr Grayden: That is not good enough. I want more detail than that.

Mr TONKIN: So the Minister will ignore this breach.

Mr Grayden: You put it up in the form it should be put up.

Mr TONKIN: Mr Speaker, apparently the Minister does not think much of Parliament because I cannot go into a higher forum in Western Australian and put it up. I am putting it up in this House.

Mr Grayden: You mention a case in the course of debate and expect me to do something about it.

Mr TONKIN: I do not expect the Minister to do anything about it but I think he should do something about it. If I were the Minister for Labour and Industry I should do something about it and I think many members opposite also would do something about it. But I expect nothing to be done by this Minister.

Mr Grayden: Is it not sufficiently important for you to do anything about it?

Mr TONKIN: What can I do? I have drawn the matter to the Minister's attention and if he ignores the matter it is a dereliction of duty on his part; and if I were the Premier I should recommend to His Excellency the Governor that he withdraw the Minister's commission as a consequence.

This Bill intends to cut back the rightful benefits of the Workers' Compensation Act, but I suggest that there are reasons the Workers' Compensation Act should be extended. Here is an example of a gentleman who had an accident in 1972 in which the discs in his neck were crushed. There is no second schedule lump-sum payment in respect of this accident. That seems to be an anomaly in the Act. I should like an inquiry to ascertain why there should not be a second schedule lump-sum payment in respect of crushed discs. This accident means that the man, who is in his 30s, cannot work for the rest of his life. He has not been able to work for the past four years. The payments he has received so far are very close to the prescribed amount. Once he receives the prescribed amount payment will cease, and he is a relatively young man. That is an example of the deficiency in the Act and, if we are civilised people, we should be looking to extend the Act.

Let us consider another insurance company which I have no doubt the Minister will also ignore. But if I were to bring to this House a case of an employee abusing the system he would immediately jump on him like a ton of bricks. The company concerned in this case is the Fire and All Risks Insurance Company, commonly known as FAI. The employee concerned injured his back; he had some time off and went back to work in great difficulty. This is an employee who wants to work; I do not know whether he enjoys his work, but he wants to work.

This employee believes that as an Australian citizen he should work but he had great difficulty in doing so and had to go off work again on workers' compensation because he was not really fit. Then on the 20th December, 1977, he was sacked. He is a 47-year-old carpenter. He will not easily find other employment because that is his trade and he can no longer work as a carpenter.

The insurance company is refusing to pay out. A specialist made an assumption, without finding out the facts, that the employee had gone back to work although he still had certificates from his family doctor. The insurance company ignored the family doctor's certificates but took notice of the specialist who made a wrong assumption that he was back to work and therefore should not be in receipt of payment. There we have a situation of an insurance company taking the word of a specialist who did not bother to acquaint himself with the facts, and the employee has been very seriously financially embarrassed.

Here is another case of a person who got an order from the board for a weekly payment of $50 in December, 1977. The Commercial Union Insurance Company paid to the employer, Harry Waldeck of Mullewa, $50 a week but he did not pass the money onto the employee. Despite numerous approaches from the TLC compensation department the employer decided that the $50 was a bonus to him in some way. The employee was kicked out of every residence that

he went into because he had no way of meeting the rent.

The TLC suggested to the Commercial Union Insurance Company that as there was a dishonest employer who would not pass on the money the insurance company should pay the man directly, which is quite legally done. The Commercial Union Insurance Company refused to pay the worker directly and continued to pay the employer who continues to pocket the money.

Another case involves the WA Insurance Company of Canberra trying to settle on a lump sum with an employee who had been injured and they could not reach agreement on the amount. The insurance company went to the board on the 21st March this year. The solicitor acting for the insurance company in the hearing before the board—and this can be found in the transcript of the proceedings—withdrew the case saying that they would undertake to reach an agreement; so the case was adjourned *sine die*. Several letters have since been sent to the WA Insurance Company of Canberra which has made no attempt to reach agreement despite the undertaking recorded in the transcript of proceedings. The company has not even had the courtesy to provide an answer to the letters. I know the Minister will say, "You have not given me enough detail and we will do nothing about it", but if it were a worker who had done such things the Minister would immediately have attacked that worker in the Press.

This is a case of a solicitor acting for an insurance company saying to the board, "We will reach a settlement. I feel sure we are close to a settlement." But as soon as the company left the proceedings before the board it would not reach settlement and in fact will not even answer letters. Of course, if the company wants to appear again before the board it has to wait 12 months. Can anything be more disgraceful?

I should like to deal with another case. I have here a letter from a specialist which states—

> In reply to your letter of July 4th concerning the abovenamed patient, this patient's injury at work and his subsequent treatment and progress have been previously well documented and do not need repeating at this time. In November of 1976 I assessed the disability related to his right upper limb as of the order of 30 per cent and suggested that 20 per cent of this was attributable to his injury at work and 10 per cent to pre-existing pathology.

Here is a medical practitioner endeavouring to be fair; he is not saying that the whole 30 per cent of the disability is work-caused. The letter continues—

> I saw him again most recently on the 15th April and I stated that I did not consider that any further treatment whatsoever would significantly alter the patient's current symptoms. Regarding his fitness for work there is no question that he is unfit to return to his pre-accident occupation. However, I consider that he should be able to undertake very light work. This statement is made purely on the basis that he is fit to undertake such work.

I interpolate here to say that the medical practitioner is not saying that such work would be available and that the workers' compensation payments should be discontinued. The doctor is being medically honest and saying the man is physically fit to take on very light work. To continue—

> I consider that the fact that it would be quite impossible for him to obtain such work both because of his limited training and command of the English language, to be a separate issue.

These migrants that we bring in from overseas receive very little regard for their welfare as human beings and they are treated as factory fodder.

Mrs Craig: Not everyone does.

Mr TONKIN: No, there are some humans in the world. However, the fact is that this person will probably never get a job again because he is fit only for light duties and he cannot speak the language. What is to be done for this person? He is not being paid full compensation benefits but gets the difference between that and light duty wages. It is not fair at all. The member for Avon's interjection is spot on. The member for Wellington should consider how the other half lives. To continue—

> I am sure that you are well aware of the problems associated with sending injured workers back to mythical light duties.

He knows they are a myth; that they are non-existent. The final paragraph is one about which we do not hear the Minister commenting. Why does he not quote this opinion if he wants to be fair? To continue—

> Perhaps if the unions took a united stand and endeavoured to do something about the completely archaic Workers Compensation Act, Mr Kacmar's current situation may well become a thing of the past.

There we have a very dedicated and learned man

delivering a condemnation of the Workers' Compensation Act. He is not saying that it needs to be tidied up to get rid of certain pieces but that it needs humanising. Why does not the Minister quote such an opinion from a very eminent specialist who also happens to be a first-class human being? The two do not necessarily run together. I shall quote another case as follows—

> Since he was injured in a fall from a faulty ladder, painter Ron Hart has lost his job, his physical fitness, his house and furniture and new car he was paying off.
>
> With his income reduced to the Workers Compensation payments he couldn't afford to keep up the payments.
>
> Now, faced by the State Government plan to slash Workers Compensation weekly payments to 85%

That is a bit out of date. To continue—

> of the bare-bones base rate, Ron Hart is looking at disaster for himself and his young family.
>
> Back in 1975 Hart was working for the Armadale-Kelmscott Shire Council, painting the ceiling of the shire hall, when a ladder supporting him suddenly twisted, throwing him against the wall and down on the floor with a thump on the bottom of his spine.
>
> The ladder had been broken but patched instead of being replaced, it turned out.

In other words, the cost of the ladder was more important than this man's life. To continue—

> When Hart was thrown against the wall his back was deeply sliced by an iron coathanger, and when he hit the floor his spine was damaged.

This is the kind of people who go for all the perks, to use a term I quoted earlier by a president of one of the Young Liberal branches. To continue—

> He has had a series of operations, and will need more yet, to relieve the pain, but he can't work any more as a painter. There aren't any jobs around for disabled ex-painters.
>
> Ron Hart has been a good runner and jumper and a talented boxer who acted as a sparring partner for some of the top pros.

This would interest the Minister for Labour and Industry. To continue—

> Now he's lost that tough, lean physique. You have to keep active to stay that way, and he is tied up almost 24 hours a day in the house, finding a thousand little things that get him down. His wife can't get out to look for a job; she's busy looking after their two small children.

He is not in a position to do so. Here is an example where, because the wife has to stay home and mind the children, another avenue of income has been lost. To continue—

> The accident in 1975 wasn't his fault, but rich politicians like Charles Court and Bill Grayden don't care about that.
>
> Ron Hart was on compensation equal to his full wage rate for a while, but then the Court-Grayden government reduced that by about 20% by cutting out what he would have been paid for regular overtime, shift allowance, site allowance and other allowances.
>
> If he was still working as a painter, he would be on about $190 a week. But all he gets now is about $130.

Mr T. H. Jones: No compensation for that of course.

Mr TONKIN: No. When we talk about compensation, we are talking only about the compensation for loss of earning capacity and not compensation for loss of enjoyment. This man was an athlete who enjoyed an active life and playing with his children but he does not get compensation for that. To continue—

> In the background of the State Government plan to amend the Workers Compensation Act and reduce the rights of injured workers is the celebrated case of May versus the Geraldton Building Company.
>
> John May was injured on March 11, 1971 when a foreign object entered his eye—resulting in permanent loss of what was assessed as 85% of vision of his left eye.
>
> He was paid Workers Compensation until October 18, 1974 when he elected to settle his claim (in a lump sum).

Because of the success of the trade union movement in winning the May *v* Geraldton Building Company case the amendment before the House was drawn up. It was drawn up because the courts decided the union was right and so the Government is now to change the Act to try to show that the union was wrong.

Mr Grayden: They decided that because of the wording of the Act.

Mr TONKIN: How does one usually interpret the law? The Minister is casting aspersions on the High Court.

Mr Grayden: The words were used inadvertantly.

Mr TONKIN: I shall continue with my quote as follows—

> . John May was offered $3 902 as a settlement, representing what he was said to be entitled to, as at the time of his accident (on March 11, 1971). He sought the assistance of his union (the BWIU) to take the matter to the Workers Compensation Board, but the board found in favour of the insurance company involved, and would not award any more.
>
> The BWIU appealed to the Supreme Court of WA against the Compensation Board's decision, and the Supreme Court ruled that May was entitled to be paid his lump sum settlement on the basis of what he was entitled to at the time he elected to settle—1974
>
> The then Chief Justice, Mr Justice Jackson, said it was not unreasonable that in these times of inflation the legislature should intend that the amount of the settlement should be that which applied at the time of the settlement rather than at the time of the accident.

Do not let us run away with the idea that people are receiving something special by being given more than they used to get; that is merely keeping up with inflation. Why should the lump sum not be increased? No answer from the Minister. To continue—

> The insurance company acting for the Geraldton Building Co, appealed to the High Court of Australia and the appeal was rejected. They took the matter to the Privy Council in London, but the Privy Council refused to hear their application. That was the end of the legal road.

Now we get to the political road. That is a layman's version of the May v the Geraldton Building Company case. I have quoted a couple of cases which I think give members an idea of the kind of people who are sometimes greatly affected by the legislation we enact in this place.

I had a case drawn to my attention recently of a woman who was of foreign extraction and who did not even know there was a Workers' Compensation Act. This brings me back to the question of bringing people in from overseas. If we bring them from one side of the world to another where they do not understand the laws of the land or indeed the language, surely there is an obligation on us to see they know their rights and entitlements rather than have them preyed upon by the strong in our community.

This woman did not know there was a Workers' Compensation Act and she went home without going through the proper procedures. She was sick as a result of her injury and she thought it was okay to be off on sick leave. But the company sacked her. There was no compensation and no report of the accident. That is just one case.

I have a case of a person who was injured in 1975. He received $80 a week which was stopped at Christmas that year. What a great time for that to happen. The insurance company was paying his employer, Waldecks, to pay him. Two cheques were sent, then there were delays and he did not get the money for quite a long time. When one is in such a destitute position one cannot draw upon savings because one is very often living from hand to mouth.

Fortunately he was awarded payment by the board. In the meantime, he and his wife went to the Department for Community Welfare and they were told if they were split up they would receive help. This is a happily married couple and that was the only way they could get assistance. This family has split up nine times in order to get assistance from the department. This is because the policy of the department is to assist one-parent families. Their children have been sleeping on the floor with tea towels thrown over them. There are no blankets or mattresses. This is the kind of human case we have before us.

I have a case of a person who worked for the MTT. He had an accident in April, 1975, and this was seen by the MTT as being a recurrence of a previous injury. He was paid compensation of $77 a week until there was a dispute as to which company was liable for these payments.

The report of the Harris committee in Victoria has suggested that there should be just one insurer to cover everyone. This is one argument in favour of this because if one has an accident whilst being employed by one employer and then if one changes employment and has an aggravation of an injury with the second employer one is confronted with a demarcation dispute as to which insurance company is liable.

While this goes on there may be legal wrangles taking months and years to overcome and the employee still has to exist. In the case I have mentioned there was a dispute as to which company was liable and the case finally went to arbitration where it was decided neither company was responsible as one of the three accidents had occurred at home.

All the injuries were to his back. The first

occurred when he lifted a pram full of groceries onto a bus. I might add, of course, that this man was a bus driver. The second accident occurred in November, 1974, when he lifted a child onto a bus. The accident now under dispute occurred whilst he was going to his car boot.

It is now up to him to prove that the injury is a recurrence of the previous injury rather than a new injury. How does he do that? The Minister has said that back injuries are very difficult, and they are.

Workers' compensation was cut off on the 9th November, 1977. I am trying to avoid using names because I have not obtained permission from the employees to do so, but the details are available on a confidential basis. They were forced to live on the lady's wage of $94 a week, and they used all their savings. The gentleman has now been accepted for an invalid pension, but will not receive it for some time. This in itself is very degrading. The social security officer told them that while they were waiting for the entitlement for the invalid pension, they could live off their savings, but they had already used their savings. The case is still not closed. Argument is still proceeding because there is a complicated situation of two injuries at work and one at home, and the insurance companies are fighting one another in regard to how much for which each is liable.

Mr Young: Could you tell me why there was a delay in the payment of the invalid pension? I would be interested to know that.

Mr TONKIN: I do not know that detail of the case, but often there is a considerable delay. I suppose that is to be expected. It probably would not affect some people very much, but for a person in this financial position it is very difficult.

Mr Young: There should not be a delay in a case like that.

Mr TONKIN: Well, we all know about red tape, medical assessors, and so on. I have always found there is a delay.

This gentleman has a very limited education. He has been employed as a labourer and has had two injuries to the back, the first in May, 1974, and the second in January, 1977, and he has been unable to work since the second accident.

He was on workers' compensation until April, 1977. Around this time he was hospitalised for a spinal fusion operation. However, his family's financial situation was becoming quite desperate and he had to seek assistance from the Department for Community Welfare. As far as he was aware he had to go to that department in person, so he discharged himself from the hospital without the approval of his doctor. Of course this was medically unsound, but apparently he was in quite a state over his family's financial position and he was very worried about them. He still had some stitches in his back which burst. He is now an invalid pensioner, but still is in a critical position financially. His wife has had their third baby and they have trouble trying to clothe the children.

The financial situation affected their relationship at the time. The wife became very depressed and they separated as a result. The situation is such that it requires incredible skill to juggle all the accumulated debts to prevent repossessions. The SHC sent an eviction notice, but the family was able to pay off half the arrears and the rest by weekly payments, and so the proceedings for eviction were withdrawn. That is just another case of the problems which exist.

Another concerns a lady aged 50, of Polish origin. She was orphaned in a concentration camp during the Second World War. She met her husband in a displaced persons' camp and has four children. They finally separated and the lady came to Australia in 1973 with two of her children. She did not receive any benefits. She eventually obtained employment with Brisbane and Wunderlich where she worked from December, 1973, to August, 1975. While at work she sustained a shoulder injury and could not cope with the heavy duties required. They use some of these people as draught horses.

She sought medical advice and had time off from work while under treatment. While she was on sick leave she was sacked and eventually went on to sickness benefits in September, 1975. She is not now fit for work due to a nervous disorder, quite separate from the injury, but which aggravates the injury. She speaks little English and at no time was she advised of the existence of workers' compensation or of her right to apply for assistance under workers' compensation.

Another case concerns a member of the Amalgamated Metal Workers' and Shipwrights Union. He is married with six children. During the time he was on compensation, five of the children were dependants, while one was working. He sustained his back injury while working for the SEC at a power house. He resigned and worked at Welderpile where he sustained a further back injury on the 18th February, 1975. The argument was as to whether it was a new injury or a recurrence of the old injury. The SEC finally admitted liability and he received compensation. However, there is some dispute as to the amount of compensation being paid, and this has increased the tremendous financial

burden on the family. The matter is to go to court in July, 1978. The notes I am now using were made in January. At the moment things are much better for the family. The man is now working, as are two more of the children, but the great delay in settling the matter and going before the court—it has not yet gone to court—has led to extreme financial difficulties.

The family was granted sickness benefits, but in the interim period things were desperate. They had to get two food parcels from the Department for Community Welfare. The wife herself is in hospital now, further aggravating the situation. They are fortunate enough to be in private rental accommodation where the landlord is sympathetic and tolerant in respect of arrears.

At the time the income from welfare was approximately $119 a week. The child was working and paying $20 a week, making the total income $139. Basic expenditure involved rent, $30; housekeeping, $60—and this was to feed eight people, comprising two adults, five teenagers, and one child. I do not know how they do it! It costs me more than $60 for two of us, but they had only $60 for eight people. The cost of running the car was $10, making $100 in all. In addition to that there was the expense of gas and electricity and the problem of trying to keep four children at school, three of them at high school. We know how expensive clothes and books are for high school students. The fees in one instance were not paid until the end of the year. Understandably there was no money to buy any clothes, and when the shoes wore out, the children had to wear thongs.

The lady described the situation she experienced in trying to make ends meet while feeding eight people on $60 a week. The family was unable to spend any money on entertainment but, fortunately, had nothing on hire purchase. They would not have been able to maintain the payments if they had anything on hire purchase. That case does not go to court until July, 1978. It would have gone to court before then had the Opposition's Bill to establish a second panel been accepted last year.

Another gentleman first sustained a back injury as a member of an electrical trade union in November, 1975, while employed by O. J. Nilsen. He was off for seven months and received compensation for four months and welfare benefits for three months. He was then employed as a taxi driver until December, 1976. However, while doing that work he found that the long hours of driving aggravated his back injury. Anyone who has done long hours of driving would know that it would exacerbate such an injury. In order to give himself some relief he worked shorter hours and this led to a diminution in his income. Backache finally forced him to quit the work. Compensation ceased entirely as a result of his being declared fit for light work, so he was living on unemployment benefits. He has a wife and three children to support.

Before moving to private rental accommodation he lived in a State Housing Commission flat in Orelia. He fell into considerable arrears and agreed to pay the amount off at $10 a fortnight. However, eviction processes had been commenced and he finally left the flat and moved into private rental accommodation.

The biggest problem was in trying to live on a long-term basis on an inadequate income. It is easier to live like that for a short term because one can see a light at the end of the tunnel, but if the situation goes on and on and no more money comes in thus allowing nothing for entertainment or holidays, the strain can be immense, especially as there are so few jobs available involving light work.

Employers are reluctant to hire people with back injuries. If an employee does not indicate he has had a back injury he can be sacked for misconduct if the information comes to light later on. Therefore, he must answer the questionnaire honestly, and as soon as the employer knows the person has a problem, the employer is not likely to employ him because he does not want to be in a position to have to pay compensation in a short period following a recurrence of the injury.

Food is the biggest problem. They tried to buy bulk by the fortnight. They never buy steak. It is unknown in the house. A week before Christmas, 1977, the problem became so bad that the family lived on eggs for the entire week, and that was only because they owned some fowls. There were times when the children were kept home from school because they could not provide them with a lunch, there being nothing appropriate in the house with which to supply a packed lunch. It is obvious that in that family there will be another problem as a result of the interruption to the education of the children.

Of course friends have helped when they could, but it is embarrassing for the family to be accepting things and not being able to offer anything in return. Once again the question of human dignity arises. The only reason the children received Christmas presents was that the father was able to find some old bikes and fix them up.

The notes I have here were made in February and they indicate that in the following month

things would be difficult for the family. The lady has a part-time job, for which she receives $200 a month, or $50 a week. However, this is paid at the end of the month, and it is deducted from the welfare benefits, which means a loss of $50 a week for the next month. The case is not settled. Because of the situation the father has refused to buy the low lumbar corset which has been ordered by the doctor, and he has not received the three weeks of physiotherapy which was also ordered, because the expense would be too much for him.

Another case concerns a member of the Amalgamated Metal Workers' and Shipwrights Union. He was a welder at Transfield and injured his back in March, 1976. He was on workers' compensation from March, 1976, until June, 1976, and a further injury led him to see a doctor. He has been unable to work since.

The issue before the Workers' Compensation Board concentrated on conflicting medical reports. One was used to justify a decrease in compensation. The family supplemented its income by sickness benefits. The implications of this case are very common among compensation claims. The department assesses the amount of benefit according to the compensation rate, and due to the efforts of the department the compensation was increased somewhat. However, the Social Security Department continued to pay benefits at the old assessment and quite a large sum was overpaid before the error was discovered. What is crucial to this case and others is the way the department handles the overpayment.

One might imagine people in financial strife of this kind would very gladly receive the extra $10 or whatever it is a week, and have plenty of use for it. There is no question of their putting the money in the bank in case they have been overpaid so it would be there if necessary. How did the Social Security Department handle the overpayment? The statement continues—

> A letter was sent out, and as a matter of course deductions were made at $20/fortnight. This is an incredibly high proportion of any benefit (especially remembering that the rates of benfits place people beneath the poverty line). In the letter advising Mr Lavrent of this action to recover the overpayment, no mention is made of the fact that this $20/fortnight can be reduced. It appears that $20 is an arbitrary figure which is used as a standard means of recovering overpayments, with absolutely no examination of the economic social situation implications unless the recipient complains that this is too high.

I have seen the type of letter sent out, and there i no suggestion such as, "Let us know if you canno. meet this; you may make a counter proposal." These people feel rather initimidated by Government departments and they pay up the $20 a fortnight rather than come up with a counter proposal. The statement continues—

> Recipients are not informed of the fact that this figure is open to negotiation.
>
> After numerous phone calls to DSS it was finally established that the minimum rate for recovery of overpayments is $7 per fortnight for a married couple, and $6 per fortnight for a single person—if they are on maximum benefit or pension.
>
> Anyone on any welfare benefit would naturally suffer extreme financial hardship having such a huge proportion of their meagre income as $20/fortnight deducted as a matter of course.
>
> It is ridiculous and totally unnecessary to force such hardship onto welfare recipients, when this could be alleviated to some extent by automatically deducting the minimum repayment rate to recover the overpayment.

Why was not a letter sent out that the minimum repayment would be deducted? The letter simply stated that $20 a fortnight would be deducted, and no indication was given that the people concerned could opt for the minimum repayment of $7. To continue—

> Such assessment errors (and hence overpayments) are quite common in compensation cases, when the insurance companies are keen to push down the weekly compensation payment in order to reduce the final settlement, and when the worker's representative is similarly trying to retain the highest rate in order to increase the final settlement. The 10 months waiting period—

It is 12 months now. The statement continues—

> —before cases reach the courts exacerbates the situation. It is therefore logical to assume that overpayments from DSS occur often, and that the implications of extreme financial hardship resulting from such a huge deduction in benefits and pensions also occurs often.

Mr Skidmore: Significant, isn't it, the number of cases the member for Morley has found? This shows the way in which insurance companies can keep workers from getting their just deserts.

Mr H. D. Evans: It is significant also the silence from the other side of the House.

Mr TONKIN: If I had had sufficient time, I

could have produced hundreds of case histories. Had I wanted to, I could have brought here sufficient case histories to go on reading for the rest of the week, no question about it.

Mr Young: You have to consider whether or not it is logical to do that because by the same logic one could produce hundreds of claims which have been validated.

Mr Skidmore: The validated claims are not the ones that worry us in this instance. It is the invalid claims, the arguments surrounding the claim, and the loss to the worker because of the argument which worry us.

The ACTING SPEAKER (Mr Watt): Order! Could I suggest that the member ignore the cross-chamber conversation and direct his comments to the Chair?

Mr Skidmore: I thought I was helping out, Mr Acting Speaker.

Mr TONKIN: The point is that this Bill will cut back some of the benefits provided under the Workers' Compensation Act. In addition, there has been an emphasis in the Press on the alleged "compo" cheating, and I thought it was important to show the other side of the picture. I do not deny the point made by the member for Scarborough that quite possibly there are cases showing the other side. Our argument is that all we have heard from the Government are complaints about workers who have been cheating. All we have heard here from the Minister for Labour and Industry is about cases of alleged malpractice by employees; we have not heard of malpractice by insurance companies, or of hardship of the type to which I have referred. I now turn to another case, the details of which are as follows—

> An employee was awarded workers compensation following an accident at work in August 1975. However, the employer has been extremely erratic in paying compensation, usually not paying any money at all. This, despite the fact that the Insurance Company has been 'reimbursing' the employer.
>
> Fortunately the employee was granted sickness Benefits by the Department of Social Security, on the understanding that this money be repaid by the compensation settlement.

Mr Skidmore: A breach of the Act.

Mr TONKIN: That is right. To continue—

> However, there have been numerous occasions when the Department of Social Security has claimed that the employee has been in receipt of weekly compensation.

The Social Security Department assumed that the money was going to the employee as it should have been, and that was an excuse not to pay this man sickness benefits. So he was not being paid by anyone, and the family was forced to go to the Department for Community Welfare for a handout. To continue—

> The family described to me the process involved in trying to get assistance from the Department for Community Welfare when they have been absolutely desperate. On each occasion they have been told that they couldn't really get assistance as a family unit because it was 'policy' to give preferential assistance to one parent families.
>
> Of course, being in such desperate financial straits, with no money for rent or food—

I know this question is not before the House, but surely the Government and the Parliament generally should look at this policy. The document continues—

> —this couple has separated in order to qualify for assistance.

So here we have a family unit breaking up at a time when its members should have been giving one another support. This was a time of great hardship and trouble for the family, and at such a time a person needs the support of his or her spouse. The document continues—

> Thus, the lady concerned would take her three children to a hostel such as ACRAH and receive Department for Community Welfare assistance, whilst the man would try to manage on his own.
>
> Usually his wife would use her DCW cheque to pay for her own and children's accommodation, and use the small amount left over for her husband to find independent accommodation.
>
> They explained to DCW staff that this is what they were doing, but were still informed that it was the only way to get assistance.
>
> This situation—of being forced to separate in order to receive assistance has occurred eight or nine times over the past two years. The most recent recurrence was in January 1978.
>
> I think that it is necessary to stress that at no time did this family want to separate. In fact, it has only been their desire to remain together that has led them to tolerate such

mistreatment on a temporary basis. They have three children who are all at school.

Mr Skidmore: So much for the gratitude of insurance companies!

Mr TONKIN: To continue—

> The woman has expressed the deepest concern over the way the children have been forced to suffer so many separations

Imagine the effect upon the emotional stability of the children, and the effect upon their education. The document goes on to read—

> She is quite positive in her belief that this has been destructive to the family unit and has repercussions on the children's schooling and emotional well-being.
>
> It seems totally inconsistent to forcibly separate a family—in order to assist them.

That is some kind of assistance! So certainly that is something that really needs looking at.

I have referred to a few cases I thought should be drawn to the attention of the House because we need to set the record straight. The suggestion has been put that employees are living it up and enjoying the perks of workers' compensation. Such statements are nonsense, unfeeling, and inhuman. They are just not true.

I have here a letter written by N. K. Anderson of Peppermint Grove—a well-known Labor stronghold!

Mr Skidmore: Are you sure that is right?

Mr TONKIN: This gentleman has been a medical practitioner for over 30 years, and in one paragraph of a letter to the Editor of *The West Australian* of the 3rd April, 1978, he says—

> On innumerable occasions, and often at a patient's own request, I have recommended that he be allowed to return to work to do light duties or to work at his own rate for a few days because the injury is minor but inconveniencing or the healing is protracted after a more serious accident.
>
> On almost every occasion the reply comes back that the employee is not wanted until 100 per cent fit and able to to do a normal, full day's work. There is then no recourse but to put him back on the unfit list.

The letter referred to the Bill presently before us. It continues—

> If the intentions to correct anomalies in the system are genuine and it is desired to reduce the time lost to industry by injury, I suggest that a look be taken at the lack of injury-prevention instruction and the deficiency of safeguards (or application of existing safeguards) in many instances.
>
> In the past, several local firms have gone to some trouble to institute programmes directed towards accident prevention and the minimising of time lost from injury.

We applaud the actions of these firms. To continue—

> When these programmes have been properly organised and entered into with the necessary enthusiasm the results have been rewarding, but invariably the scheme peters out, suggesting lack of encouragement either from the company management or from the insurance companies, or both.

I would like to emphasise section 12(b) of the Act, and I referred to this earlier. This section provides that a certificate from one doctor can veto certificates from 100 doctors who put forward an opposite opinion. Furthermore, a certificate from one general practitioner can veto a certificate from 100 specialists who give a contrary opinion.

The Act does not lay down the qualifications of a medical practitioner but simply refers to a person registered as a medical practitioner. This means that if an insurance company can find one doctor to give a certificate contrary to that produced by the injured worker's doctor or doctors, the matter then must be heard before the Full Court, and this could take 11 to 12 months at the present time.

Insurance companies shop around, and they find unscrupulous doctors. I am quite prepared to name in this place at least two doctors whom I believe are a disgrace to their profession because of the way they have acted. I will not do this tonight because I would want to check and double check the situation beforehand to ensure I am acting fairly. I am hopeful also that the profession itself—if it wants to retain the respect of the community—will pull people like this into line.

I can give members an example of the type of instance I am referring to. One of these persons is a physician, and he quite happily gives his opinion on orthopaedic matters, usually saying that a worker is fit, even though he knows that practising orthopaedic surgeons have certified that the worker is unfit. As a medical man he knows he is not qualified in the orthopaedic field, but he is quite happy to issue certificates involving expertise in this field, and he does so.

Many members of the medical profession itself are disgusted at this action by at least two specialists in this field. In fact, they quite freely refer to them as "insurance doctors" because it is

known they will give any certificate an insurance company requires.

That would not be so bad if we did not have such a long delay before being able to obtain a Full Court hearing and if in fact section 12(b) of the Act did not allow one of those doctors to veto the opinion of the rest of the medical profession, which it does. The insurance companies do not have to shop around anymore; they know where to go.

I came across a case only yesterday where a solicitor—who himself comes from a medical family—acting for an insurance company went to this physician knowing full well it was an orthopaedic matter and he was not qualified as an orthopaedic specialist, and knowing full well he was going to give the kind of certificate he wanted.

Mr Harman: Scandalous!

Mr TONKIN: It is absolutely scandalous and it is unethical. I think there are more qualifications required than simply having a medical degree; the most important qualification is to be a human being.

Mr Harman: That person said the doctors were reported to the AMA, did he not?

Mr TONKIN: The AMA does not seem to act.

Mr Harman: They want to protect their own.

Mr TONKIN: I think that if the medical profession wants to be respected it must pull these people into line, otherwise it will lose respect. I think in the last few years, the medical profession has lost a great deal of respect, especially since the advent of Medibank, where many doctors have done unscrupulous things. If the medical profession wants respect, it will have to discipline these doctors.

If these doctors are not disciplined, we will have to name them in the House. That is not something we want to do. However, I am afraid my sympathies are with those poor people who are injured or maimed and unable to work, whose families are being destroyed and whose whole life is wrecked; that is where my loyalties lie.

If the Government wants to amend the Workers' Compensation Act, surely it should be looking for ways to extend and improve it, and make it more enlightened. I make a special plea in relation to the question of light duties which, apart from the waiting time to get before the board, probably would be the biggest single problem with the Act. The situation now is that when a person is classified as being fit for light duties, it does not mean a job automatically waits for him. However, he will then receive only the difference between the amount he would earn if he were employed on light duties and the old rate as defined in the Workers' Compensation Act, without the allowances and so on.

The Act provides for the board to take into account the fact that he has not been able to obtain light duties, but the board seems to be reluctant to use its powers to the full, or else it has interpreted its powers in a very legalistic, narrow, and unfair way.

The position in New South Wales and South Australia is quite different; there, an employer must find an employee light work and if he cannot, he must pay him at the old rate. It is ludicrous to say, "Yes, you are fit for light work. There is no light work available for you, but we are going to pay you as if you are already in light work." That is a scandalous state of affairs.

The major amendment contained in the Bill relates to the second schedule lump-sum payment. We know that the payments under the second schedule represent only 6 per cent of the total paid out by the department. The Minister has been talking about costs, yet lump-sum payments represent only 6 per cent of the total. It is not as though the Government is going to make a huge dent in workers' compensation premiums, even if it can be ascertained that this is the cause of the very high premiums. So, that is something which needs to be borne in mind. We wonder why the Minister has chosen to look at this area when in fact it represents such a small proportion of the total.

Mr Harman: There is a very good reason for that; the Government is supporting the insurance industry.

Mr TONKIN: I have come to that conclusion myself.

I referred earlier to the inaccuracies contained in the Minister's second reading speech, and I suggested he should get another adviser to write his speeches. I wish now to quote one such inaccurate statement. It appears at the top of page 5 of the Minister's speech notes, and states as follows—

> Prior to 1970 a worker on weekly compensation payments for an injury, which resulted in a disability, was automatically paid a lump sum when his disability stabilised and his weekly payments then terminated.

That is not true. Prior to 1970, a worker was not automatically paid a lump sum. He had to make application to the employer or the insurer and fight for it in the normal way, before the board. There was no automatic lump-sum pay-out. The

Minister's statement that, ". . . was automatically paid a lump sum when his disability stabilised and his weekly payments then terminated" is not a correct statement.

Mr Grayden: He had no option. The insurers simply said, "Right, your injury has stabilised. You can take a lump-sum payment."

Mr TONKIN: No, the employee could decide to go on taking weekly payments; he could delay accepting the lump sum until a convenient time—perhaps until he obtained another job. He would then say, "Right, I have a second schedule disability, therefore I will take a lump sum." However, he could go on taking weekly payments even after the stability of the injury was determined and, in fact, he often did. So, that is an inaccuracy. We are talking now about the situation which existed prior to 1970 with regard to the stability of an injury. The lump sum and the weekly payments were quite mutually exclusive of one another.

I wish to refer members to another statement contained in the Minister's second reading speech. The Minister stated as follows—

> The right of election, whilst of considerable value to workers, was never intended to be accompanied by a change in the amount of the lump-sum payment.
>
> This is indicated by the complete absence of reference to this aspect in the debates at the time as reported in *Hansard*, and further proof is that no such claim was made by, or on behalf of, any worker for years after the 1970 amendment.

The 1970 amendment was the result of a unanimous report; that is why there was no debate in *Hansard*. To suggest there was no reference in the debates was really spurious. The Minister talked about "further proof". I like the use of the word "proof"! He said—

> . . . further proof is that no such claim was made by, or on behalf of, any worker for years after the 1970 amendment.

The reason was that it was never put to the test until the May case of 1974.

Mr Grayden: Four years later.

Mr TONKIN: We are not all rolling in wealth. The May case, the benefits of which the Minister is taking away by this amendment, cost the unions an enormous sum of money. It went before the Supreme Court and the High Court of Australia and it looked as though they would have to spend another $20 000 to take it before the Privy Council. That comes out of the employees' pockets, and it is an unfair kind of impost.

The Minister's second reading speech continued—

> To describe the Government's action in correcting this situation as pruning lump-sum payments provided for by the law, is an over-simplification and amounts to little more than a distortion of the true situation.

How is it a distortion when we say it is pruning lump-sum payments? The second schedule lump-sum payments are not increasing in real terms. I suppose the Minister would say that a person today earning $200 is 20 times better off than a person who earned $10 at the turn of the century. That is absolute nonsense; we must make allowance for inflation. In fact, the second schedule lump-sum payment has hardly even kept pace with inflation. As a matter of fact, now it would be falling behind inflation because average weekly earnings are largely related to indexation, and we are not receiving full indexation; therefore, there is a reduction in the real wages.

What happens in the meanwhile? Supposing a person did have an accident three years ago and the money had not been paid out for those three years. What does the insurance company do with the money? To use a term used by the Hon. John Tonkin, do members think the insurance companies put it down a well? They certainly do not; they play the short-term money market and earn up to 12 per cent or even more.

Mr T. H. Jones: More than that.

Mr TONKIN: I am informed the insurance companies earn more than 12 per cent. They are actually making money out of this situation. Supposing an insurance company owes the worker $10 000 and he does not receive it immediately. That money does not escalate; it is kept at the maximum rate for which this Bill provides. Suppose further that, while that person is waiting for his case to come before the board, the insurance company makes at least $1 000 by investing the money. When it comes to pay out the injured worker, he may receive $10 000 but in actual fact the insurance company is paying him only $9 000 because it has $1 000 in its pocket. So, this business about people getting more money now is nonsense.

I suppose we are all receiving more than we received 10 years ago, but does that necessarily mean somehow we are much better off? Surely we have at least one economist on the Government benches who understands that money loses its purchasing power and that the second schedule lump sum is not escalating in real terms. We reject this idea that by hanging off and not accepting a lump-sum payment, the employee

somehow is onto a good thing. Prices are going up all the time.

The Government's intention is that when the injured worker receives his lump-sum payment it will be at the rate which is commensurate with the prices applying at the time of the accident, which could be three years ago. If a person was due to receive $10 000 three years ago and receives it now—do not think he could have received it earlier because he could not; the injury had not stabilised and therefore could not be assessed—the purchasing power of that $10 000 would be greatly reduced. He would have to pay his bills at today's prices. In fact, after three years, the value of that $10 000 might be only $8 000 or $7 000, so he has been robbed because he has lost money.

I am amazed that no-one on the Government side can see a simple economic argument like this. I would have thought that well-known member and Chairman of the Public Accounts Committee, the member for Scarborough, would have grasped the economics of that advanced level of finance and would be able to explain to the Minister for Labour and Industry what it was all about. Perhaps he could take him to one side for a quarter of an hour and talk to him.

Mr Skidmore: Oh, no; what will have to happen is that the member for Scarborough will take the Minister aside during the recess, because it will take him that long to get the message across to the Minister.

Mr TONKIN: Members should not get the idea that somehow the insurance companies are paying out extra money; they are not. In fact, they are paying out in devalued currency due to inflation. At present, the amount is going up slower than inflation.

We know that the Harris inquiry in Victoria came down with a recommendation that the payments should be the same as apply in Western Australia under the present Act as it is interpreted by the Supreme Court and the High Court.

The Harris inquiry set up under the Hamer Government in Victoria came down with that recommendation. Apparently they do not think that, somehow, insurance companies are being robbed.

We know the Minister in his usual fashion has not put any blame on insurance companies for rises in premiums. He puts the blame on the employees who are "lying at home living off the perks". Let us consider this. In the Minister's second reading speech he said, "the situation in respect of the amount of lump-sum payments also places insurance companies in an impossible situation in trying to assess outstanding claims for premium purposes." Of course that is nonsense. There is a base amount as at the time of the accident which increases according to a formula. Someone with a very simple knowledge of arithmetic can work that out. There is a base rate and the prescribed amount increases to a known formula.

The member for Gascoyne spoke a few weeks ago on the workers' compensation amendment to the Address-in-Reply which I moved. He was very worried as he always is about insurance companies, and he referred to the increased premiums. He put all the blame on the employees or on the Act; he did not suggest that the system might be wrong. The Harris inquiry has suggested there is a reduction possible in premiums of 20 to 25 per cent, and this is possible if we get rid of the various insurance companies which compete with one another. There could be a 25 per cent saving, so why does not the Government look at this as a way of reducing premiums?

This is a way in which the premiums can be kept in line. Why is there not an audit of the insurance companies' accounts so that they have to prove, just as workers have to prove their cases before the Industrial Arbitration Court, that what they say about their need for premiums is substantiated? Why should they not have to substantiate their claims? At present there is no requirement upon them to show that their claims have basis.

When the Opposition tried to state this position so that we could have a look at it, the Government told us to mind our own business. My question on notice No. 386, dated the 12th April and directed to the Minister asked, "Will he table the reports from Campbell Cook and King in relation to the workers' compensation premium rates committee?" They are reports which we believe indicate that changes should be made to the Turner formula which was introduced in 1945. In reply to an Opposition which is expected to contribute meaningfully to a debate, the Minister said, "These reports were commissioned by the premium rates committee and it would not be appropriate to have them tabled in the House".

Why not? Obviously the Minister does not want the Opposition to have information to help it make out a case. We know why it is not appropriate—the Minister wants to protect the insurance companies. The Government is protecting insurance companies and it does not want us to know what is in the reports. We believe that what is in the reports is that the premium rates committee—not necessarily because of a

fault in itself but because of a fault in its method of operation—is not arriving at correct premiums. Premiums have escalated because insurance companies are in the rip-off game. There is no way insurance companies will be made to substantiate their claims.

How would each of us or any member of the public like to be able to set his own wages? The insurance companies are in this position as they do not have to prove that their plod for increased premiums is fair. We believe that if the companies came clean and were honest and open about the matter members opposite would have to agree with our case which is that increased premiums are largely the result of insurance companies making unacceptable profits, rather than workers chopping off their hands in order to get second schedule lump-sum payments. However, we are denied this information.

The second question I asked on that day, No. 387, was as follows—

> Will he investigate the accident records of those employers who "self-insure" in workers compensation, to see how they compare with the records of employers who do not "self-insure"

I asked the Minister if he would investigate the records because we believed that those companies that self-insure had better records because they had the incentive to reduce the number of industrial accidents. We still believe this. The Minister replied as follows—

> No comparative records are kept but the Workers' Compensation Board maintains a careful watch on "self-insurers".

No record is kept, but the board in keeping a careful watch. How is that done? To continue—

> I am informed that the board is satisfied with the situation.

I did not ask whether the board was satisfied; I asked for the Minister to investigate the situation to see if, in fact, there is a case to be made out for self-insurance. I got a ridiculous reply, ridiculous in the extreme.

Let us consider the self-insurers. I think they are to be congratulated for the efforts they have made in many cases to reduce the number of industrial accidents. Perhaps this is the way we should attempt to reduce premiums, rather than hitting the worker over the head and finding him guilty without a hearing.

In reply to my question on notice, No. 388, I received the following list of self-insurers—

Alcoa of Australia (WA) Ltd
Australian and New Zealand Banking Group Ltd.
Australian Iron and Steel Pty. Ltd.
Bank of New South Wales.
Broken Hill Pty. Ltd.
Bunning Bros. Pty. Ltd.
Bunning Timber Holdings Ltd.
Bunning Bros. (Donnelly) Pty. Ltd.
Bunning Bros. (Nyamup) Pty. Ltd.
Bunning Bros. (Walpole) Pty. Ltd.
Colonial Mutual Life Assurance Society Ltd.
CSBP and Farmers Ltd.
Dampier Mining Co. Ltd.
Millars (WA) Pty. Ltd.
Mobil Oil (Aust.) Ltd.
National Bank of Australasia Ltd.
G. H. Michell and Sons Pty. Ltd.
Woolcombers (WA) Pty. Ltd.
State Shipping Service.

By and large we believe they have better accident records than other firms. The Minister should investigate this and see if in this way premiums can be controlled. We also believe that a no-claim bonus should be introduced.

Mr Watt: How does that work? Do they have to contribute a certain amount?

Mr TONKIN: They apply to the board for exemption from the Act.

Mr Watt: Do they have to put a certain amount in reserve?

Mr TONKIN: They have to put a certain amount into a fund and they are required to indemnify this amount against that. The no-claim bonuses would be a way in which we could encourage employers to devise ways of preventing accidents. In conversation recently with the Hon. R. F. Claughton he made a very good point when he said that it came down to an economic decision. That is, it is perhaps cheaper to insure workers than to provide new and safe machinery. In this way incentive is being taken away from the employer to see to it that accidents do not occur. That may sound very harsh but members must remember that companies are in the business of maximising profits. They freely admit that this is what they are there for. Unfortunately, one way of maximising profits is to put the workers in jeopardy, especially if workers' compensation is cheap, and not worrying too much about accident prevention.

Another matter that should be investigated is the fact that it was believed that when Medibank came in and paid hospitalisation of workers' compensation victims, premiums should go down. A figure of 12 per cent was mentioned. Premiums were not reduced. Why were they not? The people

and employees generally have a right to answers before they are blamed for everything.

Why have the premiums not gone down as a result of the introduction of Medibank? Why do not the insurance companies have to validate their claims for increased premiums? As I said before, we believe that the question of a single insurer should be adopted, and this was recommended by the Harris inquiry in Victoria.

This would prevent demarcation disputes which occur when either an employer changes his insurer or when an employee changes his job, and the second employer has a different insurance company. In the first instance, an accident can happen and then there is a dispute as to which insurer is liable. There can be an argument whether one or both is liable, or whether one is liable to 60 per cent and the other to 40 per cent. Of course, the people who suffer are the workers who are not being paid while this dispute goes on.

The other instance is when the employee changes jobs, and the second employer has a different insurance company from the first. If the employee has had an accident whilst at the first job, and then has a recurrence at the second job, there is an argument as to which company is responsible and to what extent.

We also believe there should be a single co-ordinating authority dealing with accident prevention, compensation, and rehabilitation because the three need to be co-ordinated. I shall quote from a letter written by Dr John Quintner as follows—

> In its efforts to attempt to dismantle the Workers' Compensation Board, the State Government has conveniently overlooked its responsibilities in industrial safety and accident prevention, and equally the need for rehabilitation of injured workers.
>
> I have previously pointed out that these other responsibilities are just as important as the actual need to compensate injured workers monetarily.
>
> Unless it can come up with a comprehensive plan, it is far better for the Government to pursue its obvious policy of doing nothing in this area.

Mr Skidmore: Make out a chit for light duties.

Mr TONKIN: Members should consider the position in the States of Oregon in the United States and Ontario in Canada. The compensation boards in those States are responsible for accident prevention, benefit payments, premium costs, and rehabilitation. There we see co-ordination.

I will tell members one of the very bad results of the present lack of co-ordination. If an injured employee decides to rehabilitate himself and tries to work it is likely a photograph will be taken of him by an insurance assessor, agent, or investigator which will prove to the insurance company that he is fit and working and his pension payments should be decreased. There is actually a disincentive for an employee to try to rehabilitate himself.

If the same body was responsible for both, there would be an incentive to work at rehabilitation, because it would reduce the payments, but one would not have a body which is in favour of rehabilitation penalising the person on compensation grounds which happens at the present time. That would come as a result of a single co-ordinating authority.

Let us look at the cost of accidents. In 1975-76 the average cost per accident in workers' compensation in Western Australia was $580. In 1976-77 the cost was $558. Allowing for a cost rise of 10 per cent which occurred in that year, and which therefore has to be subtracted, in real terms the 1976-77 figure should be $500. So the Government is saying workers should be penalised because their cost per accident is coming down.

I should like to look at the average time lost per accident. In 1975 the figure was 3.4 weeks and in 1976 it was 2.8 weeks. The workers are returning to work earlier. Therefore, the Minister has said, "We will penalise them because they are 'compo' cheats and they are forcing up premiums." Never has an investigation of the insurance companies been carried out. I would have thought the first action to take when one thinks of premiums would be to look at the insurance companies which provide the figures to set the premiums.

The Government is not doing enough for the prevention of accidents. From the year 1975-76 to 1976-77 there were an extra 3 363 accidents. The Manufacturing Industry Safety Advisory Committee last met in June, 1977. And yet this Government says it is concerned about safety and the number of accidents.

We, on this side of the House, particularly do not like the part of the Bill which will require that weekly payments be subtracted from the amount paid to widows. Prior to December, 1973, full benefits less weekly payments were paid to the widow. The argument in 1973 supporting the figure of 85 per cent was that she had been receiving weekly payments. The Government has already reduced the widow to 85 per cent of the full amount. In addition to that the Government wants to remove the weekly payments. The Government cannot have it both ways. Either the

widow should receive the full amount less weekly payments or she should receive 85 per cent and we should not worry about the weekly payments. We object to that amendment to the Act. We do not believe it is fair.

To repeat, before December, 1973, when the Act was amended by the Tonkin Government the situation was widows received full benefits less weekly payments. Then it was dropped down to 85 per cent of the full amount, because she had been receiving weekly payments. Why does the Government want it both ways? Why does the Government want to belt the widow over the head in this way so that she not only receives only 85 per cent of the amount, but also the weekly payments are subtracted? Perhaps the Government is doing this because the widow is helpless. She does not have a great deal of political clout. She is not in a position to do a great deal about it and she cannot make Governments tremble.

Mr Grayden: Do you know why it is? This happened because she can receive double pay. She can get $20 000 plus 85 per cent of the full amount, bringing it far over the maximum amount of $21 000 or whatever it is.

Mr TONKIN: How does that happen?

Mr Grayden: I will explain after how it happens.

Mr TONKIN: The Minister knows the prescribed amount is exceeded on very rare occasions.

Mr Grayden: It is doubled up.

Mr TONKIN: That has not happened.

Mr Grayden: Yes, it has.

Mr TONKIN: It is almost unheard of for the prescribed amount to be exceeded.

Mr Grayden: She can get $20 000 then she can apply for the 85 per cent. Added together that will take it considerably above the prescribed amount. She can do that now. She is getting double pay.

Mr TONKIN: That is a very rare situation.

Mr Grayden: I know; but that is not the spirit of the Act.

Mr TONKIN: The $20 000, the lump sum amount—

Mr Grayden: Not the lump sum. She is getting $20 000 in weekly payments then she receives 85 per cent of the full amount in addition. She receives over $20 000.

Mr Skidmore: What is wrong with that?

Mr TONKIN: That is very rare.

Mr Grayden: It goes far above the prescribed amount.

Mr TONKIN: The prescribed amount is rarely exceeded. If that is what the Minister is worried about, he should introduce an amendment to prevent the prescribed amount being exceeded. The amendment now before the House will hit every widow. She will get 85 per cent less the weekly payments. I believe if the Government is worrying about that, it should amend the Act in another way. I am not saying the prescribed amount is a princely sum. It is only four years' earnings. A person who has an accident which writes him off at 26 years of age is in a difficult position when the prescribed amount runs out in a few years' time. What does he do for the rest of his life? The prescribed amount is only four years' earnings. It is not a princely sum. It is only 208 times the average weekly earnings. I would not worry too much if the prescribed amount were being exceeded; but if that is the Government's main objection it should rectify the situation in a way that tightens up the loophole—if I may use that term—which affects a very tiny proportion of widows and certainly does not affect the vast majority.

We note the change to the prescribed amount will become effective from the 1st July. We believe this will make matters much easier, because the prescribed amount will be known much more quickly. Previously there was a delay before one knew the prescribed amount. The amendment in clause 4 is one with which we do not disagree.

We do not disagree also with the changed interpretation of "wife" which now includes former wives who are dependants. They will receive assistance also. Of course, there may be some objection from present wives because they will have to split the amount payable. It will not necessarily be split down the middle. At least the definition of "wife" takes cognisance of the fact that former wives who are dependants will be looked after. It will assist former wives with children.

We cannot see the justification for the provision in the Bill which deals with the registration of an agreement with the proviso that the May case will apply. The position is this: a person who had an accident several years ago and did not elect to receive payment until some years later because of the May case should in fact receive a higher amount than he would have received at the date of election. In one case if the agreement was registered with the proviso that it was subject to the determination of the May v Geraldton Building Company case, the person is looked

after. However, if the agreement is registered without that proviso that person will be penalised. We cannot see why there should be this discrimination. Two people who have had their accident on the same day; who have made the election on the same day; and the amount would have been the same, but because one had a cluey lawyer who inserted that proviso which meant it was subject to the determination of the May *v* Geraldton Building Company case and the other did not, the latter will be penalised. I cannot see the justification for that.

The provision that the employer will have to declare the full amount of wages instead of $50 seems to be more equitable. An employer who is paying higher wages will be paying a higher premium. We do not have any objection to that.

The offshore provision is necessary. The workers involved are Western Australians the same as workers who are working onshore and we are quite happy with this provision.

Of course, we agree with the provision for a deputy panel. In fact we introduced such a provision last year. We cannot understand—and we do not know how the employees can forgive the Government for this—why the Government did not agree to this provision last year. Surely the Government does not have to save face by rejecting every amendment put forward by the Opposition. Surely there are some members opposite who have statesmen-like qualities and who are prepared to admit that the Opposition presented a good case. The Government has played ducks and drakes with the rights of many Western Australians because it refused to accept this amendment earlier. It has now brought forward the same amendment.

Mr Grayden: We asked that the board delegate responsibility to various magistrates but it declined to do so.

Mr TONKIN: The Government had done that long before the amendment was brought in and the judge refused to go along with it.

Mr Grayden: The TLC wants it and the Confederation of Western Australian Industry wants it also.

Mr TONKIN: But the fact of the matter was the Bill which was brought forward did not incorporate great changes. It was not something which was startling and new. It was exactly the same and it would have brought relief to many employees. Because it was not accepted it has increased the suffering by eight to 10 months. Very real suffering could have been avoided.

The changes to clause 1 of the first schedule which relates to payments to children are acceptable; but we regret that the Government has done nothing about the payment for a child. The payment for a child is $7.50 and that was determined on the 27th December, 1973. Surely we are not saying 4½ years later it costs the same amount to keep a child. Why could not these payments be indexed? Why could not a simple formula be worked out in the same manner as it is worked out for the prescribed amount so that a built-in increase will be provided. The sum of $7.50 is very little to feed, clothe, and educate a child, especially when the child gets older.

The funeral expenses of $500 are inadequate. A figure of $750 would be much better. However, instead of coming back to Parliament every time the figure is increased, once again funeral expenses should be indexed.

We wonder why the Government has gone back on its word in providing only $10 per day for lodging and accommodation, when it promised the amount would be $15. The Minister promised to raise the amount from $4 to $15. The sum of $4 was ridiculous for a day's lodging for a person who might have to visit a specialist. The change is to $10, when the Government promised $15. Anyone who has to stay at various places would be aware that a sum of $15 is far more acceptable.

We do not have any quarrel with the change to provide for a worker who is in concurrent employment if the total hours worked are less than the number of hours provided for under the award covering the industry in which the accident occurred. The *pro rata* arrangement seems to be quite equitable.

Also, as far as the recoupment of voluntary advances which are in excess of what is statutorily correct is concerned, we accept the recoupment with the approval of the board. We think that it is a fair safeguard. The board has to approve such a recoupment and we are quite happy with that provision.

In conclusion I emphasise that we believe the Government has decided to place the blame on the employee. That is nonsense.

Insurance premiums have escalated over the past few years and the Government has decided that the employee is to blame instead of looking at the accident rate and, above all, instead of looking at the way premiums are arrived at. Why should the insurance companies be able to determine the amount of the premiums they receive without substantiation? Employees are not able to go to the Industrial Commission and say they want so much money; they have to substantiate their claims.

We believe the question of premiums in the schedule for lump sums, which is the core of the Bill, should be looked at thoroughly. We would like to see the Government acting in a fairer manner here.

We do not deny the possibility of cheating by employees, but the Government should not suggest that the boot is on the one foot. Indeed, there is cheating by the insurance companies. I have named insurance companies tonight and I believe they should be investigated. The Minister said I have not done anything about them, but I have raised the matter in Parliament. It is a serious matter.

Mr Grayden: You have only just done that.

Mr TONKIN: I believe that is enough.

Mr Grayden: We would like the complete details.

Mr TONKIN: I can provide as much detail as I have. If the Minister wants more information, I can give him information so that he can go to the source. I would be happy to co-operate and provide the Minister with the details. I do not necessarily have all of them but I can put him in touch with the people working in the workers' compensation field.

It is important that the premium issue be looked at from the point of view of the insurance companies to see whether there is something wrong in the formula, or the fact that there is no independent audit of the insurance company claims. This is something which must be looked at, rather than attacking the employees and blaming them for everything.

We oppose the Bill although we are aware there are provisions in it to which we do not object, such as the deputy panel. We are also aware that the Government could introduce a separate Bill for a deputy panel, and it could introduce a separate Bill for the lump-sum payment provision. We think that provision is completely unwarranted.

Employees are already seriously disadvantaged financially when they have an accident at work. In addition, they are disadvantaged physically. No-one likes to have his spine crushed, or to go through operations and continually be in pain. The injured employee is disadvantaged emotionally, physically, and financially, and he has to face the further burden of the blame for increased premiums.

We believe the Government should look at the manner in which premiums are assessed to see whether the fault lies there. If the fault does not lie there, we would have to come to some conclusion. However, the Government has not put up a case to show that there is no fault on the part of the insurance companies. The Minister has made no attempt to substantiate that the premiums sought by the insurance companies are fair and reasonable. There has been no examination. The assumption is that the insurance companies are innocent of the responsibility for increased premiums. We reject that claim.

MR SKIDMORE (Swan) [9.21 p.m.]: I rise to enter the debate on the question of whether or not we, as the Opposition, have a right to oppose portion of this amending Bill because of the iniquitous conditions which it is sought to impose on workers in industry who suffer an injury at work.

One has to look only at the history of the amendment which permitted settlement—the ability of a worker to determine to accept a settlement not at the time of the injury or at the values which applied then. The Minister has said this is a loophole which has to be closed up. There never was a loophole, which is obvious if one looks at the intention of the Act in its original form. I will refer to that in depth a little later.

I will now refer to some of the remarks of the Minister to show his degree of irresponsibility and his inability to accept the truth when presented to him in the form of newspaper advertisements. I know the Minister has it all signed, sealed, and delivered to show that the advertisements which appeared in the Press were erroneous, wrong in fact, misleading, and untrue.

Mr Grayden: You can say that again!

Mr SKIDMORE: I will deal with that in a moment to show that what the Minister has said is not so. The Minister also said that a judicial inquiry was in progress, but due to factors not within the control of the Government, it had been subject to delays. He said those delays have been due to the unavailability of a suitable person to conduct a full inquiry, and a Commonwealth proposal for a national compensation scheme. If that is considered to be a stumbling block, I would point out that it is now some two years since the proposal was put forward.

The proposal for a national compensation scheme was announced by the Whitlam Government, which has been out of office for a darn long time. So, I do not see how that accusation can be levelled at the Whitlam Government on this occasion. That excuse for holding up the inquiry is spurious, misleading, and untrue.

Mr Grayden: It is true.

Mr SKIDMORE: The Minister complained about the trade union movement, but what he said is not true because the national compensation scheme was abandoned when the Fraser Government came into power.

Mr Grayden: Do you realise they are still negotiating?

Mr SKIDMORE: Yes, and they will be for the next 20 years—mark my words. When one looks at the question of a suitable person to conduct the inquiry, I do not know what the Minister means by that statement. I believe there are many competent people available who could undertake the necessary inquiry and see it through to its end. The Minister, in his second reading speech, stated—

> Members will appreciate that workers' compensation is an important and complex matter. Many issues are involved both from the view of adequately compensating injured workers and their families and doing this in the most efficient and effective way.
>
> The judicial inquiry is expected to be a lengthy and protracted exercise.

Why the haste to reduce workers' compensation? There is no need for haste. In fact, a statement given to me by the Trades and Labor Council workers' compensation committee states—

> The Government has agreed to set up an inquiry to look into certain aspects of Workers' Compensation. Although they have failed to announce its terms of reference, Grayden has said that, apart from referring the question of the 85% payments to them, he will also ask them to examine the system of lump sum payments!

That is what the Minister stated to the Trades and Labor Council. It was promised that the lump-sum payment issue would be referred to an inquiry. Now, the Minister has introduced this measure on the assumption that it is needed because of the urgency of the situation. There is no urgency if the Minister believes the question should be referred to a judicial inquiry.

Mr Grayden: It will be one of the terms of reference.

Mr SKIDMORE: It is beyond me. The statement continues—

> Surely this must be the first case of a Government amending an Act, and THEN conducting an inquiry to find out whether it should have been changed at all.

Mr Grayden: That is not the position.

Mr SKIDMORE: It is the position. The Minister is introducing legislation to amend the system of lump-sum payments. Then he intends to have an inquiry to see whether or not the legislation is right. If the inquiry proves that the Minister is wrong, will he repeal the legislation?

Mr Grayden: Of course we will; that is the intention of the inquiry.

Mr SKIDMORE: I await that day with great joy. Why introduce this measure now? The reason is that the Minister and the Government do not want the injured worker to receive a just and fair payment.

Mr Grayden: It has been introduced so that we will get back to the situation which existed prior to 1970, pending an inquiry by a judge.

Mr SKIDMORE: Then why amend the Act in 1970 to provide the conditions under which workers now receive lump-sum payments?

Mr Grayden: It was not amended for that purpose at all.

Mr SKIDMORE: It was, and I will prove it. The Minister speaks spuriously, erroneously, and untruthfully about all the issues involved. His remarks are not reported in *Hansard* because they were said outside this House. The amendment to the Act previously was the result of a recommendation by a committee. Of course, there is no reference in *Hansard* because it was never debated in this House.

The Minister said the trade union movement was not telling the truth, not being fair, and was misleading the public. Who is misleading us now? I will refer to a statement which appears in today's issue of the *Daily News*, dated the 10th May, 1978.

Mr Nanovich: We do not want to be here on the 12th.

Mr SKIDMORE: If the honourable member keeps on interjecting, we will be. The article in the paper states—

> The Minister for Labour and Industry, Mr Grayden, said the TLC advertisements on workers' compensation were neither factual nor accurate.

The article continues—

> The injured man and the driver claimed the driver of another vehicle forced their car off the road.

It further states—

> Because the journey came within the scope of the Act the employer was liable to make workers' compensation payments, Mr Grayden said.

If the statement by the Minister can be believed, why is the advertisement misleading? The worker

is covered by workers' compensation. He has appeared in an advertisement on behalf of the Trades and Labor Council as epitomising the disadvantages to a worker who sustains compensible injuries. The Minister claims the advertisement is false, that it is incorrect, and that it is not true simply because the Motor Vehicle Insurance Trust might pick up the tab for the injury. Therefore, it is false; the whole thing is suspect.

Let me tell the Minister it is no more suspect than his illogical argument to try to prove it to be suspect. The Minister has again been found wanting in his handling of the issue in respect of at least being fair about the advertisements. I challenge the Minister tonight that if he believes he has a case against the Trades and Labor Council for false advertising, let him take it up under the legislation which says advertising must be truthful in its intent and also in its content, and let us see how he gets on. He would not have a feather to fly with.

In the newspaper article the Minister for Labour and Industry went on to say that at this stage the case was technically one involving workers' compensation. I am not too sure what he means by that. He was referring to one advertisement which can be shown to apply to a worker who was, and still is, covered by workers' compensation, and who will remain covered until such time as he accepts Motor Vehicle Insurance Trust cover, and the amount offered to him by the trust. When that occurs, the sums of compensation paid to him will be deducted from his settlement and returned to the Workers' Compensation Board, and the Minister knows it. In his Press article the Minister went on to say—

> Another advertisement, depicting a map of Australia showing all the States paying 100 per cent workers' compensation but with WA crossed out, was false.

Mr Minister, it was not false. I heard the Minister give an answer in this House some time ago when he pulled a rabbit out of the hat—or so he thought—to show that advertisement was false. I will give the lie to his comments in this way: The workers' compensation benefits vary from State to State, which the Minister indicated, and in most cases injured workers receive 100 per cent of wages for at least the first six months of their incapacity.

The advertisement did no more nor less than show that in Western Australia an injured worker will not receive 100 per cent compensation, although he would in every other State; and that is not untrue. It is the truth.

Let us consider the matter. In New South Wales and Victoria flat rate benefits apply. For example, 100 per cent compensation is not payable, although the majority of workers are covered by industrial awards which provide for accident or make-up pay for the first six months, whereby the statutory workers' compensation benefits are supplemented by employers to bring them up to the value of the worker's normal full pay.

The advertisement did not make reference to the manner in which the payment was made up to 100 per cent; it merely stated that in those States workers received 100 per cent—that is, in New South Wales and Victoria.

Mr Watt: Which part of the Bill does this relate to?

Mr SKIDMORE: It refers to the attack made by the Minister for Labour and Industry on the Trades and Labor Council in respect of advertisements in regard to this amending Bill.

Mr Watt: There is no plan in the Bill to reduce the amount of compensation.

Mr SKIDMORE: Nobody has suggested that; I suggest the member for Albany goes back to sleep.

Mr Watt: I haven't been asleep, and you know it.

The ACTING SPEAKER (Mr Blaikie): Order! I suggest that the member for Swan direct his remarks to the Chair.

Mr SKIDMORE: That is a very good idea, Sir. In Queensland an injured worker is paid the weekly rate of wages provided by his award agreement for the first 26 weeks of his incapacity. Again, no mention is made of how that payment is made up.

In South Australia and Tasmania injured workers receive their normal weekly earnings during incapacity, and that includes overtime. Again, there is no distortion or any untruth in that statement.

Mr Spriggs: Come to New South Wales.

Mr SKIDMORE: I have already told the House about New South Wales.

Mr Spriggs: If you said they get 100 per cent, that is not true.

Mr SKIDMORE: I will read it again for the benefit of the member for Darling Range. In New South Wales and Victoria flat rate benefits apply. Compensation of 100 per cent is not payable, although the majority of workers are covered by industrial awards which provide for accident or make-up pay for the first six months. In essence,

that means they receive 100 per cent of their wages, and the advertisement did not purport to say anything other than that. It was not untruthful.

I turn now to the Australian Capital Territory and the Northern Territory. The Commonwealth Government employees' legislation provides that the worker be paid the equivalent of full sick pay for the first six months; and in the ACT and the Northern Territory it is provided that the worker be paid the equivalent of what he would have been paid had he not been injured.

Therefore, there is no basis to the Minister's claim that the advertisements are false. I mention this matter because it was raised in the debate as one of the major features; that is, the duplicity of the campaign of the Trades and Labor Council which, according to the Minister, endeavoured to mislead the people of Western Australia regarding the honest intentions, if any, of the Government.

The Minister went on to say—

> A third advertisement referred to a Mr Keith Ferguson as a fireman. At the time of his accident he was working as a casual labourer, not as a fireman.

I am not too sure what the Minister means by that. Does he mean that, as a fireman, Mr Ferguson would be covered by workers' compensation but as a labourer he would not be covered; or does he mean that he would be covered as a labourer but not as a fireman? It seems to me to be completely irrelevant whether he is employed as labourer or as a fireman. His photograph appeared in the Press to emphasise the fact that he is a worker covered by workers' compensation; and what the devil his employment has to do with the matter, I do not know.

Mr Grayden: It did say that he would be denied an additional $16 000.

Mr SKIDMORE: Be patient, I will deal with that. The Minister said that the advertisement had not said Mr Ferguson had already received a total of $12 079 in weekly workers' compensation payments. He went on to say that with these payments and the fact of maximum liability under the Act he could not receive another $16 462, whether or not the Government amended the Act. I agree with that statement of the Minister in the Press, but that is not what the advertisement said.

The advertisement did not say anthing about his having received any weekly payments. What it said was that under the present scheme he would receive $X, but under the Bill he would receive less than that. It said that and nothing else. The Minister may laugh, because he knows he can distort these things in a way which questions the credibility of the Trades and Labor Council, or that is what he thinks. I believe the only person whose credibility is in question is the Minister.

When the Workers' Compensation Act was first promulgated in 1912 the benefit payable for total incapacity was 50 per cent of the weekly earnings. By December, 1973, that had been reduced to 45.56 per cent for a married man with two dependent children, and to 30.2 per cent for a worker without dependants. Therefore, a reduction in values occurred since 1912 which meant that the income for a married worker with two children diminished by 55 per cent, and the income of a single man diminished by 70 per cent.

It is no wonder that to avoid economic hardship many injured workers chose at that time to remain at work notwithstanding the fact that their injuries had not healed and they were still suffering. They had to return to work as a matter of economic necessity. Those workers unfortunate enough to sustain injuries involving lengthy incapacity, soon saw their savings dissolve and their goods on hire purchase lost as a result of their inability to meet their commitments.

Now the Liberal Government has deliberately set about destroying the benefits given to workers by the Tonkin Government in regard to workers' compensation, even though when the amendments were made in 1973 they were condoned by members opposite through the agency of a Select Committee of the upper House. Such is the integrity of the person who leads this House and the person who is responsible for this Bill that they now want to get rid of what they previously condoned.

I come now to the question of the ARS 1974-75 report on the survey of household expenditure. That report shows in that year in the income range of $140 to $200 a week the average income was $167.94, and the average expenditure was $167.56, which left a surplus of 38c. So even a worker, who was still working, according to that survey at the end of the week after meeting his commitments would have the magnificent surplus of 38c. This Government now wants to say, "That will be devalued again, because you must buy today's goodies with your settlement made at yesterday's prices." In other words, it is saying, "You will have only 75c to pay for goods worth $1."

The new proposal to reduce the level of lump-sum payments by attaching them to the date of the accident and not to the date on which the injured worker elects to settle was introduced into

the Workers' Compensation Act in May, 1970, following recommendations of a committee of review set up by the Government of the day. The recommendations were unanimous and not subject to parliamentary debate.

The Minister got hopping mad about the fact that this matter was not discussed and nothing could be found in *Hansard* about it and, therefore, that was not the intention of the amendment. Of course, *Hansard* did not report it because the matter was never before the House. The Minister is deliberately distorting the truth and making it appear that he alone is the judge as to whether the truth is being told. Certainly he has been found wanting tonight in respect of his questioning the veracity of the advertisements of the Trades and Labor Council.

Mr Keith Summers, who is the compensation officer of the Trades and Labor Council, was a member of that committee of review, and I suggest authoritatively that the intention of the election provision was to allow weekly compensation for partial incapacity to be paid until such time as the worker elected to settle on a lump sum. Prior to the 8th May, 1970, the partial weekly compensation was deductible from the lump sum but that provision no longer applied after that date.

Let us have another look at the intention of the committee of review and see its motivation in respect of allowing a worker to be rehabilitated. Let us assume a man has lost both legs in an unfortunate accident and must learn to walk again, with all the disabilities associated with such a crippling accident. Not being too sure as to what might happen, or the rehabilitation period he may need before he may resume his occupation, he would naturally as a matter of economic necessity accept weekly compensation payments. He would be a darn fool if he did not; how else would he survive? Therefore, the committee with that point of view in mind established that criterion.

The report then went on to note that having been rehabilitated and having satisfied himself that he could return to the work force with the disability of two tin legs for the rest of his life, a worker may wish a lump-sum settlement. What is wrong with that? The worker will be compensated for the loss of two legs at that time only because he has been rehabilitated and is honest enough to get back to work.

This Government is saying to that worker, "Because you have procrastinated to make sure you can return to work and get off workers' compensation, merely because you were honest enough to try to help yourself in that situation, you will be penalised and you will not receive in 1978 the settlement to which you are entitled. You can have it at the 1975 rate." That is what this amending Bill proposes to do and it is against the intention of the recommendations brought down by the committee.

If the Minister wishes to test the validity of those statements he may care to look at the transcript of the committee's proceedings. If it can be shown that I am wrong I shall be very surprised.

The question of the losses sustained by a worker accepting a lesser amount because of this amendment to the Workers' Compensation Act has been well and truly covered by the member for Morley and it is not my intention to canvass that issue again.

The member for Morley mentioned that a worker could be entitled to an amount of money which would be held on deposit by an insurance company. This money is invested by the company in markets which return 12 per cent or 14 per cent. Of course, the companies have to have that money—it is part of their responsibility—but the worker does not get it because of litigation and I have yet to find an insurance company which will say to a worker, "We have had the benefit of borrowing your $10 000 to which we now find you are justly entitled, so we will give you the $10 000 plus $1 000 of interest which we accrued by investing in a building society." The next time that happens will be the first time.

The part of the present Act which provides for the quantifying of a lump-sum at the date of election partially takes into account the loss of purchasing power, and that is only a reasonable approach to adopt. Any alteration to that position should be opposed. It is quite iniquitous that a worker should receive less in 1978 to meet his commitments merely because this Government, having been found wanting in its efforts to prevent payments to workers, has now found it necessary to defend the poor insurance companies. These poor insurance companies are really in big trouble with regard to workers' compensation!

The Minister stated that the cost of workers' compensation insurance cannot be afforded, but one wonders how this assertion can be sustained. Premiums are set at a rate which is 30 per cent above claims paid out, and that 30 per cent is for administrative expenses and profit. Before we go anywhere at all into the realms of compensation there is an inbuilt profit margin for insurance companies and any insurance company that can convince me it cannot manage its affairs on the 10

per cent or 15 per cent set aside for overheads needs its internal auditing system examined. That leaves 15 per cent of the premiums to be applied as sheer profit for the companies out of the pockets of the workers because the workers are the people who supply the employer with the income necessary to pay his insurance premiums.

Let us consider the poor insurance companies who are forced into losing money on workers' compensation! In 1977 the premiums received totalled $67 413 392. In 1976 the claims paid amounted to $26 168 988, leaving a staggering surplus of $41 244 459 to be divided as profit amongst 70 destitute and busted insurance companies! Yet we are told the companies are going broke because of workers' compensation. What a scandalous state of affairs it is for a Minister in this place to defend the insurance companies by saying it is necessary to protect them from the ravages of the workers' entitlements and to cut back the amount of compensation because the insurance companies cannot afford it!

Mr Coyne: Are you saying that that $41 million is clear profit?

Mr SKIDMORE: I said that a surplus of $41 244 459 is available as profit in the first instance to the insurance companies. Let us consider the 15 per cent of premiums which is set aside for administrative expenses. The figure should not be that high. The Broken Hill Proprietary Company Limited and a few more of the big companies can cope well with less than 15 per cent being spent on administrative costs. So can most of the efficient firms and I believe most insurance companies would be efficient. If one takes away 15 per cent of that $41 million there is still a fair slice for profit.

If the insurance companies are having such a bad time, as alleged, why are 74 companies required to transact the insurance, and why during 1977 did four new companies apply for registration? Is it such a hopeless field of endeavour that there will be an increase in the number of insurance companies in this field so that they can lose money?

Mr Herzfeld: Has it occurred to you that these insurance companies might be taking part in workers' compensation just to round off the services they give to their customers?

Mr SKIDMORE: Of course they are rounding off the services, and they are doing so out of the kindness of their hearts so that they can lose money! Come on! Every insurance company makes a profit out of workers' compensation if we look at the situation over a period of at least five years.

Mr Herzfeld: So they should.

Mr SKIDMORE: Of course they should, but the Minister should not try to ram it down our throats and the thoats of the workers that because premiums are so high workers are pricing themselves out of work and the insurance companies need relief in regard to the amount of money that is paid out. I just do not believe it.

The way to reduce workers' compensation costs is not to prune the benefits but to endeavour to ensure that a reduction in the number of accidents takes place. That is the whole question. It is the cart before the horse attitude of Governments that has perpetuated this crime against the working people of this State. The only way in which the Government has been interested in injuries to workers is by saying, "Stiff cheddar, Charlie Brown, here is $1 000 for your injury, get back to work." Nobody is worried about educating the worker to ensure that he is not injured. Nobody has endeavoured to look at the provisions in the Act with regard to rehabilitation.

The member for Morley mentioned this matter by quoting a doctor from Peppermint Grove who said that the Government is remiss with regard to rehabilitation. A worker just cannot be rehabilitated under any available State services. The clinics and rehabilitation centres which could be established under the provisions of the Workers' Compensation Act are few and far between; in fact they are practically non-existent.

We are opposing the change to the lump-sum settlement provisions with a degree of justification that one cannot but help say is correct and I have demonstrated that the Minister is not correct when he tries to denigrate the Trades and Labor Council by saying that it had undertaken a campaign to deceive the people of Western Australia.

There is a more vicious part of the Bill which has not yet been mentioned. One of the most serious proposals in this amending Bill is that the amount of compensation payable to widows be reduced. How inhuman can one get? The Government is saying to a widow who has suffered the loss of her husband, "We are going to reduce the amount of payment you can receive by way of workers' compensation." How will it do that? It will do it in this way: Prior to December, 1973, widows received the maximum sum payable under the Act less any weekly payments which had been made. The amendments of 1973 provided for a fixed sum to be paid to a widow equal to 85 per cent of the maximum in

consideration that weekly payments would not be deductible. This Government sanctioned and condoned those arrangements, but what does the Minister of this Government now do to this payment? He has now said that instead of getting 85 per cent of the maximum in consideration, the weekly payments will be deducted from the 85 per cent. The Government will reduce the income of the widow. This very "humane" Government, which is supposed to be conscious of its responsibility to workers, not only ignores the worker but also takes him to task and then states, "After you are dead as a result of an injury we are going to rob your widow of the benefit which has already been established for her"! Just how inhuman can we be in adding to the plight of a widow suffering all the attendant hardships which follow the death of the breadwinner? It is really beyond my comprehension that such an attitude could be taken by a Government in this country.

Mention was made of the fact that it had been proposed that meals and lodging allowances would be increased from the present $4 a day to $15 a day. Just to put the record right so that the Minister cannot squirm later on and say, "I really did not say that and it was not the intention of the Government to do that—"

Mr Harman: The Minister is not here.

Mr SKIDMORE: That shows his concern for the Bill before the House. He does not want to listen to valid arguments against the acceptance of this Bill by this House.

On the 10th March, 1978, at a Ministers for Labour Advisory Committee meeting the Minister for Labour and Industry (Mr Grayden MLA) informed the Trades and Labour Council that the Government would amend the Workers' Compensation Act in the autumn session of Parliament. The Minister went on to say as follows—

> The proposed amendments are not extensive but their main affect is to radically reduce the level of Workers' Compensation benefits.
>
> The Government says it is introducing these amendments as an "interim" measure. They intend to appoint a Committee of Enquiry into the whole range of the Workers' Compensation Act, at a later date.

The report continues and sets out the issues which were germane to the discussions of the committee in March. These were the questions of the reduction of weekly benefits from 100 per cent to 85 per cent, the other rates payable, and the so-called abuses of the 100 per cent payments. It went on to mention also the lump-sum payments.

I should like to quote a passage which I do not believe the Minister can challenge. It reads as follows—

> B. LUMP-SUM PAYMENTS
>
> As now interpreted, the law allows an injured worker to elect to take a lump-sum payment, for specific injuries.
>
> For example: A worker three years ago, suffers arm injuries resulting in a permanent disability of 50% loss of use.
>
> The Government's proposed changes means payment for that injury would be $11 803.
>
> Under the present law, the payment would $18 552.

The Minister sits there and tells us that because of the way in which the poor insurance companies are going broke, with $35 million net profit available for sharing amongst 74 companies, it has to take $7 000 away from the worker so that he can subsidise the profits of the insurance companies!

Mr Harman: That is what they are doing.

Mr SKIDMORE: And the Government maintains this is necessary to close a loophole in the law. This assertion is completely untrue. The Trades and Labor Council was a party to the inquiry. It made the very same statement that I am making. It said—

> The intention was then, and has always been, for the injured worker to be paid compensation at the rate applicable when settlement is negotiated. In cases where this applies, settlement is usually reached two or three years after the injury, and the current rate takes into account the increase in inflation.

That is precisely what I said about the committee of review. It is exactly what was said by one of the members of the committee, Mr Keith Summers, the Trades and Labor Council compensation officer. He made the same comments about the review committee and its intentions. The present Minister for Labour and Industry was not even the Minister for Labour and Industry at the time.

I should like to mention the question of meals and lodging allowances. This document is an account of the discussions at the Ministers for Labour Advisory Committee meeting on the Workers' Compensation Act amendments. As a

result of that meeting the following was offered to workers—

> The Meals and Lodging Allowance for an injured worker is to be increased from the present rate of $4.00 per day to $15.00 per day.

Out of the sum of $15 a day a man may have to come down from Kalgoorlie, find accommodation and three meals, and pay for fares to and from that accommodation to see a doctor. He is told to go to a doctor by the insurance company. He does not necessarily want to go to the doctor, but because the Act says he has to go to the doctor he receives $15 a day in order to do so. There would not be any change for beer. He would certainly have to do some walking to get from his residential quarters to the doctor. He would have to pay $10 a day for accommodation and $5 for meals. I do not know where one would find accommodation in the city for $10. Most of the accommodation available at a minimum rate of $8.50 is for a room only. No meals or amenities are provided. One would have to buy one's meals and pay one's fares to get to see a doctor whom one does not wish to see anyway. That amount is totally inadequate. The amount should be at least $25 a day.

What happened? The Government did not keep its promise. The Government did not do what it said it would do. The Government said, "I reckon you could get through on $10 a day." So now one must find the cheapest accommodation which would consist of a bed in a room with the bare necessities and a shared bathroom along a passageway in a hotel which has not been updated for 50 to 60 years. That room could cost $8.50 and for $1.50 one would have to pay one's taxi fares to and from the doctor and buy three meals.

What is wrong with this Government? Does it want the worker to pay everything? Does it want the worker to pay the whole cost of workers' compensation? The Government is behaving in a miserable way. I condemn both of those features of this amending Bill and support it otherwise.

MR T. H. JONES (Collie) [10.05 p.m.]: I join with my colleagues in opposing this very obnoxious piece of legislation. Members know I have had great experience in the trade union movement, having been a Collie miner. As a consequence I am aware of the problems facing workers who are on compensation as a result of accidents sustained at work. Of course, the Act is called the Workers' Compensation Act. I wonder whether members opposite have had the unfortunate experience of being subjected to the payments and provisions contained in the Act. I wonder whether the Act truly compensates workers for the injuries they sustain at work.

Of course, the answer is easily found, because the Act makes provision in a limited way only for pain and suffering. It is all very well for the Minister to speak about the reasons for the change; but I wonder what would happen if he found himself in the position of many of the workers I have known who have been blinded as a result of blasting during mining operations. They have lost their sight for the rest of their lives. I wonder what the Minister would do if he found himself in that unfortunate situation having to support a wife and children and pay the bills. I do not believe he would be here tonight recommending these unfortunate and obnoxious changes to the Act.

In his second reading speech the Minister said on page 2 of his notes—

> Members will appreciate that workers' compensation is an important and complex matter.

There is nothing truer. It certainly is, as has been indicated so capably by the member for Morley and the member for Swan.

Many issues are involved in adequately compensating injured workers and their families in the most effective way. I would say the amendment we are discussing tonight is not the most effective way to treat workers and their families in Western Australia.

Of course, members would be aware it sometimes takes years to settle a compensation claim. If members have had experience of the provisions of the Workers' Compensation Act they would know it is imperative to ascertain when the worker's permanent level of disability has been reached in order that a settlement may be entered into. Of course, this is paramount because members know it is the responsibility of trade union leaders to ensure workers do not sign final settlements until the permanent level of disability can be proved. This sometimes takes two, three, or four years.

Unfortunately we now have young men in the Shenton Park annexe as a result of injuries sustained whilst working in the mining industry in Collie. Did anyone want to see them there? Did they bring this unfortunate situation upon themselves? Did they want to get injured in the accident in which they were involved? Of course they did not.

Now, of course, the Government is placing this added onus on the worker and his family. I feel for workers. I wonder whether members opposite who will be supporting this legislation feel for

workers as I do. I have seen men blinded. I have seen men put in wheelchairs for the rest of their lives as a result of an unfortunate accident sustained at work. This is something which members on the other side of the House have to ask themselves. Is it fair and equitable that these people have to wait four years to settle their disability claim and are paid only the rate applicable at the date of accident? Of course it is not fair. It is unreal and irresponsible to say the least.

As the member for Morley pointed out earlier, how often do we see a worker finally cleared by a specialist who says the worker is fit for light work? However, where does he find light work? From our industrial experience, we on this side of the House know the difficulties. Who wants to employ a man who is 53 years of age and has an 80 per cent disability? Nobody wants these workers and can one blame employers?

It is all very fine for the specialist to say in good faith that perhaps if the worker found a light job he could overcome the mental problems associated with the injury. But, of course, where does one find light jobs in the employment situation in Western Australia today? These are the questions that remain unanswered. I know the problems.

I wonder whether Government members who will be supporting this legislation know the problems as I know them from my practical experience with workers over a period of approximately 30 years. Members should try to put themselves in the workers' position. Some workers are sitting in the Shenton Park annexe waiting for the day when the specialist will say, "You can go home now and sit in a wheelchair for the rest of your life." This is the situation. We have to bring home these questions to Government members and we have to ask them whether they would like to be in this situation.

It takes some time to be finally cleared when one has sustained serious injuries such as the loss of both legs or the loss of an arm. The Government is saying, "Irrespective of the pain and suffering and the loss of social life you have sustained, you are now on the scrap heap. We are going to pay you at the rate applicable at the date of your injury whether it be three or four years back." This is the tragedy of the Bill. It is a tragedy, of course, because men in wheelchairs who have lost their limbs or their sight now find themselves subjected to the provisions of this Act. I wonder whether Government members believe workers are paid sufficiently for the injuries they sustain at work.

Of course, there are no additional payments for pain and suffering. Members would know in common law claims provision is made for pain and suffering. A person may have lost both his legs at work and he may have been subjected to severe pain for months as a result. Whether he be under the care of a specialist or in a hospital, no additional payment is made to that poor worker. He is entitled only to payments as laid down in the provisions of the second schedule to the Workers Compensation Act.

That is bad enough. Members will be aware of the pain sustained. The member for Subiaco would agree that the pain is severe when a worker loses a limb. Of course, no payment is made for this. The amount prescribed in the second schedule is the amount received. I have seen situations—and no doubt Government members have also—where workers have been involved in an accident. A tree may have fallen on a worker; he may have been involved in a fall of shale; or he may have been involved in an accident on a locomotive. I have seen friends of mine who are locomotive drivers involved in accidents on Westrail trains. As a result of accidents they are completely wiped off the employment list. Such people go to work in the morning to be gainfully employed and unfortunately they come home in the afternoon in an ambulance. Their working lives are completely taken away from them. Of course, their social lives are taken away also; their sporting lives are taken away; and in many cases their entertainment lives are taken away.

The Government is saying, "Irrespective of those factors we have now determined the settlement will be made as at the date of accident and not as at the date the final agreement is entered into." Of course, we know one of the worst problems facing incapacitated people is finding employment.

All members on the Government side know that this is a terrible problem. Who likes to tell workers, as I have often had to do when handling compensation claims, that as a result of a medical opinion obtained, they will never work again? If any member has had experience of this situation, he would know that such people get behind in their payments. They all have commitments. Take a young family man who is just getting married in today's situation. Whether he be in Perth, in the south-west, or in the north-west, with the high price of land, housing, and commodities generally, there are very few who can pay cash when they get married these days. There may be exceptions to the rule, but generally this is the situation in which working people find themselves in Western

Australia today because of the economic situation.

When I was a coalminer I spent several months in St. John of God Hospital in Subiaco due to an injury sustained in the coalmine in Collie. I know that I was behind in my payments, and members opposite would know, having some workers in the areas they represent, that this would be the true situation.

How do the workers catch up again if they do not have the income to meet their commitments? It is just an impossibility. At least under the existing provisions they have some chance, but with the proposed modification to the method of payment, the worker who has lost his leg or who has been blinded—and there are plenty of examples of this—will have no chance to meet his commitments. The workers will have to go home to their wives and families and present the cheque they have received. With that cheque all the bills must be paid, and if there is anything left it will go into the bank. These poor people must then inform their families that they must go on the invalid pension for the rest of their lives. This is the reality of the situation.

I hope I am making the message loud and clear for Government members. This is the unfortunate situation, and I speak with a lot of feeling because I have seen this happen. I was secretary of the union for 17 years and I have seen miners go to work in the morning having kissed their wives and children goodbye, and then in the afternoon they are carted off to hospital by ambulance. The next time the wife sees her husband in the home, he is in a wheelchair. This is the factual situation. I have seen other men go down the pit and come home blind. They have seen their wife and children in the morning and after an accident in the mine they are unable to see anything or anyone anymore.

But apparently that does not matter. That is the penalty they must pay to society. Now the Government is making the situation even worse for them with the provisions in the Bill which I strongly oppose. If we study the reality of the situation we must know the unfortunate position in which we will place the workers in Western Australia. I cannot oppose this Bill strongly enough.

I know members opposite will support the legislation, but they will be sorry if they do so. One day they will be sorry because someone in their own electorate will be in the precise situation I have outlined in the House tonight. They will then have to ask themselves whether they are proud of the legislation they supported which places so many restrictions on these poor men and their wives and families.

Mr Harman: The member for Pilbara is silent.

Mr T. H. JONES: There is no doubt that members opposite will face this situation, if they have not already faced it. I feel strongly about the position. I have seen so many young people on workers' compensation getting into debt. It is not funny. They just cannot sustain their families on the income they receive, even since the introduction of the average payments. I cannot speak strongly enough in opposition to this very obnoxious piece of legislation.

Mr Harman: What about the member for Pilbara?

Mr T. H. JONES: He will go along with it. They all will. We could speak for the next fortnight if we had the capacity to do so, but we know what the decision in this place would be. The decision will not be made on merit because this is a numbers game, and it would not matter how much merit there was in our argument. If I were to stand here and talk until this time tomorrow night and bring case after case to the notice of Government members, it would not alter their decision because unfortunately the decision has already been made in the party room. Irrespective of the merits of the case which the member for Morley was able to bring forward opposing the legislation, and the good case submitted by the member for Swan, and the small contribution I am making—irrespective of all the arguments—it will not matter because it is a numbers game and, unfortunately, the Court Government has the numbers. I know how members opposite will vote. I wonder whether members opposite would be honest with me and deny that the cases I have submitted tonight have not existed and that similar cases have not existed in their own electorates. Of course they know thay have, and of course they know that similar cases will occur again.

These are the unfortunate facts of life. We can nod our heads, laugh, and disagree, but this is the unfortunate situation.

The member for Morley has referred to several workers, some of whom are in Royal Perth Hospital. Some people I know are in the Shenton Park annexe, and they must wait three or four years before settlement is made while the insurance companies get a nice rip-off in interest on the money due to the workers.

Does the Government suggest that the interest on the money which the insurance companies are holding on behalf of the workers should be paid to the workers? Of course not. This is another form

of assistance which the Government gives to the insurance companies of Western Australia.

If the Government were genuine in its desire to help the unfortunate injured people in the State it would stipulate that the $4 000, $10 000, or $15 000 due to the worker should be placed in trust for the injured worker so that he would gain the benefit from the money held by the particular insurance company. This does not happen and no-one can deny it. Would it not be a good thing if the Minister, with all his concern for the worker, had included a clause in the Bill stipulating that the interest on the money the insurance companies are holding should be paid to the workers? All we hear about is the plight of the insurance companies of Western Australia.

Mr Harman: The very least it could do is ask the inquiry to look at that aspect.

Mr T. H. JONES: I will come to the inquiry. I agree with other members that this piece of legislation should not be before the House. We are dealing with only one aspect; that is, the interests of the insurance companies of Western Australia. If the Government were genuine in its desire to have a full inquiry into all aspects of workers' compensation in Western Australia, it would not have dealt with any part of the legislation until the inquiry had concluded and made its recommendations to Parliament. That would have been the time to deal with the legislation and then we would have had some justice and valid reasons would have been submitted for the introduction of the legislation.

I do not know, but perhaps some member opposite or the Minister might be able to tell me how many of these poor insurance companies have gone broke over the years. Does anyone know? Can anyone answer the question? Can the Minister tell me whether any insurance company has gone broke?

Mr Grayden: They have all gone out of workers' compensation which is why the SGIO has 60 per cent of it.

Mr T. H. JONES: That is all the more reason why the SGIO should be given a free franchise. If the Government were genuine it would not restrict the activities of the SGIO in Western Australia, but would allow it to enter the general field. The Minister's remark supports that contention.

We hear so many sob stories about the poor insurance companies in Western Australia. However, I know that the profits are increasing. I do not have the figures here, but it cannot be denied that the major insurance companies in Western Australia are making increased profits year by year.

Consider the mining industries, and particularly the industry I represent—the coalming industry. I am not reflecting on the Collie coalmining companies, but they give bonus shares to all shareholders. This is one of the biggest rackets in Western Australia. They give bonus shares and increase the capital holdings of the companies without another cent being invested. This is all right.

I was about to say that the two companies in my area are making record profits and if we studied the situation in the whole of Western Australia we would find that this is the general pattern. According to the Premier and his Ministers, this is a State of excitement, and a State on the move. We are certainly moving tonight. We are moving against the workers and the trade union movement of Western Australia.

I am disgusted to say the least that this matter is before us. One of the worst decisions facing an injured worker concerns when he should finally settle for an injury sustained at work. It is not an easy decision to make. When I was looking after compensation matters, I know that it was necessary sometimes for a worker to go to as many as eight specialists before he could obtain a reasonable assessment of his level of permanent disability. This cannot be done in five minutes. It takes time because, as members know, specialists are generally heavily committed and there is a waiting list of people who want to see them. This situation adds to the profit. Even when the final level of disability is assessed, the fight is not over.

I want to oppose strongly the measure before the House for the reasons I have outlined. I also want to oppose strongly the miserable increase in the daily allowance. As the member for Swan mentioned, where can anyone obtain accommodation and full meals for $10 a day? It could be possible in the slum areas in the city, but can the Minister tell me when he replies to the debate where any worker—and several workers from the area I represent are in this position as is probably the case in regard to workers from areas represented by members opposite—can obtain accommodation and meals for $10 a day when it is necessary for the worker to come to Perth for specialist treatment?

Mr McIver: They can always buy fish and chips.

Mr T. H. JONES: Who can live on $10 a day? What would the Minister say if we suggested his allowance be reduced to $10 a day? The Minister for Labour and Industry has said that that

amount is sufficient for the workers of Western Australia to live on, but would he agree it would be sufficient for him to live on? Would the Minister for Labour and Industry, the Minister for Transport, or the Minister for Fuel and Energy like to go away and live on only $10 a day? Of course not. Would they be prepared to accept the small amount they are asking the workers to accept? Of course they are silent on the matter. Naturally they are, and they have reason to be, because it is not possible to live on only $10 a day, unless, as the member for Avon says, one buys a tin of baked beans and makes it last for the three meals of the day. That would be the only chance a worker would have to survive on such a small amount.

Referring to the funeral allowance, the amount of $500 is completely out of the question. The cheapest funeral I have heard of in recent times cost about $800. I do not know whether any other members know of any cheaper funeral. I know of dearer ones, but the cheapest I have heard of in recent months was $800. Could anyone tell me of any undertaker who would conduct a funeral in Western Australia—a reasonable funeral without any special coffin—for $500? I doubt it. I would like to hear about it if any member knows of such an undertaker. This is another imposition on the relatives of an unfortunate worker who meets an untimely death.

I will not have a bar of this legislation. I am surprised it even found its way to the Parliament. I am surprised at Government members. I wonder what National Country Party members are doing. As they represent country electorates, surely they do not go along with the legislation. Surely members, such as the member for Pilbara, who represent industrial areas are not happy with this legislation. Does the member for Pilbara think it is a fair go for workers in the Pilbara? Does the member for Bunbury think it is a fair go for workers in the ilmenite industry? Is the member for Vasse happy with the legislation in view of the fact that many timber workers probably vote for him? Is the member for Albany happy with it? Does he think it is a fair go for workers?

They are all very silent because no doubt they are ashamed of themselves; and ashamed they might well be. While the message might not strike home tonight, I am sure when they find on their doorsteps cases such as those I have mentioned tonight they will rue the day they went along with this legislation.

For those reasons I oppose the measure before the House.

MR H. D. EVANS (Warren) [10.31 p.m.]: I have a particular interest in this legislation because I represent an area in which one of the main industries is the timber industry, and without a shadow of doubt it is one of the most dangerous industries in Australia. It probably ranks second only to mining as far as potential danger is concerned, and perhaps meatworkers and employees of that type would also come into this category.

In the past two years four deaths have occurred in the area with which I am immediately concerned. Another person suffered the loss of an arm just below the elbow, and yet another person lost a foot. Sundry other injuries have been suffered in a series of accidents of lesser magnitude. All these deaths and injuries have occurred in the past two years. That is an indication of the situation which pertains. As the member for Collie pointed out in his usual forceful and eloquent manner, many industries involve many members on the other side of the House, and the legislation should have attracted their attention and at least merited their examination before they accepted it so blindly—no doubt at the instance of the Premier.

Workers' compensation is not confined to the individual alone. It involves his entire family, particularly his wife and children, often even more than it affects the worker who has been injured. In the timber industry the level of wages is low. It is among the lowest paid of all industries in Western Australia, for a number of reasons. It is therefore an area where any lessening of benefits or payments cannot be tolerated because the level of wages is far below the average, not only in this State but right throughout Australia.

Because of isolation other costs are frequently involved in travelling to Perth to visit a specialist. Almost inevitably, when a lump-sum determination is to be made under the second schedule the injured worker has to come to Perth for further examinations or a final examination before a company will accept the obligation to meet the payment. Probably that is beneficial to both parties but at the same time it is an additional impost on the worker.

It has already been pointed out that the living-away allowance which is $4 at the moment was to be increased to $15, but under this legislation it will be $10. The hopeless deficiencies in the legislation have already been amply demonstrated by my colleagues.

Travel to Perth is an important factor in the legislation because of the difficulties confronted by injured workers. Therefore any suggestion of reducing weekly payments to 85 per cent—as was

initially intended, but the provision was withdrawn from this legislation—is completely unacceptable, and it would also be completely amoral. The same principle applies to the lump-sum payment and any amounts which are payable under the present legislation.

The reasoning given in the Minister's second reading speech and in utterances in the paper is that workers have fewer costs, such as those for travelling, and that full compensation encourages malingering. That reasoning is fallacious and is nothing short of utter rubbish. It is very seldom that a worker does himself an injury simply to get a compensation payment. Even with a payment of 100 per cent, I defy any member on the other side of the House to name a single worker who has perpetrated an accident upon himself in order to obtain the weekly payment involved. The wage of the family is involved, and whether it is a weekly payment or a lump-sum payment, it is usually the family which bears the brunt more than does the individual worker who is injured.

To those who perpetrate the "compo bludger" syndrome along with the "dole bludger" syndrome, I point out the importance of the role of the doctor in all compensation cases. In the final analysis it comes back to what the doctor says, when we have regard for the fact that in the compensation situation it is the doctor who decides the degree of injury, whether a worker is fit to go back to work, or whether he is to be retained on compensation. It is difficult to suggest anybody else who is competent to make that judgment. So in reality the doctors control the compensation laws, not only in this State but throughout the nation. Because they are doctors, that is their responsibility in this matter.

It is true that doctors are not infallible. They can err one way or the other. They cannot pick every non-genuine case, and it is true there must be a percentage of such cases. This is a further reason that no worker can be blamed. The worker is subject to the doctor's consideration and final determination.

Reference was made the other night to the fact that some teachers do not measure up to the professional standards we expect of them. In the same way, some injured workers might take advantage of compensation, as the Minister has suggested in previous utterances outside and inside this House. We can also say some social service cheats exist, and it is valid to say some doctors do not measure up. Some doctors have defrauded Medibank of very large amounts.

Mr Bertram: And the Commissioner of Taxation.

Mr H. D. EVANS: Human nature will always be as it has been in the past. In every field of human life and activity, there will always be a few who will try to get something for nothing and will try to beat the system. It is a fact we must live with and take account of in any legislation we frame.

Some rather pointed statements have been made about the attitude of some doctors in some compensation cases as they affect the insurance companies. It has been said they lean towards the insurance companies. I cannot give any specific cases of that but the examples cited by the shadow Minister for Labour and Industry were sufficient, and he could have continued *ad infinitum.*

The Minister has hammered the fact that malpractice by employees takes place, but at no time has he tried to quantify that situation. He has never cited figures. He has made wild generalisations but when it comes to giving a percentage or a number of specific cases he does not seem to be able to give satisfaction.

Mr Bertram: He is ridiculous in the extreme.

Mr H. D. EVANS: The second tribunal, when the legislation goes through, will expedite the claims which are still pending. The waiting time has been nine to 12 months. We have the situation that on one hand there will be a quicker turnover and throughput of the claims which are now pending, but on the other hand many of those cases could have been settled long ere this had the amendments suggested by the Opposition been assessed prior to the legislation coming before the House. Those claims could have been processed months ago, and the people involved will now, under the new legislation, suffer a considerable loss which will be to the advantage of the insurance companies. It seems that is what the measure is all about. The claims will be assessed under a totally new ball game. Had they been assessed six months ago, in many cases those workers would have been better off by some thousands of dollars.

The time lag in determining the final degree of disability is often several years. We come back to the provision in the Bill to which the Opposition takes the greatest exception. I can immediately identify four cases in my district where the degree of disability has not yet been determined, and the waiting period is from two to five years. If the determination of a lump sum is made at the time of the accident—bearing in mind it could not have been resolved earlier because the medical history is not completed—in one case it will go

back five years and that person will suffer a very heavy loss.

The decision which ruled the lump-sum payment was that applicable at the date of election rather than that to be fixed by the date of acceptance was the correct decision. It was within the terms and spirit of the Act and on all moral grounds was proper, just, and correct. A person electing to take the lump sum of, say, $20 000 in 1970 probably would have been able to purchase a home. Members should bear in mind that if somebody were entitled to a payment of that amount, his earning capacity would be very limited indeed. Most people in that position just do not own their own homes, and a payment of $20 000 could make the purchase of a home possible, and be of enormous benefit to that person and his family for the rest of their lives.

However, in a matter of only four years, by 1974 the same house probably would be valued at $35 000. It is this effect of escalation of the prices of houses and land with which the individual is confronted. When the lump-sum figure is calculated as at the time of the accident, the effect of inflation can be devastating.

It should be remembered, too, that in that period in many cases the insurance company is aware of the approximate amount it will have to pay and, no doubt, this amount is invested judiciously and accounts for some of the insurance company's profits.

The Minister told us that only 6 per cent of the total payments by the insurance industry for workers' compensation payments came from second schedule insurance. As a consequence, it can be readily recognised that this provision is in the Bill to protect the interests not of the injured workers but of the insurance companies.

Perhaps the Minister could also tell us just how many cases could be under challenge when the May, 1974, case becomes generally known. Probably, there are a great number of people who have that entitlement but who do not know how to take advantage of it. Perhaps the insurance companies are concerned they may be met with a flood of claims of this kind. It could well be that is why the Bill contains this provision and why it is not being examined by the committee of inquiry as it properly should be, along with an overall review of compensation in this State. I am of the opinion that is one of the real reasons we are examing this legislation tonight, and the Minister might like to comment on this point when he closes the second reading debate of the Bill.

The member for Swan succinctly presented the position regarding widows and the question of the 85 per cent payment retaining a lump-sum entitlement. In other words, the weekly payments would continue at the rate of 85 per cent on the understanding there would be no reduction of that figure as it pertained after the 1973 amendment. This is a provision which should be written into the Act in the interests of justice and decency. However, now we will find that the weekly payments received by the injured worker can be deducted from that 85 per cent lump sum, bearing in mind that the 85 per cent came about in consideration for the weekly payments that will now be removed. This is a most unfortunate and unfair imposition to put upon survivors of workers who have been killed in the course of earning their livelihood.

Although I suppose it would be hard to calculate, no provision is made to compensate for suffering and various other disabilities of an intangible nature. At least, there should be no reduction of the existing monetary payments, even if mental anguish and suffering cannot be taken into account.

I support the comments of the member for Collie relating to the funeral benefits. Those of us who have assisted with estates and have seen funeral receipts coming in, will not have seen the expenses to the funeral director below $700. The very cheapest funeral today is between $700 and $800 and to make provision for only $500 under present day costs seems to be a most iniquitous form of imposition on those who are most defenceless and can do least about it.

Mr Grayden: The TLC in its submission to the Government last year recommended $355 and suggested it be indexed. We suggested $500 which is considerably in advance of that.

Mr H. D. EVANS: The Minister still is not suggesting enough. I am not agreeing with the TLC, either; I am saying the TLC is completely remiss. In fact, I am rather staggered it would have made an error of that kind. If I get the opportunity, I will be very happy to tell the TLC it made a mistake. The amount of $500 suggested by the Government is still insufficient. It is unjust and unfair.

Mr Bertram: It is miserly.

Mr H. D. EVANS: I thank my colleague for that term; it sums up the situation very neatly indeed.

Another point which in all honesty I must make relates to the reduction in accidents in the timber industry. It is to the credit of the firms which have instituted their own insurance schemes and at the same time implemented a safety campaign in most areas of the industry that such a

reduction has been effected. Their attitude to safety is way ahead of what applied even five or six years ago. I commend the companies for their action because no amount of money can compensate for the loss of an individual to his loved ones, or for the pain and suffering caused to a badly injured worker. In terms of human suffering alone, those companies have made a significant contribution.

In addition, it is in the interests of the companies to reduce the level of accidents and, probably, it has made the establishment of their own insurance scheme a very worth-while proposition.

A word or two needs to be said about the welfare officers who are responsible for the field work in regard to accidents within the timber industry. Those with whom I have had dealings have acted very fairly. They have given advice to the individuals who have suffered accidents and I think in all fairness their acceptance throughout the industry can be described only as fair and square.

The training of those individuals has been carried out in a very thorough manner. They have been selected from the industry itself because of personality and other factors. When these qualities are applied in the field of assessing and assisting injured workers, it pays off for the companies not only from the point of view of reducing accidents, but also from the public relations angle, and this is something which could be emulated by all industries. A remarkable degree of success has been achieved in promoting safety within the industry.

I am rather curious about clause 4 of the Bill which seeks to amend section 5 of the Act. The parent Act defines "Prescribed amount" as follows—

> "Prescribed amount" means the amount to the nearest dollar ascertained by multiplying by 208 the amount specified in the estimate published each year by the Commonwealth Statistician of the average weekly earnings per employed male unit for the June quarter in Western Australia.

Clause 4 of the Bill states as follows—

> Section 5 of the principal Act is amended—
>
> (a) as to the interpretation "Prescribed amount", by deleting the words "June quarter in Western Australia", in the last two lines, and inserting in lieu thereof the passage "March quarter in Western Australia, but so that any variation of the prescribed amount by reason of any difference between the amount specified in the estimate for the March quarter of one year and the amount specified in the estimate for the March quarter of the next year shall apply on and from the 1st July immediately following that last mentioned March quarter";

I am of the opinion that provision will have an adverse effect on the computation of the amount to be received by the person who has suffered an injury. It would seem that if an accident is sustained between March and July it will be calculated on the previous year's figure supplied by the Commonwealth Statistician. This could save the insurance companies an increase over a three-month period. I would be interested to receive a correct interpretation from the Minister.

Mr Grayden: No, it is the other way around.

Mr H. D. EVANS: I do not think it is.

Mr Grayden: At the moment there is a time lag; this will remove the time lag.

Mr H. D. EVANS: I think it goes the other way. If an accident occurs between the March and July quarters, the insured person who sustains the accident and who is the subject of the calculation will receive the figures applying for the previous quarter and will be disadvantaged to that extent.

Mr Grayden: No, at the moment there is a time lag in publishing the figures and it has always delayed the application to the lump-sum payment.

Mr H. D. EVANS: That is right; in the July quarter it would be the September quarter's figures which would be taken retrospective to July. I think I am right, but I ask the Minister to obtain the correct interpretation of this clause so that it can be recorded in *Hansard*.

Mr Speaker, it will be clear from my remarks that I am by no means happy with this legislation. It is certainly not in the interests of the injured people in our work force. The way the Bill was introduced was not designed to assist industrial harmony in any way. I concede that several of its provisions are not only acceptable but also most desirable. However, the bad, unfortunate, and undesirable aspects of the legislation far outweigh any benefits which may result from its passage.

It is for that reason I oppose the Bill. I would like to see the Minister withdraw the legislation and instigate a comprehensive examination of the entire workers' compensation legislation in Western Australia before it is brought back to this place.

MR BERTRAM (Mt. Hawthorn) [11.00 p.m.]: This is a Bill for an Act to amend the Workers' Compensation Act and I have been puzzled for many years as to whether the name of that Act is a misnomer. If we think in terms of putting a person back to his original position and restoring him to the full extent of his loss or damage, I believe it is a misnomer. If that is what we understand by compensation, and a lot of people do, then this Act is a misnomer and the Act only really became a compensation Act in the Tonkin era. At that time, for the first time in the history of this State, workers who were injured received an award of 100 per cent of their loss. That is not full compensation because of other aspects. However, up to then the proper name of the Act should have been the "part" workers' compensation Act because it was simply not a workers' compensation Act.

Of course, this sort of miserly legislation returns us to the dim and dark ages. I am staggered that no-one so far, and certainly not the Minister, has touched on the question of retrospective legislation. Whenever a Labor Government introduces legislation here where retrospectivity is included, there is a terrible hue and cry from members opposite who say we cannot do that; that it is unconscionable and unjust. This measure is retrospective, the effect of which is that certain workers who have already received their money are going to receive a huge sum greater than those people with comparable injuries who are going to get less when this legislation is passed. This is the legacy of retrospective action.

If we are to have retrospective legislation the very least that we have to do is to have ample justification for it. There is ample justification, for example, for the retrospective legislation currently before the Federal Government where people have been robbing the Tax Department—robbing you and me—of literally millions of dollars; mercifully there will be retrospective measures in the legislation to do something in respect of this matter.

Mr H. D. Evans: It is respectable.

Mr BERTRAM: Yes, because in every rule of life there are always exceptions and when people are working immoral frauds or tax dodges we should pull them into gear, because each fellow who cheats the Taxation Department—not by perchance but by thoroughly planned immoral manoeuvres—is throwing additional burdens on the people we represent.

It is an extraordinary move because Sir William McMahon points out that is not being properly done by the Liberal Party. He seems to think he is able to say to people that he is moved by matters of principle. However, there are a lot of people who suspect that he is moved by the idea of having a shot at his "friend" the Prime Minister.

The SPEAKER: I ask the member to address his remarks to the Bill.

Mr BERTRAM: I was seeking to bring home with great force the point about the question of retrospectivity. I was going to go on and say Sir William believes Prime Minister Fraser is a liar, as do a lot of us.

This is retrospective legislation, the worst type of legislation ever to hit Parliament, and no attempt has been made by the Minister to justify it. The members opposite said to support trade unions and workers are prepared to bring in here, without any real justification, a retrospective measure; a measure retrospective not for five or six minutes; not one, two or three years, but for eight years!

I do not support the measure, but I think it is desirable that we identify some members who do. The member for Murray supports the measure; he says he is in favour of workers getting a fair deal. The only people he is opposed to are the militant unionists. He does not seem to worry about the non-militant unionists who get injured, some critically, as the member for Collie told us. Another member who supports this measure is the member for Moore; another is the member for Albany, who says he is in support of unions and workers. This legislation does not harm him, but the member singles out the workers. The member for Whitford and the member for Scarborough also support this measure.

Some people have already been paid under this Act and others will be discriminated against to the tune of thousands of dollars. The member for Bunbury is another one who supports this measure. The member for Kimberley, the Minister for Health, also supports the measure, which gives workers in the Kimberley an allowance of $10 a day to come to Perth for treatment.

Mr Ridge: You are a brilliant speech maker.

Mr BERTRAM: It is desirable that these people are identified.

Mr Shalders: You have only to call a division to see who supports the measure.

Mr BERTRAM: Is the member going to change sides and vote against the Bill?

Mr Shalders: Call a division and everyone will be identified.

Mr BERTRAM: We will not have to call a division, because Government members have already been identified as agreeing with this legislation. A person injured in the Kimberley who has to come down to Perth for treatment will receive $10 a day. How about that? As members of Parliament, what do we get a day, and are we all that superior to workers—the people who produce the goods?

Mr Nanovich: You are neither of those.

Mr BERTRAM: I have been accused of being a lot of things, but this is the first time I have been called a non-worker. I suppose the interjection is as novel as it is inane. This legislation is palpably unfair and in unmercifully discriminating. If the member for Kimberley was injured in a motor accident in 1970 and went to the Supreme Court eight years later, on what scale would he get compensation? We all know he will not get compensation on the 1970 figure, but on the 1978 figure, assuming he gets a judgment in 1978.

So it is all right for him, but it is not good enough for the workers. What sort of a system is that? Except for the oddest exception, if anyone takes action in a conventional court, over an accident caused by negligence, they get paid at the rate applicable on the date of judgment. That is all right for everyone else, but it is not good enough for the workers. That is justice and equity of an extraordinary kind.

If a person in a motor vehicle accident is fatally injured his estate, amongst other things, is entitled to recover funeral expenses. Do we know more about the question of funeral and related expenses than judges of the Supreme Court who allow about $1 000? Yet this decision to make $500 available for funeral expenses is in the Workers' Compensation Act and I believe it has no validity where we are purporting that a person who is injured is returned to the same position he would have been monetarily had the injury not occurred.

So we have one set of rules for members sitting opposite and another completely different set of rules for the workers who produce the goods. For that, amongst other reasons, we strenuously object to and oppose this Bill.

Mr Hodge: Don't you think that funeral expenses should be indexed?

Mr BERTRAM: Of course. We already acknowledge that in this measure the maximum figure of $500 is just not compensation at all; it is a contribution to people who can ill afford it at a time when inflation is careering upwards. Not only is the allowance less than it should be by perhaps $500, but with each passing day the lag is going to be greater still. So these are quite obvious things that ought to be indexed, otherwise the injustices that this Parliament intends to inflict on people is going to be aggravated with each passing day.

For those who have not read the Bill and who may read my speech, I would indicate that as far as lump sum payments are concerned the position for some years has been that a person when injured and paid a lump sum is paid at the rate at the time settlement occurs, having regard to inflation. If anyone was injured in 1970 and their position stabilised in 1978 they were paid at 1978 rates and everyone knows that is reasonably fair.

On many occasions the Government has pointed out that inflation hurts the workers more than anyone else. So it is reasonable to assume that the index figure for workers' compensation will be put back further and further each year. This Bill will turn the clock right back to a position where a worker is going to be paid, no matter how unfairly and unjustly, at the rate applicable at the time of the accident! The Government is singling the workers out from all the other people who get damages.

One of the side effects is that it will encourage workers in the future to scrimshank around and try to get damages in court. They will be inclined to take a risk with litigation. Let us assume they are injured in the course of employment because of the negligence of their employer. The employee can take the employer to court and charge him with negligence. If the employee succeeds he will get damages at the rate applicable at the time of judgment, not at the time of the accident. Using the prior example, if workers take the straight workers' compensation in the future, they will be paid at the 1970 rate if they sue for the same injury, but in negligence they will be paid at 1978 rates. What about that for justice?

How a Bill like this can possibly be introduced with these sorts of anomalies is incredible. It indicates the length to which conservative parties will go to look after the coffers of the people who look after their own coffers.

The member for Morley made the observation that insurance companies pay huge sums to the

Liberal Party. This is obvious to anyone. No-one would need to be Perry Mason or the member for Whitford to know that happens. This is the quid pro quo to justify the contribution from the insurance companies and to ensure the flow will continue. If someone has the temerity to say that is not real, then let them come out and produce the books of the various solicitors' offices where the donations are paid in so that the people donating can remain anonymous.

That is what is happening. They have this extraordinary allegiance and desire to help the powerful and strong and do not care two hoots about the anomalies involved. As I say, a man getting damages in one accident as a result of negligence in the future will get an award one million times greater than the award he would get for the same injury and accident under workers' compensation. How about that? It is utterly ludicrous. The Minister tries to say that this is all because in 1970 a mistake was made. There was no mention in the 1970 debate about this type of situation. How often does a Minister really touch on matters in Bills? As someone the other day said we must have a glance at the Minister's speech and then study the Bill to find out what it does.

I would have thought that the draftsman of the 1970 legislation would assess what would be the obvious, fair, and sensible thing to do. However the Minister said that the draftsman made a mistake. I do not accept that he did. If he did, we should not legislate now for what amounts to a rank injustice. What we should be doing is what happened in 1970. The person drafting the measure in 1970 no doubt knew, as anyone who practises in workers' compensation knows—even everyone here knows—that very often settlements for damages and compensation do not occur until years after the accident. Therefore he would legislate accordingly. It is self-evident that that is what he would do. Inflation was with us years before 1970, perhaps not at the same rate, but it was with us nevertheless. So the draftsman did the obvious thing. When the matter was presented to the Privy Council it recognised the situation.

It is not a matter of going back to what was said to have been a mistake in 1970. In 1978 we should be considering what is the fair, decent, and just thing to do, but this Government is not prepared to do that. It is more prepared to curry favour with the insurance companies.

When reading the Minister's speech I almost broke down in tears because he said that the insurance companies are in an impossible position in trying to assess outstanding claims for premium purposes. What about all the other risks they take on all sorts of things? Somehow it is beyond their wits now to work out a premium to meet the present situation. When the Government is really battling to find a case, this is the sort of argument it produces, if it can be called an argument. Of course, it is not a proper argument at all.

The insurance companies do what all other businesses do, as long as they can get away with it. They put up the premium as much as they can and if they have any doubt they double it up and keep it that way till fortuitously or otherwise someone comes in and competes and forces the price down. That is what the game is all about and what the Government talks about. It refers to competition, but it does not matter whose head gets chopped off or who suffers, as will be the case under discussion.

We have embarked on this debate well knowing that it will not make any difference to the result. The Government here has a huge margin. The Premier tells us and the people that he is keen on a strong Opposition; that this is a good thing. The people know that a strong Opposition is a good thing. We all know that, but he has arranged our electoral boundaries so that there can be no strong Opposition.

Mr Young: We have been waiting for that for 20 minutes.

Mr BERTRAM: I was not going to disappoint the honourable member. When we have the present margin, and the Opposition is numerically non-existent, this is the sort of thing the Government can pull with impunity. Does anyone doubt what will occur in another place? Will anyone get stuck into the legislation and deal with it as it should be dealt with? We all know it will go through like a train because in the upper House, since 1832—for 146 years—the control has always been in the hands of one group. This has been for 146 years without a break.

Mr Nanovich: You sound like a record, too.

Mr BERTRAM: Does the member for Whitford ever listen to himself?

Mr Clarko: We should get compensation for this.

Mr BERTRAM: The honourable member should get more than that because he knows that the people in his electorate get one-fifteenth of the proper vote.

Mr Clarko: I know that you believe in one-vote-one-value for everyone but your party.

Mr BERTRAM: I have never understood the argument of the honourable member—

Mr Clarko: It works in the United Nations, too, and it is in as big a shambles as is your party.

Mr BERTRAM: The member for Karrinyup is quite proud about the fact that his people should get one-fifteenth of the value of the vote of people who live in another district a few miles away.

It is because of all these injustices that we lose our sensitivity. When we get a Parliament which is insensitive, it is insensitive to this sort of legislation. It is immoral or amoral legislation and it will create some extraordinary anomalies.

A Government with any sense of responsibility would not introduce the Bill. It should not be before us. Certain aspects of the Bill are acceptable, but the real issues involved are very bad and I want to place on the record furthermore, since the Attorney-General recently was having a lot to say about the State giving leadership in the Family Court, that he does not have to look very far to find that there is no leadership at all, but actually culpable neglect in respect of the Workers' Compensation Board before which are heard the claims of injured people. Those people must wait for close on a year—49 or 50 weeks—before they get a remedy. This position is not new. It has been going on for month after month, but only now are we presented with a Bill.

This is further evidence of where this Government stands in respect of the people. It is always a good thing surely to have regard for Government performance rather than its words, and here is another example. These workers who are injured are not necessarily militant trade unionists. Many are members of the Liberal Party. I do not care what their political views may be. It makes no difference. This is an unjust measure. It is wrong to turn back the clock and create these extraordinary anomalies requiring workers, already under tremendous stress and strain because of injuries sustained on the job, to go through the harrowing exercise of deciding whether to go to the Supreme Court or any other court or before the Workers' Compansation Board, because the odds are so great.

Among other things the legislation will provide another legal perk for the lawyers because they will be tempted now to bring any action at all that looks as though it could succeed on the grounds of negligence. What lawyer would not do that? If the damages can be ever so much greater, he will have a go and the delay and everything else will be consequential, but will hit the people already up to their necks in strife as a result of the injuries sustained.

Incidentally, that is another thing that will protract the litigation and result in more costs for the injured worker. It will provide something in the form of a bonus for the legal profession to the unjust detriment of the worker.

For the reasons given, I, like other members on this side of the House, oppose the legislation.

MR GRAYDEN (South Perth—Minister for Labour and Industry) [11.25 p.m.]: I thank members for their contributions to the debate. There has been a lot of criticism of the Bill, some of which has been completely unjustified, and some of which has been quite justified.

Criticism has been justified because the Act was introduced in 1912, and in 66 years numerous amendments have been made. As a consequence it is now a hotch-potch piece of legislation. Anyone who has had anything to do with the legislation recognises that it is almost—if not completely—impossible to interpret. One could go to any insurance company in Western Australia, to the board, or to anyone else, and one would obtain a different opinion each time. There is no person in the State who is an authority on the legislation.

Mr Skidmore: That is a lot of rubbish—a lot of hogwash.

Mr GRAYDEN: One person who could be, if it were possible, would be Judge Mews of the board.

Mr Skidmore: What about Keith Summers?

Mr GRAYDEN: He would be the first to endorse the remarks I have made.

Mr Skidmore: The only person who does not understand it is you.

Mr GRAYDEN: It is impossible to understand and interpret the legislation. For that reason one could go to one insurance company and obtain an opinion, and then obtain an entirely different opinion on the same subject from another insurance company.

Mr Skidmore: That is how they rob the workers.

Mr GRAYDEN: It is for that reason the Government has undertaken to conduct a judicial inquiry with the object of consolidating the legislation and coming up with something that is fair and equitable to all and something which will be easily interpreted by everyone. That is the whole object of the judicial inquiry.

Mr Tonkin: What about the lump-sum payments?

Mr GRAYDEN: Without question that comes in for a lot of criticism. It is for that reason I can assure members it will be one of the terms of reference of the inquiry. Members can take that

as an assurance. However every aspect of the legislation will be considered by the judge who is appointed to conduct the inquiry.

Mr Skidmore: Why introduce the Bill then?

Mr GRAYDEN: I want to emphasise that we are introducing it because members of the TLC, members of industry, and the Workers' Compensation Board itself over and over again have said there are anomalies in the Act which require urgent rectification.

Mr Skidmore: Tell us about them.

Mr GRAYDEN: This measure is an interim one to get over the period between now and the time when the judicial inquiry will be completed and the report presented.

Mr Skidmore: Why the undue haste, if you are to have a judicial inquiry, to change the lump-sum settlement?

Mr GRAYDEN: I can assure members that most of the amendments in the Bill have received the wholehearted support of the TLC.

Mr Skidmore: The lump-sum settlement doesn't.

Mr GRAYDEN: With respect to the widows and dependents—

Mr Skidmore: That is a great one that is. You will rob the widows. You can even rob a 15-year-old child.

Mr GRAYDEN: That is nonsense. It is to prevent double payment and the honourable member should realise this.

Mr Skidmore: Double payment my eye!

Mr GRAYDEN: Can I explain it in the simple way? We could have a widow or dependent, wholly dependent on a wage earner who would receive weekly payments over a period of years because the wage earner was incapacitated over that period.

Mr Skidmore: With this amendment you are reducing the amount the widow can receive.

The SPEAKER: Order! The member for Swan will come to order. I ask that the member for Swan desist from the continuous interjections he is making.

Mr GRAYDEN: I will answer as quickly as possible. It may be that he has been in receipt of $30 000 over a period, and then dies. The widow can be paid 85 per cent of the prescribed amount. The two amounts received over a period of years would take the total sum way above the $41 226 maximum we have at the present time. That is contrary to the spirit of the Act.

Mr Taylor: The widow would need that amount to live on.

Mr GRAYDEN: It is contrary to the Act and it happened inadvertently.

Mr Skidmore: You are distorting the facts again.

Mr GRAYDEN: We can go more fully into this point during the Committee stage. I emphasise again that I am not too concerned about the criticism put forward because this is an interim measure. I recognise all the points put forward. Some of them have some justification, and that is why we want a judicial inquiry.

Mr Hodge: You are pre-empting the results of the inquiry.

Mr GRAYDEN: We are correcting anomalies. We have been approached from all sources.

Mr H. D. Evans: Especially from the insurance companies!

Mr GRAYDEN: Not by the insurance companies at all. I do not think there has been a single representation along those lines. They have come principally from the Workers' Compensation Board and the TLC.

Mr Skidmore: What, to change the lump-sum payment provision?

Mr GRAYDEN: Not that particular provision. The State Government Insurance Office is very concerned with respect to lump-sum payments, for a very good reason.

For a period of eight years, since 1970, the insurance companies and everybody else have been under the impression that what was in the 1970 amendment applied. So, there is a huge backlog of cases dating back to 1970.

The matter recently went before various courts and they ruled not on the merits of the issue, but purely on the legality of the wording of the Act. The intention of the Act went by the board because of bad drafting in 1970. All we are doing is restoring the situation and maintaining the *status quo* until this matter can be considered by a judicial inquiry.

The good faith of the Government is made very evident from the fact that most of the amendments in this Bill were distributed widely months ago. We made them available to the Trades and Labor Council and the Confederation of Western Australian Industry. Submissions were made, and they were all in favour of the amendments, with the exception of the provision for lump-sum payments and, possibly, in respect of the provision relating to widows. They were the only two contentious clauses.

I will not prolong the debate. I thank members for their contributions and assure them that the matters they have raised will be well and truly

considered by the judicial inquiry when members will have an opportunity to make submissions to the judge who is appointed.

Question put and a division taken with the following result.

Ayes 26

Mr Blaikie	Mr Mensaros
Mr Clarko	Mr Nanovich
Sir Charles Court	Mr O'Connor
Mr Cowan	Mr Old
Mr Coyne	Mr Ridge
Mrs Craig	Mr Rushton
Mr Crane	Mr Sibson
Dr Dadour	Mr Spriggs
Mr Grayden	Mr Stephens
Mr Hassell	Mr Watt
Mr Herzfeld	Mr Williams
Mr P. V. Jones	Mr Young
Mr McPharlin	Mr Shalders *(Teller)*

Noes 16

Mr Bertram	Mr McIver
Mr Carr	Mr Pearce
Mr Davies	Mr Skidmore
Mr H. D. Evans	Mr Taylor
Mr T. D. Evans	Mr Tonkin
Mr Grill	Dr Troy
Mr Hodge	Mr Wilson
Mr T. H. Jones	Mr Bateman *(Teller)*

Pairs

Ayes	Noes
Mr MacKinnon	Mr Bryce
Mr O'Neil	Mr Barnett
Mr Tubby	Mr T. J. Burke
Mr Laurance	Mr Jamieson
Mr Grewar	Mr B. T. Burke
Mr Sodeman	Mr Harman

Question thus passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr Clarko) in the Chair; Mr Grayden (Minister for Labour and Industry) in charge of the Bill.

Clauses 1 to 4 put and passed.

Clause 5: Section 7 amended—

Mr TONKIN: I do not want to canvass the whole of the Bill again with respect to clause 5. It will take the second schedule payment back to the date of the accident. We have already indicated quite strongly our objection to this. We are interested to know whether the Government will consider this matter again, especially with respect to having the assessment made as at the date of assessment as distinct from the date of the accident or the date of election. Bearing in mind that three dates are involved, it is not possible to assess an injury until it is stabilised. So, there is a mid-date between the date of the accident and date of election. The date of election would always be subsequent to the date of assessment. Is the Government prepared to consider a compromise which would make the payment as at the date of assessment?

Of course, there cannot be any assessment before the stabilisation of the injury. It seems to us this would remove some of the objections to the date of election. Whereas an employee can put off the date of election for an indefinite period, my proposal would mean that as soon as the injury had been stabilised and assessed, then at that date—the earliest possible date any agreement can be reached on the lump-sum payment—the assessment and the amount should be determined. I am interested to know whether the Minister would consider such a proposal.

Mr SKIDMORE: I oppose the clause on several grounds, and I will take this opportunity to bring to the attention of the Committee some of the anomalies which will be imposed on the workers by the implementation of this clause.

A worker named John May was injured and his accident was accepted as being compensible under the Act. The nature of his injuries do not really concern us. With the acceptance of his right to compensation at the time of the accident, he would have been entitled to receive the sum of $7 300. Under the existing Act, in 1978, when John May decides to accept settlement he would receive $11 400.

I suppose it is competent for any Government, having had its law proved wrong in many courts, to say it is all right to change legislation in order to rob a worker in 1978 of $4 100. I suppose that is an exercise of the needs of the Government.

The Government is hell-bent on making the worker foot the bill for workers' compensation because it is claimed insurance companies are going broke. Whilst the Minister was absent seeking information I mentioned the fact that the premiums account of the insurance companies had a gross surplus of $41 million. That sum was available for disbursement amongst 74 companies. Allowing for administration costs of 15 per cent, there was a healthy net profit.

It is claimed the reason for the legislation is that the insurance companies cannot afford to pay, and that they are being robbed. The only ones being robbed are people like John May.

The Minister took only eight minutes to reply to the debate. He gave scant regard to the many issues we raised. The reason was that the Minister had no defence. After consulting his advisers he could not come up with an answer.

Mr Grayden: What are you talking about?

Mr SKIDMORE: I would like the Minister to

tell me exactly the meaning of the verbiage contained in paragraph (c) appearing on page 4 of the Bill. I think I know the meaning of the paragraph, but I am not too sure that a judge of the Full Court of Australia would not have another birthday when it comes to determining in law what is contained in the paragraph. The judge will not know from a reading of *Hansard* because he would not find any explanation unless I am able to get the Minister to tell us what the paragraph really means.

It goes on—

> (ea) Notwithstanding the other provisions of this Act and in particular the provisions of subsection (2) of section twenty-nine of this Act—

Now I have to look up section 29(2) of the Act, which is found at page 62. It states—

> (2) Nothing in subsection (1) of this section—

So now I have to go back to subsection (1) of the Act, which deals with the jurisdiction of the board and is quite lengthy. So subject to subection (2), which is subject to subsection (1), we have the following verbiage—

> —where any decision, ruling, order, award, judgment, settlement, or agreement was given or made by, or registered with, the Board, before the coming into operation of section five of the Workers' Compensation Act Amendment Act, 1978, on the basis that compensation payable for an injury under the provisions of the table was in accordance with the amount indicated in the second column of the table in respect of that injury at the date of the accident whereby that injury was caused to the worker, that decision, ruling, order, award, judgment, settlement, or agreement shall not be rescinded, altered, or amended, and the worker shall not be entitled to any further payment under the provisions of the table in respect of that injury, by reason that it was given, made, or registered on that basis.

I know what the draftsman was trying to do, but I wonder whether the Minister knows. Surely if he is honest in his intention to protect insurance companies whom the Government represents, and who probably weighed in heavily for the Government at election time to see it was returned, he should know what that verbiage means. I am not unmindful of the activities of insurance companies during the last election when their servants were out openly fostering the needs of the Liberal Party. Is this the pay-off?

I think I know what that proposed new paragraph means, but surely to goodness it could be expressed in much more sensible language than that, otherwise the Full Court of Australia will have another birthday and we will be back again next week to amend the Act.

I understand the Workers' Compensation Act and all its ramifications, and I know what the Government is trying to do to workers. It has robbed John May of $4 100, and he is only one worker. I am also aware that the insurance companies have available to them $41 million, less their administration costs; and there are 74 companies all of which are apparently going broke—yet we have another four wanting to enter the field! I would like the Minister to explain that and also to explain the meaning of proposed new paragraph (ea).

Mr GRAYDEN: I can assure the member for Swan that the difficulty he has in understanding this provision simply bears out what I mentioned earlier.

Mr Skidmore: I said I understand it. Can you tell me what it means?

Mr GRAYDEN: The provision is in these terms simply and solely because the Act is a hotch-potch of amendments, and it is necessary to refer from one section to another.

Mr Skidmore: I agree with you on that but I want to know whether you know what it means.

The CHAIRMAN: Order! The Minister is trying to answer the member for Swan.

Mr GRAYDEN: The best way to explain it to the member for Swan would be to read it to him.

The main issue in respect of lump-sum payments is the date of assessment rather than the date the person elects to accept settlement or the time of the accident; and without question that has a lot of merit. I think that is probably what will ultimately emerge from the judicial inquiry. It is impossible to do anything about the matter as the Act stands; it would take weeks of work to marry it into the Act, and certainly it would not overcome the situation which has developed where employers have been paying premiums on a certain basis since 1970 and insurance companies, including the SGIO, have been accepting them on that basis, and suddenly that was upset by a court ruling.

Mr Skidmore: We are not discussing premiums.

Mr GRAYDEN: This demands legislation simply to restore the situation which everybody thought applied up till now.

However, that has nothing to do with the suggestion which has been made by the member for Morley. I think it has a great deal of merit,

and probably it is what will ultimately be done. It certainly cannot be done at the moment. I assure the member it will be included in the terms of reference of the judicial inquiry.

Mr SKIDMORE: The ability of the Minister to speak about something that has nothing to do with the question I asked is incredible. He developed an argument that had nothing to do with the matter I raised. I would like him to tell me the meaning of proposed new paragraph (ea). I think I know what it means; in fact I am almost certain. The Minister said the Act is complex, but we are talking about the Bill and not the Act, and he introduced the Bill. I again ask the Minister to give me his interpretation of that provision.

Mr BERTRAM: Mr Chairman, I rise for a number of reasons, one of which is to assist you, because you, like the rest of us in this Committee, are anxious to know what this provision means. It would be irresponsible and certainly less than parliamentary for us to consider and approve a clause without the faintest idea of its meaning.

Mr Grayden: That is not the relevant portion of the amendment; it is only a minor portion.

Mr BERTRAM: I have discussed this matter with some extremely experienced members of the Opposition, including the member for Swan and some with ministerial experience, and they cannot comprehend it at all. It would be remiss of us not to pursue the matter until we obtain a clear meaning of the provision. I am sure the Minister can sum up the provision and explain what it means so that the Committee may proceed. The hour is late, we have asked a simple question, and the Minister seems to want to frustrate us. I think he can do better than that and apply his pugnacious self to the measure and let us have the meaning of it.

Mr SKIDMORE: I appreciate one must consider the section proposed to be amended in its totality. Paragraph (a) of clause 5 refers to the first and second schedules. It states that the compensation payably for each such injury shall be in accordance with the amount indicated in that column. It is referring to the table in the schedule. I ask the Minister to what table does it refer, and in what schedule is the table? The Minister introduced the Bill and ought to know what it means.

I heard the Minister say by way of interjection that this is only a minor part of the Bill. I hope it is, but I have a fleeting suspicion it is a substantial part of the measure, and is a major reason that the workers will suffer a loss. I want to be sure my interpretation is correct.

I know what the provision means.

Mr Grayden: Tell us, and I will tell you whether you are right.

Mr SKIDMORE: The Minister's cheekiness amazes me! Because I know what it means and he does not know, he wants me to tell him so that he can answer me and say what it means. I did not come down in the last shower, and I am not trying to ridicule the Minister. However, we heard the Minister reply to a four-hour debate in about eight minutes, and he put forward his allegedly valid argument as to why the amendment is before the Chamber. But now he will not tell me what the amendment is all about and, quite frankly, I do not think he knows. He cannot answer the simple question as to whether the provision refers to the first or second sechedule. It is easy enough in proposed paragraph (ea) to refer to the provisions of subsection 29(2) of the Act, which subsection refers back to subsection (1). However, clause 5(a) refers to the schedules.

Why does not the Minister be specific, instead of coming out with all this garbage about the provision of tables and columns, and say that it is subject to those schedules contained in subsection 3(a) of section 7 of the Act? Is that what the draftsman was trying to say to us?

Mr Grayden: I am trying to say that it is there to prevent workers electing to take a lump-sum payment before the court decision to reopen their cases.

Mr SKIDMORE: It appears I do not have to get the Minister on his feet because he believes it refers to a worker who gets a lump-sum payment.

Mr Grayden: It states, ". . . the worker shall not be entitled to any further payment under the provisions of the table in respect of that injury, by reason that it was given, made, or registered on that basis".

Mr SKIDMORE: Which table?

Mr Grayden: Never mind which table.

Mr SKIDMORE: It is a fairly important table to which the Minister is referring.

Mr Grayden: Read the clause.

Mr SKIDMORE: I have read the clause. The Minister does not know anything about this and is clutching at straws. Therefore, he well rely on the usual subterfuge of being ridiculous to the point of provoking me into saying the things he wants me to say. It is improper for me to accept this sort of argument. This clause is not a minor issue; it is the heart and guts of the amending Bill. The Minister does not even know anything about it. No wonder I express some concern about this matter.

Mr GRAYDEN: Although the statement is a

complicated one, it is only an appendage to the main amendment. I refer the member to the wording of it. The crux of it is that the worker shall not be entitled to any further payment under the provisions of that table.

Mr TONKIN: I said at the second reading stage that I did not see any justification for this amendment to the Act because it means that if an agreement has been registered as being subject to the determinations of the May case, the greater amount shall apply, but if the agreement was registered without the proviso, the extra money that has come about as a result of the May case would not be available. We do not see why there should be this discrimination between a person who had a lawyer with nouse who registered the agreement with that proviso with regard to the determination of the May case and a person who did not have that proviso registered in the agreement.

The accident could have occurred on the same date, the amount of compensation could have been the same, and the date of election could have been exactly the same. Although this is not the main part of the clause we believe it is still objectionable.

Clause put and a division taken with the following result—

Ayes 25

Mr Blaikie	Mr Nanovich
Sir Charles Court	Mr O'Connor
Mr Cowan	Mr Old
Mr Coyne	Mr Ridge
Mrs Craig	Mr Rushton
Mr Crane	Mr Sibson
Dr Dadour	Mr Spriggs
Mr Grayden	Mr Stephens
Mr Hassell	Mr Watt
Mr Herzfeld	Mr Williams
Mr P. V. Jones	Mr Young
Mr McPharlin	Mr Shalders
Mr Mensaros	*(Teller)*

Noes 16

Mr Bertram	Mr McIver
Mr Carr	Mr Pearce
Mr Davies	Mr Skidmore
Mr H. D. Evans	Mr Taylor
Mr T. D. Evans	Mr Tonkin
Mr Grill	Dr Troy
Mr Hodge	Mr Wilson
Mr T. H. Jones	Mr Bateman
	(Teller)

Pairs

Ayes	Noes
Mr MacKinnon	Mr Bryce
Mr O'Neil	Mr Barnett
Mr Tubby	Mr T. J. Burke
Mr Laurance	Mr Jamieson
Mr Grewar	Mr B. T. Burke
Mr Sodeman	Mr Harman

Clause thus passed.

Clauses 6 to 8 put and passed.

Clause 9: Section 25A added—

Mr SKIDMORE: I rise again to seek some satisfaction from the Minister with regard to this clause which sets up a supplementary board. We support the clause because a supplementary board is needed to alleviate the backlog of workers' compensation claims. At present it takes 11 months for a case to be heard and that period is becoming longer and longer. In addition the backlog is perpetuating the problem that the amendment with regard to lump-sum settlements is trying to overcome.

I do not understand why a supplementary board should be constituted only at a time when there is a backlog of cases. It appears to the trade union movement and to litigants in workers' compensation cases that there is a need for a full-time supplementary board. After three months will the Government say to members of the board who are appointed for five years, "The board has caught up with its backlog; you can return to industry"? These people who will have built up an expertise with regard to workers' compensation in that period of three months will later be compelled to return to their duties with the board. The Government is not even giving them the option of remaining in their jobs.

Mr Grayden: What we want is flexibility because they might be incorporated in the report later.

Mr SKIDMORE: Why does not the amendment say so?

Mr Grayden: We are leaving it open until we have the judicial inquiry.

Mr SKIDMORE: I have heard this flexibility being talked about on many occasions, but whether or not we like it the people will not look at what is reported in *Hansard* but at what the Bill says. I suggest to the Minister that it is completely unfair to tell the two board members, one from The Confederation of Western Australian Industry and one from the Trades and Labor Council, at the end of three months that they can return to their jobs because they are no longer wanted. What protection will be given to a union secretary who is told he can return to the union? Does he have to return as an organiser or face another election for the secretary's job? This is completely unfair and unworkable.

Mr Grayden: The people concerned come in on the basis of a five-year term.

Mr SKIDMORE: Do people get paid for doing nothing now? When the board is not working will the Government pay the members of the board for sitting around and doing nothing?

Mr Grayden: Are we talking about the supplementary board?

Mr SKIDMORE: We are talking about a board member being appointed for five years.

Mr Grayden: For a term not exceeding five years.

Mr SKIDMORE: Let us assume that he is appointed for 18 months and the backlog is cleared up in nine months. Does the Minister say it is fair for the people of Western Australia to support a member of the Trades and Labor Council for that further nine months?

Mr Grayden: They will be appointed for a period. They will get rid of the backlog.

Mr SKIDMORE: The Minister should name the period for which they will be appointed and I shall then make my analogy.

Mr Grayden: It depends on the backlog.

Mr SKIDMORE: That is the point. I tried to be reasonable by saying three months. The Minister now says they will be appointed for 12 months.

Mr Grayden: It will take two years to clear the backlog.

Mr SKIDMORE: If it takes two years the Government will say at the end of two years, "Your appointment is up."

Mr Grayden: It depends on the recommendation of the inquiry.

Mr SKIDMORE: It is completely wrong and unjust to allow the secretary of a union to be appointed to a board for two years and at the end of three or four months to get rid of him. He should be appointed for 12 months. The Minister would not maintain that the secretary would not be paid for doing nothing. If he is being paid for doing nothing it is a scandal. It is unfair to pay him for 12 months if he has no work.

Mr O'Connor: What are you suggesting?

Mr SKIDMORE: I am suggesting the Government should set up a supplementary board without need for the manipulation of the time factor. I do not believe the backlog of workers' compensation claims will ever be overcome in this State. It is completely unfair, unless the Government intends to protect these appointees for a given period. It is particularly unfair because it relates to people involved in the trade union movement.

I would not take a secretary of a union from the Trades Hall where he is obtaining job satisfaction and performing a job for the working people, and bring him into a field of endeavour for the working people, to be told at the end of 12 months, "You are no longer wanted. Your appointment is up." What sort of people will the Government get? The Government will not obtain the people who are conscious of their responsibilities and who want to make a true and proper contribution to the workers.

The Bill is drafted badly. I know the intent. I know what the Government wanted to achieve. However, it is being completely unfair to the two appointees. It may be fair if a judge was appointed to the supplementary board. He could return to his duties without loss, because it is a Government appointment. It could be that an appointee from the Confederation of Western Australian Industry could return to his occupation without loss. However, I do not know of any secretary in the trade union movement who would leave his union on the possibility of a 12-month appointment. Another secretary would be appointed to his job. At the end of 12 months, the temporary secretary presumably would have to move out and the incoming secretary who initially left the job, will return. One would have to be very naive in industrial issues if one thought that would happen.

It would give the opportunity to have all sorts of personnel fights within the trade union movement. The Government professes not to want disputation in the trade union movement. In this case it is fostering disputation.

I say to the Government, "Go away and think about what I have said." Maybe in another place the Government will be prepared to say, "Let us set up a supplementary board. Let us give it a life of five years." I guarantee it will be busy for five years.

If it does not want to do that the Government could say, "At the end of a two-year period there will not be a job for you." In the present situation the Government is being completely unfair. It is hanging a cherry in front of the man and he will end up with a sour lemon. The Government is being completely dishonest. That is why I am drawing attention to the situation. The man should be told he will have a job for two years. We should not have this airy-fairy business that he may be there for three months, 12 months, or two years. The Government should not be saying to the man, "Now that you have resigned from the union you may return and hopefully get your job back."

A number of people in the trade union movement would like to get rid of me. Some of the right-wing members whom I removed from important positions would dearly love to move me

out of the trade union movement and take my place.

It is unfair and unreasonable. I believe this clause is not in the best interests of those concerned and the supplementary board proposed in the Bill should be set up.

Clause put and passed.

Clause 10 put and passed.

Clause 11: Clause 1 of First Schedule amended—

Mr TONKIN: I move an amendment—

Page 7—Delete subparagraph (i).

Mr SKIDMORE: I rise to support the point of view expressed by the member for Morley. I should like to refer to a matter mentioned by the Minister in his reply. He said the widow may receive $30 000 plus additional amounts of weekly payments which would exceed the amount of money she was entitled to under the Act at the present time. I do not disagree with that. As an example, I used a figure of $5 000. I hope members will bear with me, because I am performing a statistical exercise.

Prior to 1973 the widow would have received a lump-sum settlement of $5 000. She would then be subject to the reduction of that figure because of weekly payments amounting to $1 000. She would then be left with $4 000. If I multiply that six times to the Minister's figure of $30 000, the amount she would have received prior to 1973 would have been $24 000.

After 1973 the Government of the day recognised the inequity of the situation in which a widow was faced with an imponderable number of difficulties and no money. It became evident to the Government that the situation was completely unfair. It decided, therefore, the rate should be calculated in a different manner. To offset the question of weekly payments it was suggested and accepted by the Government and Opposition of the day, that they would agree to the widow receiving 85 per cent of the amount of $5 000, which is $4 250. On top of that she would receive the weekly payments of $1 000. I could have been dishonest and ignored them. In essence, she receives $5 250. If I multiply that six times to meet the requirements of the Minister's $30 000, it amounts to $31 500.

The Minister has come here today and has suggested a widow with a dependant child upon the death of the breadwinner will now be robbed in the following manner: She will receive 85 per cent of the full amount which is $4 250; she will not receive her $1 000 weekly payments because that is going to be removed from the 85 per cent and not from the 100 per cent which was the figure prior to 1973. The trade-off has gone. The widow will receive $1 000 less. She will receive $3 250. Prior to 1973 she would have been subjected to a loss of $2 000. Today her loss would be $750. So much for the generosity of the Government.

The Government and the Opposition of the day accepted it was fair and equitable for the widow to receive an 85 per cent pay-out plus the weekly payments which would amount to $5 250. Today, under the same computation, she will receive $3 250. If I equate that figure to the $30 000 limit it means her loss prior to 1973 would have been $12 000 on the Minister's tables. The Government is going to rob a 15-year-old child who relies upon this money because her father has been killed in an industrial accident.

The Government is going to rob a widow with three or four children. The Government is going to say, "On a $30 000 pay-out you will now be robbed of $4 500." That is the justification for the introduction of this particular piece of legislation. It cannot be refuted. I have used the Minister's own figures. By upgrading the $5 000 to the base figure of $30 000, it is unquestionable that the widow or the dependants of the deceased person will receive, on today's figures, $4 500; but on the standard accepted prior to 1973 she would now lose $12 000 due to this amending Bill.

Where is the equity? What does the Government want the people of this State to suffer? How much indignity does the Government want to force upon the people? Does the Government want to get the people down on their hands and knees grovelling for their entitlements? Is that what the Government wants? Does the Government want to make serfs of people? Does the Government want to subject the people to all the idignities of the world or does it want to crush the people underfoot like beetles on a footpath? That is what this proposal in the Bill seeks to do. I support the amendment moved by the member for Morley. I hope it is passed. I hope some members opposite may realise they do not want to rob dependent children or dependent widows of $4 500 by passing this Bill as it is. If members opposite do this they may be happy with it. They must be guided by their consciences. However, I am proud to be able to sit here and say I oppose it, because I do not believe it is fair. I believe it is an inequity the dependants of working people should not have to suffer.

Mr GRAYDEN: I want to refute one or two of the statements made by the member who has just resumed his seat. Prior to 1973 this item provided for the reduction of weekly payments.

Mr Skidmore: That is right. I said it did.

Mr GRAYDEN: This was inadvertently omitted in 1973.

Mr Skidmore: It was not inadvertently omitted in 1973.

Mr GRAYDEN: We have a situation where double payments can occur which is completely contrary to the spirit of the Act. For that reason we have been asked by the Workers' Compensation Board to do something about it. That is not the object of workers' compensation, because the prescribed amount can be greatly exceeded in certain cases.

Mr SKIDMORE: I do not accept what the Minister says. He distorts the facts of the case which I have presented to him tonight. He has done that consistently during the debate. What he is saying is before 1973 I did not know the weekly payments were taken off the amount. I said they were. Before 1973 I said $5 000, less the $1 000 in weekly payments, gave a widow $4 000. Why does not the Minister listen? If he did so he might be able to make a valid contribution to the debate.

The Minister then goes on to say in 1973 when the amendment to the Act was made the weekly payments were inadvertently omitted. Why would the Tonkin Government, a socialist Government, say to a widow or a dependent child, "Our social philosophy says and the intent of this amendment is instead of receiving 100 per cent less weekly payments, you will now receive only 85 per cent less weekly payments"?

Mr Grayden: They deducted lump-sum payments. If was left in inadvertently.

Mr SKIDMORE: The Minister is suggesting that a Labor Party Government at that time would have taken a sum of $1 000 off a widow or a child. That seems incredible to me. Again the Minister is distorting the whole thing because of his ineptitude and inability to grasp the meaning of this legislation.

We are not dealing with a live worker, a person who is capable of returning to the force. We are not dealing with a person subject to injuries which will allow him to return to light duties. We are dealing with people who are dependent on a breadwinner who is killed.

Mr Grayden: My information, from all sources, is that was a drafting error.

Mr SKIDMORE: The Minister knows it is not a drafting error. A reading of *Hansard* debates at the time will show what was said.

Mr Grayden: The Workers' Compensation Board was astonished when it found that the provision was not in the Act.

Mr SKIDMORE: I believe the Minister has done Justice Mews an injustice. He is a fairer man than the Minister gives him credit for.

Mr Grayden: The provision was inadvertently omitted from the Act. These recommendations originated from the Workers' Compensation Board.

Mr SKIDMORE: The Minister is trying to justify his position, which is very weak. If the same proposition had been put to us as a Labor Government the inequity would have been obvious, and the wrong would have been righted. I support the amendment moved by the member for Morley.

Amendment put and a division taken with the following result—

Ayes 16

Mr Bertram	Mr McIver
Mr Carr	Mr Pearce
Mr Davies	Mr Skidmore
Mr H. D. Evans	Mr Taylor
Mr T. D. Evans	Mr Tonkin
Mr Grill	Dr Troy
Mr Hodge	Mr Wilson
Mr T. H. Jones	Mr Bateman *(Teller)*

Noes 25

Mr Blaikie	Mr Nanovich
Sir Charles Court	Mr O'Connor
Mr Cowan	Mr Old
Mr Coyne	Mr Ridge
Mrs Craig	Mr Rushton
Mr Crane	Mr Sibson
Dr Dadour	Mr Sprigg
Mr Grayden	Mr Stephens
Mr Hassell	Mr Watt
Mr Herzfeld	Mr Williams
Mr P. V. Jones	Mr Young
Mr McPharlin	Mr Shalders
Mr Mensaros *(Teller)*	

Pairs

Ayes	Noes
Mr Bryce	Mr MacKinnon
Mr Barnett	Mr O'Neil
Mr T. J. Burke	Mr Tubby
Mr Jamieson	Mr Laurance
Mr B. T. Burke	Mr Grewar
Mr Harman	Mr Sodeman

Amendment thus negatived.

Mr SKIDMORE: I refer to paragraph (c) on page 8 of the Bill which will increase the food and lodging allowance from the present ridiculously low figure of $4 to an amount of $10. I did canvass this earlier when the Minister was absent obtaining further information. One of my colleagues researched this matter and to his knowledge, within the city block, there are only two establishments which can provide bed and lodging for a figure anywhere near $10. One hotel charges $8.50 a night for a bed only. The other hotel provides bed and breakfast for $8.50.

Mr Grayden: We intend that this amount

should be $15. When the Bill arrived from the Government Printing Office it included the figure $10 instead of $15. It will be altered in another place.

Mr SKIDMORE: I accept the amount of $15 grudgingly, and I will speak against that too.

Mr Grayden: It is only an interim measure.

Mr SKIDMORE: Hunger is not an interim measure. A worker who loses his shift allowance and his overtime is in a difficult position. After paying $8.50 for bed and breakfast, he will be left with $6.50 for his lunch and evening meal. The Minister has grudgingly said that the amount will be changed to $15 in another place, but I ought to screw him for another $10, which would still not be a great sum of money.

People who suffer an injury should not have to go to a second-class hotel, while the Minister and I, as members of Parliament, can afford first-class accommodation on our allowances. The worker will have to go to the sleaziest, dirtiest, out-of-date pub in the town. Give him a lousy sum of money, and what the hell; it is no concern of the Government.

I make a final appeal to the Minister to increase the amount to $25. I have the fear that my hopes will fall on deaf ears. I only hope that in the dying moments of this Bill a little bit of humanity might come through from the Government.

Clause put and passed.

Clauses 12 to 14 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Mr Grayden (Minister for Labour and Industry), and transmitted to the Council.

SUPPLY BILL

Returned

Bill returned from the Council without amendment.

PETROLEUM PRODUCTS SUBSIDY ACT AMENDMENT BILL

Second Reading

Debate resumed from the 26th April.

MR T. H. JONES (Collie) [12.46 a.m.]: I do not feel very much like debating this Bill at this hour of the morning, but that is the name of the game.

This Bill is complementary to the Bill passed in the Federal Parliament. I would say it is a very good piece of window dressing because it does not do what it purports to do. In the time available to me this morning I will clearly demonstrate that the Bill did not get a very good reception in the House of Representatives or the Senate. Lengthy debate ensued because in the view of the Opposition the Bill did not do what the Prime Minister said in his pre-election speech it would do.

The second reading speech of the Minister in this House was very brief and not nearly as detailed as the second reading speech given in the House of Representatives. No doubt the Minister has read the debates which ensued in the House of Representatives and the Senate, and he will have noticed that more explanation was given by the Minister for Business and Consumer Affairs who introduced the Bill in the House of Representatives.

In introducing the Bill in this House, the Minister for Fuel and Energy said the object of it was to reduce the price of petrol in some areas and that because of minor changes in the new Federal legislation—the States Grants (Petroleum Products) Amendment Bill, 1978—it was necessary to amend the State legislation.

The Bill has some shortcomings because not everyone shares in the benefits which will flow to some areas as a result of the legislation introduced by the Commonwealth. The Minister gave some examples where the benefits would apply in some parts of the State and indicated that in other parts of the State there would be no benefit at all. He said—

> Honourable members will be aware that this subsidy scheme is a transport subsidy scheme only—

It is only a transport subsidy scheme and is entirely different from what the Prime Minister put to the people prior to the last Federal election. We take him to task on that matter because he is not introducing what in our opinion he promised to the people of Australia.

The Minister for Fuel and Energy also said—

> The reintroduction of this scheme will help to reduce the cost of living of people in our country areas and will make a real contribution to decentralisation.

Unfortunately, the Bill does not give benefits to

all areas but only to limited areas of Western Australia. We will find some towns in the Northern Territory benefit much more than other towns in Australia.

While the Opposition is not opposing the measure, we do not think it goes far enough. It is a subsidy scheme for freight and does not implement what the Prime Minister promised. The scheme is estimated to cost between $35 million and $36 million. The Minister for Fuel and Energy did not indicate the cost, but my research into the debate which ensued in the House of Representatives on the 8th March this year reveals that it is stated on page 517 of Federal *Hansard* that that will be the cost involved in introducing the new package deal.

In the Federal sphere, Mr Keating (the member for Blaxland), in handling the Bill for the Opposition, went to some lengths to trace the history of petrol price fixing, generally, throughout Australia. On page 843 of Federal *Hansard* he took the Minister to task, and I will quote what he said—

> However, this scheme is not the scheme promised by the Prime Minister (Mr Malcolm Fraser). This is important inasmuch as it is a sleight of hand on the part of the Government to have promised something and not honour that commitment. Let me read from page 11 of the Prime Minister's policy speech. Under the heading 'Petrol Price' he says:
>
> Immediately after the election the Government will take action to equalise the price of petroleum products between city and country, without adding to city prices.

It will be appreciated by anyone who has read the Commonwealth Bill and the second reading speech of the Federal Minister that, as Mr Keating pointed out, the Bill does not do what the Prime Minister promised the people of Australia it would do. He goes on to say—

> For a start, this Bill does not attempt in any way to equalise prices; it is but a subsidy for transport costs. The Prime Minister continued:
>
> This will be done by subsidising freight costs outside the metropolitan area on motor spirit, aviation fuel, automotive distillate and power kerosene. In effect, it will reintroduce the country freight differential scheme abandoned by the Labor Government.

Mr Old: Yes, otherwise there would not have been any freight differentials by now.

Mr T. H. JONES: Of course the freight differentials are here, and we will hear what the Minister has to say in a moment. It will not benefit every area. He has a right to criticise the abandonment of it by the Labor Government, but what I am saying is that the legislation does not do what the Prime Minister said it would do, and what he told the people it would do.

Mr Old: That is exactly what it does.

Mr T. H. JONES: All it does is to introduce a freight subsidy on fuel. It does not do what the Prime Minister said on the hustings it would do.

Mr Old: You are only playing with words there because it is reducing the freight differential.

Mr T. H. JONES: Let us return to the Prime Minister's remarks. He said—

> Immediately after the election, the Government will take action to equalise the price of the petroleum without adding to the city price.

Now it does not do that in total.

Mr Old: It will do when—

Mr T. H. JONES: It is not an equalisation scheme. It can be termed a freight subsidy scheme for specific areas, and in a moment I will show the areas that will gain some benefit from it and the areas where it will be of no benefit at all.

Mr Old: That is only a stage of the scheme. Once all freight differentials are gone, the result has been achieved.

Mr T. H. JONES: The Minister mentioned it would affect decentralisation to a point, but in a minute I will refer to some areas which will receive no benefit at all.

Mr Old: If they are not paying any freight, of course they will not benefit.

Mr T. H. JONES: If the Minister will be patient, and not quite so touchy, he will see the point I am making.

Mr Old: I have just said you do not understand it.

Mr T. H. JONES: Then we may get to bed a little earlier. However, if he wishes to extend the debate, it is quite all right with me because I have unlimited time.

Mr Old: Congratulations!

Mr T. H. JONES: The Minister is looking tired already. The Labor Opposition moved an amendment both in the House of Representatives and in the Senate, and I mention this to show the way in which the Opposition in the Federal Parliament viewed the legislation. The amendment moved was as follows—

That all words after 'That' be omitted with a view to substituting the following words:

'Whilst not declining to give the Bill a second reading, the House is of the opinion that the Bill:

(1) fails to—

(a) implement the election promise of the Government "to equalise the price of petroleum products between city and country", and

(b) improve the adequacy of the existing petroleum marketing and distribution system in country areas, and

(2) is silent on the defects in the system outlined in the 4th Report of the Royal Commission on Petroleum'.

I indicate that merely to show that a very lengthy debate ensued in the Federal Parliament. The Minister may have read the debate, but I have a copy of it here if any member wishes to see it.

I will not refer to Federal *Hansard* any further, except to say that several members took part in the debate because they agreed with the views expressed by the Opposition in relation to firstly, the promise of the Prime Minister, and secondly, the effect of the scheme generally. I just wished to make that point clear.

In today's Press we see the following comment from the State Government under the heading, "Country fuel cheaper soon"—

> WA is the first State to introduce the fuel subsidy scheme...
>
> The Minister for Business and Consumer affairs, Mr Fife, told Federal Parliament today that he expected WA to have a scheme in operation "in the very near future."

The Federal Minister then referred to some of the areas which will benefit and others which will not benefit at all. He was not behind the door in saying what the situation will be. In our opinion the scheme definitely does not equalise fuel prices, and this must be readily appreciated. It applies to grants to the State for freight subsidy.

The information I have reads—

> The Government has stated the subsidy will cover all freight costs above 4 cents a gallon. Where existing freight is less than 4 cents a gallon, no subsidy will be paid.

This is where the legislation will not have general effect, or some benefit generally throughout Western Australia and indeed Australia. In the publication I have, the following point is made—

> Bearing that reservation in mind, of the 10 000 (approx) non or neo metropolitan pricing localities no subsidy will be paid on motor spirit at 42% of the localities. At 25% of the localities subsidy of between 0.1. and 0.9 cents a litre will be paid.

That is a survey which our party carried out federally in relation to the impact of the scheme. So on the research that was carried out by the Labor Opposition in the Federal Parliament, 42 per cent of the petrol distribution localities in Australia will not benefit, and in 25 per cent of the localities a subsidy between 0.1 and 0.9c a litre will be paid. At 33 per cent of the localities the subsidy will be 1c a litre or more.

The important point I wish to refer to is the effect in Western Australia. Our investigation revealed the following—

> In Western Australia no subsidy will be paid on petrol in the city of Perth and its adjacent area—which includes Pinjarra and Mandurah. Some other major centres where no subsidy will be paid are:
>
> Albany, Bunbury, Busselton, Collie, Harvey, Denmark, Geraldton, Carnarvon, Esperance, Gibson, Mt. Barker, Port Hedland, Broome, Derby and Wyndham.

I merely indicate those towns to support the argument I presented when I commenced to talk to this Bill. So, it will be clearly seen that while it does assist decentralisation, it will be only on the most limited basis and many of these towns will receive no benefit at all.

I turn now to those towns which will receive a benefit. The following towns will receive some subsidy—

Cents per Litre	Centres
0.1	Jarrahwood, Boddington
0.3	Margaret River, Salmon Gums, Northam, Guilderton
0.5	Augusta, Merredin
0.7	Jurien Bay, Bridgetown, Mullewa
0.9	Wongan Hills, Southern Cross, Manjimup, Narrogin
1.0	Corrigin, Dowerin
1.1	Quairading, Kalgoorlie, Three Springs, Miling
1.2	Mukinbudin
1.3	Koorda, Dalwallinu
1.5	Kondinin, Kojonup
1.9	Hyden

The general rule is that little or no subsidy is payable at or near ports, or in centres within a reasonable distance serviced by a railway. For example, the inland city of Kalgoorlie, nearly 400

miles from the port, receives only 1.1c a litre, while Wyndham in the far north receives nothing.

One of the highest subsidies payable is to Gove in the Northern Territory. The overseas-owned bauxite miner Nabalco will receive 11.5c a litre on its fuel, or over 50c a gallon.

This is the unfortunate part of the Bill. I realise it is only matching legislation and all that the Government can do is to follow what the Commonwealth has put forward, but we have the situation where some towns will receive no subsidy while a town in the Northern Territory will receive a benefit of 11.5c per litre. Many Western Australian agricultural areas will be subsidised by between nothing and 1c per litre, so the legislation will not have the great impact which was promised by the Prime Minister.

I conclude by contrasting the 1977 Budget decision on crude oil pricing which increased fuel prices to everyone by 11c a gallon. Government policy announced simultaneously will increase prices by about 10c a gallon in each of the next four years.

The scheme will not remove, and might well entrench, the inefficiencies and malpractices on petroleum marketing revealed by the recent Collins Royal Commission.

Mr Speaker, I have traversed that ground to indicate the situation generally because that information was not available to us from the Bill or the Minister's second reading speech; it was only as a result of research undertaken by our party at Federal level. The shortcomings of the legislation are clearly demonstrated. While benefits on a limited basis might be felt in some areas, it will be only marginal, while other areas will receive nothing at all.

Mr Mensaros: What would you suggest it should be to make it equitable?

Mr T. H. JONES: We suggest there should be a proper fuel subsidy. This is merely a freight subsidy.

Mr Mensaros: Resulting in what?

Mr T. H. JONES: I cannot give the Minister the precise figures.

Mr Mensaros: What would you like to achieve?

Mr Carr: The result would get through to the final consumer, which is not going to happen under your legislation.

Mr T. H. JONES: What is going to happen is that some people will benefit while others will not. Certainly, the smaller people will not benefit, but a bauxite miner in the Northern Territory will be subsidised to the tune of 50c a gallon. Is that fair? If the Government is going to introduce something to benefit the Australian people, let it introduce it.

My main argument is that people who should receive the benefit are not getting it under this scheme. The Minister will mention this matter when he replies. I agree there is an urgent need for a petrol subsidy and I do not oppose this legislation. I am simply trying to outline the shortcomings of the Bill. As has been indicated by my counterparts in the House of Representatives and the Senate, the Prime Minister made a clear statement of policy that if he were returned to power he would introduce a petrol equalisation scheme which would benefit the people of Australia. However, this legislation is nothing but a freight subsidy benefiting only limited areas. It will give some relief to some places, and none to others. With those few points, I indicate that the Opposition supports the Bill.

MR CARR (Geraldton) [1.05 a.m.]: Members will recall I raised this issue during my speech in the Address-in-Reply debate. For that reason, I do not intend to traverse the whole issue at any great depth. However, I think it is appropriate to register my concern that this legislation does not do what the Prime Minister promised on the hustings.

Mr Mensaros: This is just repetitious; say something new.

Mr CARR: He promised an equalisation scheme so that the price of fuel throughout country areas would be equalised to within 1c of the price pertaining in each of the capital cities.

Mr Mensaros: Is that 1c per litre?

Mr CARR: Yes, per litre. That will not happen under this legislation. The legislation proposes that subsidies will be paid to each of about 10 000 different localities throughout Australia. There is a document available which lists the proposed subsidy to each of those places. I suggest that the subsidies payable bear very little relationship to the difference in price presently paid in those various localities.

I refer, for example, to my own electorate of Geraldton. When the price of fuel in Geraldton is compared with Perth, we find a difference of approximately 5c a litre; petrol in Geraldton is about 21c a litre compared to approximately 16c a litre in Perth. Had the Prime Minister's election promise been fulfilled, Geraldton would have received a 4c per litre fuel subsidy. However, as the member for Collie indicated, no subsidy will be payable. The simple truth is that most West Australian people will receive no subsidy at all.

If one takes in major centres in country areas of

the State where there is either no subsidy or a very small subsidy, we find that well over 90 per cent of the people of this State will receive either no subsidy or a subsidy of less than 1c per litre.

The question arises as to how these 10 000 subsidies were determined. The Minister for Industrial Development made the following statement in his second reading speech—

> The freight differentials to be subsidised are based on costs submitted by individual oil companies to the Prices Justification Tribunal and accepted by that tribunal.

It seems an interesting situation; apparently, the fuel companies are saying there is a very small freight differential between Geraldton and Perth and between other places and Perth. However, we have a very much higher price being paid for petrol throughout country areas of the State.

I simply say this information in the Minister's second reading speech must be rubbish. Alternatively, if it is not rubbish, we have a situation of excessive mark-ups being imposed by retailers in country areas of the State. If the difference in prices between country and city outlets is indicated by freight differences these subsidies are out of all proportion to those freight differences. If those differences do not reflect freight differences, there must be excessive mark-ups. We cannot have it both ways, and I wish to express my concern at this situation.

The member for Collie referred to a number of examples of areas throughout the State which will receive very small subsidies, so I will not weary the House by repeating them. However, I should like to raise one matter which was not mentioned previously in this debate; namely, the question of passing on the subsidy to the final consumers.

The Federal Minister indicated in his second reading speech that the distributors who participated in this scheme would have to pass on the benefit to the consumers. He said it in these words—

> Before such distributors may be registered they must enter into an agreement with the Commonwealth that they will pass on to consumers the full benefit of subsidy received in respect of all sales made at the locations in the schedule.

That sounds fair enough at first glance until one looks a little more closely at the proposal. When my colleague, the Federal member for Fremantle (Mr Dawkins) raised the subject in the House of Representatives with the Minister for Business and Consumer Affairs (Mr Fife) he found a very different situation prevailed. He asked who were the people who were actually going to be registered, and how far was the subsidy to be passed. He found that, in fact, claims for subsidy may be made only by oil companies and other distributors registered under the scheme. The Minister stated—

> Before such distributors can be registered they will be required . . . to enter into an agreement . . . that they will pass on to the re-seller the full benefit of subsidy received.

So, when we are talking about passing on the benefit to the consumer, we are not talking about the consumer who pulls his car into the service station and fills his tank with petrol. We are talking about the consumer who is the retail outlet, who in fact is consuming the product from the big oil company.

So, we are not talking about a subsidy that is going to be passed on to every motorist throughout the community; we are talking about a subsidy that is going to be passed on to retail outlets. That is not my assessment of the situation but that of the Federal Minister for Business and Consumer Affairs, replying in the House of Representatives to Mr Dawkins.

When Mr Dawkins pursued further with the Minister the question of the Federal Government taking action to make sure the benefit would be passed on to the ultimate consumer—the motorist—the Minister for Business and Consumer Affairs quite rightly pointed out that—

> —the Commonwealth does not have price fixing powers.

We are all well aware of that. The Minister then made another statement of which we are all aware—

> These are powers that are exercised by the States—

So, very clearly, the Federal Government has left with the State Government the responsibility of seeing that the benefit of this scheme is passed on to the ultimate consumer. I ask the Minister for Industrial Development, who is handling this Bill, what action will be taken by the Government to ensure the benefits of the scheme—as little as they are—are passed on to the ultimate consumer; namely, the motorist. I hope that when he replies he will be able to give me some information that will reassure me. However, I must admit I have a suspicion that the answer probably will be that the Government will be doing nothing.

In summary, I join with the member for Collie and my colleagues on this side in supporting the Bill, because it provides some small benefit to country people which otherwise they would not receive. It is an improvement on the present

situation, and for that reason we support it. However, it is not anything with which we are very happy because it does not go anywhere near far enough in terms of providing sufficient subsidy for those people living in remote areas.

MR MENSAROS (Floreat—Minister for Fuel and Energy) [1.14 a.m.]: I thank the Opposition for its support of the Bill and congratulate the member for Collie for the ingenious way he was able to digest the sour grapes. The Federal Government of his political confession abolished something, and created an inequality.

If something is done to remove this, then I think the member has found some very interesting but not quite factual ways of digesting the sour grapes because it was his political party which abolished the subsidy previously existing. I do not think it matters what the reinstated subsidy is; it is a transport subsidy but it could be a refinery subsidy. Ultimately it comes down to a final price in country areas.

It has been clearly stated that the endeavour at the present time is that there should be no higher freight paid for petrol at any place in Australia—and of course we are talking about Western Australia—than 4c a gallon in excess of the lowest transport cost and this will be achieved.

The member for Geraldton asked why is it not an agreement with the consuming public as opposed to the distributor who sells the petrol to the retailer. First of all it would be virtually impossible to oblige the distributor to in any way have an agreement with the consuming public. Secondly, the member knows full well that if anything the competition between retailers is more than the usually accepted level under normal trading conditions today. This is mentioned in the report of the Royal Commission on petroleum.

If the member for Geraldton honestly thinks that through this arrangement, which is the only feasible one where the distributor must have an agreement with the retailer in order to pass on the benfits to the consumers, the consumers will not benefit, I invite him when he sees such a case to inform me.

Mr Carr: We are not getting any subsidy in Geraldton.

Mr MENSAROS: I can assure the member, as I have assured another member, that this Government will not introduce price control.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr Mensaros (Minister for Fuel and Energy), and transmitted to the Council.

METROPOLITAN WATER SUPPLY, SEWERAGE, AND DRAINAGE ACT AMENDMENT BILL

Returned

Bill returned from the Council without amendment.

ADJOURNMENT OF THE HOUSE: SPECIAL

SIR CHARLES COURT (Nedlands—Premier) [1.20 a.m.]: I move—

That the House at its rising adjourn until 11.00 a.m. today (Thursday), the 11th May.

Question put and passed.

House adjourned at 1.21 a.m. (Thursday).

QUESTIONS ON NOTICE

TELEVISION COMMERCIAL

Local Products

734. Mr CLARKO, to the Minister for Industrial Development:

(1) Is it a fact that the English actor Warren Mitchell (Alf Garnett)) appears in a television commercial supporting the "local products" campaign which urges the use of Western Australian made goods?

(2) Is it not a contradiction to use an Englishman rather than a Western Australian in such circumstances?

(3) Will consideration be given to using a famous local product such as Graham Moss, Dennis Lillee, Kerry Wells or Rolf Harris in further similar promotions?

Mr MENSAROS replied:

(1) Yes.

(2) No.

(3) Yes.

Consideration is always given to local talent which has been used exclusively to date, except in this instance.

Alf Garnett, an internationally known TV personality with a wide local following, was in Perth early this year.

Opportunity was taken at that time to capitalise on his availability.

I always encourage the use of local talent. The member's suggestion to use one famous local cricketer or Rolf Harris does not take account of the fact that they are already involved quite strongly with other commercial promotions—Western Australian as well as interstate and overseas products like the Perth Building Society and British Paints—and who could to some extent begin to suffer from over-exposure if they were without exception used by my department in its search for value for its advertising expenditure.

The department has considered this matter seriously and on House and external advice selected material to focus the greatest possible public attention on Western Australian products.

MOTOR VEHICLE INSURANCE TRUST

Revenue and Expenditure

735. Mr DAVIES, to the Minister for Local Government:

Will he list the revenue and expenditure of the Motor Vehicle Insurance Trust for the past three financial years?

Mr RUSHTON replied:

The answer to this question is extracted from the respective balance sheets and profit and loss accounts laid before both Houses of Parliament as required by the Motor Vehicle (Third Party Insurance) Act.

Revenue	30/6/77 $	30/6/76 $	30/6/75 $
Premiums	25 765 978	17 225 647	14 668 389
Interest on investments	6 086 535	5 048 077	4 543 227
	31 852 513	22 273 724	19 211 616
Expenditure			
Reinsurance	139 271	90 128	56 984
Administration	810 999	756 595	632 665
Claims paid	19 886 312	16 904 185	14 373 767
	20 836 582	17 750 908	15 063 416

TRANSPORT

MTT Conductors and Drivers

736. Mr DAVIES, to the Minister representing the Minister for Transport:

(1) How many—

(a) conductors;

(b) drivers,

are employed by the Metropolitan (Perth) Passenger Transport Trust?

(2) What is the annual turnover in staff in each of these categories?

(3) How much is the estimated cost for the Metropolitan (Perth) Passenger Transport Trust of training—

(a) a bus driver;

(b) a bus conductor?

(4) What is the length of training for each category?

Mr O'CONNOR replied:

(1) (a) 45.

(b) 1 288.

(2) (a) 1.2 per cent.

(b) 21 per cent, including those several-time employees.

(3) (a) $400.

(b) Nil.

(4) (a) 13 days.

(b) 7 days (if applicable).

POLICE

Appeal Against Supreme Court Ruling on Pickets

737. Mr BATEMAN, to the Minister for Police and Traffic:

With reference to *The West Australian* newspaper of Friday, 5th May, which quoted: "Police Fight Picket Ruling", and further stated by the newspaper the police will appeal to the State Full Court over the Supreme Court's decision invalidating regulations under which 34 union pickets were arrested at Fremantle on 10th April, will he advise who will fund the costs for such an appeal?

Mr O'Connor (for Mr O'NEIL) replied

The Crown.

PAINTERS' REGISTRATION BOARD

Qualification of Applicants

738. Mr BATEMAN, to the Minister for Labour and Industry:

(1) What qualifications must a person have before he can be registered with the Painters' Registration Board?

(2) Is it a fact self-employed painters engaged in work quoted over $100, must be registered with the Board?

(3) Does the board allow certain unregistered painters to carry on business as registered painters?

(4) If "Yes" will he give full details?

Mr GRAYDEN replied:

(1) Requirements for registration as a painter are tabled.

(2) Yes.

(3) and (4) Yes—only as a partnership or company where the partnership or company engages a registered painter as the manager and supervisor of the partnership or company.

The papers were tabled (see paper No. 195).

KALAMUNDA SHIRE COUNCIL OPENING

Speaker and Sergeant-at-Arms

739, Mr BATEMAN, to the Speaker:

As reported in the south suburban news of *The West Australian* newspaper of 3rd May, 1978, "The Speaker of the Legislative Assembly Mr Ian Thompson resplendent in full Parliamentary gown and wig opened the new council chambers" of the Kalamunda Shire Council. A photograph also showed the Speaker officially opening the new chambers together with the Legislative Assembly's Sergeant-at-Arms in the background. As the wig and gown are not academic and the position is a political appointment, will he advise:

(1) Was he given permission by the House to wear these Parliamentary garments on this occasion?

(2) If not, why not?

(3) Will he further advise if he intends to wear the garments of the Speaker when he opens other functions and establishments?

(4) Will he also advise if the Sergeant-at-Arms was in possession of the Mace at this particular official opening?

(5) What was the official capacity of the Sergeant-at-Arms at this function?

The SPEAKER replied:

Before replying to the specific questions asked by the Member for Canning, I should correct some mis-information contained in his preliminary statement. I did not "open" the new council chambers but I took part in a brief but highly formal ceremony to mark the occasion of the first council meeting in the new chambers.

(1) to (3) The dress of the Speaker, both within the Parliament and outside it, is a matter for the Speaker to decide. Some Speakers have chosen to wear full regalia, some part of it, and, in the case of one, not only did he decline to wear any of the robes of office but he dispensed with the use of the Mace for the duration of his term of office.

(4) The Mace was not used.

(5) The Sergeant-at-Arms accompanied me in his special capacity as a personal officer of the Speaker. This is not particularly unusual or unprecedented. There is one occasion when a Speaker was accompanied by his Sergeant-at-Arms to a funeral.

RAILWAYS

House for Calingiri Guard

740. Mr McIVER, to the Minister representing the Minister for Transport:

(1) Has the Minister received correspondence from the Australian railway union requesting a house to be made available for a guard at Calingiri?

(2) (a) If "Yes" would the Minister advise has a decision been made;

(b) If "No" when will a determination be made?

Mr O'CONNOR replied:

(1) and (2) Westrail has received a request from the Australian railways union that a house be made available.

Provision of a house will be considered in the railway department's housing construction programme for 1978-79 which will be finalised shortly.

PATRIOTIC SONG FOR ETHNIC GROUPS

Presentation to Premier

741. Mr BATEMAN, to the Premier:

(1) Did he see the article in *The West Australian* newspaper on Monday, 8th May, entitled 'Patriotic Song for Ethnic Groups'?

(2) Has the song been presented to him as the Leader of the Government in Western Australia in order to encourage patriotism in Western Australia?

(3) If not, for what reason was it presented?

Sir CHARLES COURT replied:

(1) Yes.

(2) and (3) No.

TRANSPORT

Road Trains

742. Mr CRANE, to the Minister representing the Minister for Transport:

(1) Are there any restrictions on road trains operating on—

(a) the Great Northern Highway?

(b) connecting roads between Waddington and Paiwaning and north to Bindi Bindi?

(c) Connecting roads between Glentromi, north of New Norcia and Yerecoin and north to Bindi Bindi?

(2) Is the Minister aware of the possibly dangerous situation which has developed since road trains are using these roads?

(3) Would the Minister please advise the precise route road trains must take on the Great Northern Highway and if any diversions are permitted?

Mr O'CONNOR replied:

(1) Yes. Between Muchea and Meekatharra road trains are restricted to an articulated vehicle and one trailer having an overall maximum length of 31 metres but from Dalwallinu to Meekatharra combinations consisting of a rigid truck and two trailers with a maximum overall length of 31 metres are also allowed.
North of Meekatharra combinations consisting of a rigid truck and three trailers and an articulated vehicle with two trailers having an overall maximum length of 45 metres are allowed.
The permit conditions for road trains also contain numerous provisions specifying mechanical and operational requirements.

(b) and (c) Road Trains are not permitted to operate on this route.

(2) No.

(3) The southern limit for road train operations is the junction of Brand Highway with Great Northern Highway. Northwards from this point no diversions are permitted south of Mt. Magnet. Road train operations are permitted on several routes connecting with Great Northern Highway northwards from Mt. Magnet.

TRAFFIC

Pedestrian Overpass: Wanneroo Road

743. Mr CRANE, to the Minister representing the Minister for Transport:

(1) Is the Minister aware of the possible dangers to pedestrians crossing Wanneroo Road in the Wanneroo town site?

(2) Have negotiations been completed for the erection of an overpass over Wanneroo Road to alleviate this danger?

(3) If negotiations are complete when will it be erected?

(4) Will it be located to adequately serve the pupils of the Wanneroo primary school, the Wanneroo junior primary school and St. Anthony's convent school?

Mr O'CONNOR replied:

(1) Yes.

(2) to (4) No. Following comprehensive investigations it has been decided to construct dual carriageways through Wanneroo townsite. The median will provide refuge and safety for pedestrians and enable them to cross one-way traffic movements. A guard-controlled crossing for school children currently in operation will be retained.

HOSPITAL

Wanneroo

744. Mr CRANE, to the Minister for Health:

(1) At what stage is the building of the new Wanneroo hospital?

(2) Is work proceeding according to schedule?

(3) When will the first stage of the hospital be completed and ready for occupation?

Mr RIDGE replied:

(1) Midway through the structural contract. Completion of the structural contract is scheduled for August, 1978.

(2) Yes.

(3) Building work is scheduled for completion at the end of 1979. Commissioning of the hospital will take several weeks and the first admission of patients is anticipated early in 1980.

HOUSING

Salvado Estate at Wembley Downs

745. Mr BARNETT, to the Minister for Housing:

With reference to question 677 of 1978—State Housing Commission lots in the Salvado Estate:

(1) What was the reserve price of each of the lots referred to in the question?

(2) How many lots have been sold since that question was asked and for what price?

(3) Were the reserves set by State taxation?

(4) If not, who set the reserves?

Mr O'CONNOR replied:

		$
(1)	Lot 34	30 000
	Lot 35	30 000
	Lot 36	30 000
	Lot 37	30 000
	Lot 38	30 000
	Lot 39	30 000
	Lot 40	30 000
	Lot 41	30 000
	Lot 42	40 000
	Lot 19	26 700
	Lot 18	26 800
	Lot 17	26 900
	Lot 16	27 000
	Lot 15	26 900
	Lot 14	26 800
	Lot 13	26 700
	Lot 12	26 600
	Lot 11	26 500
	Lot 10	26 400
	Lot 43	31 500
	Lot 44	31 000
	Lot 45	41 000 (duplex)
	Lot 46	30 000
	Lot 47	33 500
	Lot 48	34 500
	Lot 49	41 000 (duplex)
	Lot 50	30 000
	Lot 51	34 000
	Lot 4	25 500
	Lot 5	25 500
	Lot 6	25 000
	Lot 7	25 000
	Lot 8	26 200
	Lot 9	26 300
	Lot 3	43 000 (duplex)

(2) None.

(3) No.

(4) The State Housing Commission, after considering the independent valuation advice, including that of the State Taxation Department.

EDUCATION

Non-sexist

746. Mr HASSELL, to the Minister for Education:

(1) Was the State Education Department officially advised by the schools commission of the visit to Western Australia by one Blanch d'Alpuget in connection with a project being undertaken by that person under a grant from the schools commission to enquire about non-sexist education?

(2) Was the department asked to co-operate with the enquiries being undertaken by Blanch d'Alpuget?

(3) Did the department agree to co-operate?

(4) Is it a fact that the project of Blanch d'Alpuget is a worthwhile expenditure of education funds when measured against other priorities in education?

(5) When such projects are undertaken by the schools commission, is the likely result to be that in future the schools commission will make tied grants to the Education Department of Western Australia by which to impose on the department policies determined by the schools commission in the light of such studies as that taken by Blanch d'Alpuget over which the State department has no control?

(6) Is such activity consistent with the federalism policy expressed by the Commonwealth Government?

Mr P. V. JONES replied:

(1) and (2) The department was so advised and co-operation was requested.

(3) The Education Department arranged for Miss d'Alpuget to meet teachers who have undertaken projects in the area of non-sexist education. I understand no discussions were held with senior officers of the department, including staffing personnel.

(4) The project being conducted is promoted by the Australian Schools Commission under the special projects programme.

(5) It is most unlikely that a project conducted at this level will lead to tied grants, and any such attempt to impose policies would be completely unacceptable to the Western Australian Government.

(6) The activity as it exists is supposed to be one of research in education and is not related to federalism policy.

ABORIGINES

Dampier Peninsula Reserve: Change of Status of Land

747. Mr DAVIES, to the Minister for Lands:

(1) Is the Government considering changing the status of land on the Dampier land peninsula, north of Pender Bay, which is currently a temporary Aboriginal reserve?

(2) If "Yes"—

(a) what change is contemplated; and

(b) when is it expected that the change will be made?

(3) If "Yes" to (1), on whose advice is the change being made and why?

(4) If "Yes" to (1)—

(a) have the aborigines in the area been consulted;

(b) if not, why not?

Mrs CRAIG replied:

(1) to (4) The status of the land is vacant Crown land. The land is the subject of a 1977 report by the Conservation Through Reserves Committee on System 7 to the Environmental Protection Authority. The report has now been made public by the Environmental Protection Authority and the authority is seeking comments by the 30th June, 1978, prior to making any recommendations to the Government. The land is also the subject of an application to the Lands Department by the Lombadina Aboriginal community to utilise the land for pastoral purposes. No decision has been made on this application.

ABORIGINES

Dampier Peninsula Reserve: Mining

748. Mr DAVIES, to the Minister for Mines:

(1) Is the Government aware whether any mining companies have expressed interest in land on the Dampier land peninsula, north of Pender Bay, currently held as a temporary Aboriginal reserve?

(2) If "Yes"—

(a) which companies; and

(b) for what purpose?

(3) If "Yes" to (1), does the Government propose to allow the companies to enter the land whether it continues to be a temporary Aboriginal reserve or if and when the status of the land is changed?

(4) If the Government is considering giving mining companies the right to enter the land, will the views of the local Aborigines—

(a) be sought;

(b) be taken into account?

Mr MENSAROS replied:

(1) to (4) There are Aboriginal reserves to the north of Pender Bay within the exploration permit held by Esso Exploration and Production Australia

Inc., but I am not aware of the company having expressed a desire to explore on the reserves.

ABORIGINES

Beagle Bay Land: Mining

749. Mr DAVIES, to the Minister for Mines:

(1) Is the Government aware whether mining companies have expressed interest in land currently held by the Beagle Bay Aboriginal community?

(2) If "Yes"—

(a) which companies; and

(b) for what purpose?

(3) If "Yes" to (1), does the Government propose to allow the companies to enter the land?

(4) If "Yes" to (3), have or will the views of the Beagle Bay people—

(a) been/be sought;

(b) been/be taken into account?

Mr MENSAROS replied:

(1) Yes, an oil exploration company has shown such interest.

(2) (a) Esso Australia Limited;

(b) to carry out a seismic survey of part of oil exploration.

(3) This matter is still under consideration.

(4) (a) and (b) Yes.

TRANSPORT

MTT Conductors and Drivers

750. Mr DAVIES, to the Minister representing the Minister for Transport:

What were the average weekly hours worked by—

(a) bus drivers;

(b) bus conductors,

in 1977

Mr O'CONNOR replied:

(a) 42 hours, including overtime;

(b) 39 hours.

TRANSPORT

MTT Conductors and Drivers

751. Mr DAVIES, to the Minister representing the Minister for Transport:

What was the average after-tax wage of—

(a) bus drivers;

(b) bus conductors,

in 1977?

Mr O'CONNOR replied:

(a) Gross $195.13;
tax $40.00
net $155.13.

(b) Gross $149.69;
tax $27.98;
net $121.71.

EDUCATION

Policy Paper No. 14: Statement by Teachers' Union President

752. Mr CLARKO, to the Minister for Education:

(1) Is he aware of the statement made by the President of the State School Teachers' Union, Mr Bennett, referring to Policy Paper No. 14 issued by the Director-General of Education, and appearing in *The Sunday Times* on Sunday, 7th May, 1978?

(2) Was the statement factual in substance?

(3) Is the Teachers' Union entitled to require school principals to return to the Education Department documents issued to schools by the Education Department?

(4) How many copies of policy paper No. 14 have been returned to the Education Department?

Mr P. V. JONES replied:

(1) Yes.

(2) The statement was incorrect in two important respects—

(a) First it stated that many principals acting on the instruction of the Secretary of the Teachers' Union had refused to accept the director-general's policy paper on consultation and had returned the paper to the department. In fact, at the time, two principals had acted in this manner.

(b) The report referred to a replacement policy paper and, in a statement attributed to the president of the union, it was inferred that this was a new document containing some modifications or changes which were now acceptable to the Teachers' Union. In fact, the text was word for word the same, the only difference being the advance copy was photocopied and the later ones were printed.

(3) No. Action of this type by the union could only complicate the operation of the schools and, at the same time, is an embarrassment to school principals.

(4) Fourteen more copies have been received at the department. That is a total of sixteen schools have returned the paper of the 659 schools which received it.

RURAL AFFAIRS

Recommendations of Inquiry

753. Mr CARR, to the Minister for Consumer Affairs:

With reference to his answer to question 707 of 1978 in which he stated that questions concerning the implementation of suggestions contained in the report of the rural affairs inquiry should be referred to the relevant departments and instrumentalities:

(1) Is it factual to interpret his answer to mean that his department has not referred the report to such departments and instrumentalities for implementation?

(2) If "No" will he please advise what action has been taken by his department to have the suggestions in the report implemented?

Mr GRAYDEN replied:

(1) and (2) This report was prepared as the result of a motion by this House on 15th October, 1975, which read:

In the opinion of this House, all matters relating to the provision of goods and services to rural communities of WA should be referred to the Commissioner for Consumer Affairs, in order that he may examine and report on any improper, discriminatory or unfair trading and on any lack of services or facilities.

In accordance with the motion the report was prepared and tabled in September, 1977.

CREDIT UNIONS

Legislation

754. Mr HODGE, to the Chief Secretary:

(1) Further to question 708 of 1978, what are the names of the four persons elected to consult with the Government on proposed legislation to regulate the operation of credit unions?

(2) What organisations do the four persons mentioned above represent?

Mr O'Connor (for Mr O'NEIL) replied:

(1) Mr A. Clark (teachers).
Mr A. Carter (Fremantle).
Mr J. Mitchell (Police).
Mr A. English (League).

(2) These four persons represent the credit union industry in Western Australia.

EDUCATION

Drug Education Programmes

755. Mr WILSON, to the Minister for Education:

(1) Will he provide details of the extent and nature of the drug education programmes being conducted in Government schools?

(2) Who is responsible for producing the material used and what special training is available for those conducting drug education in schools?

(3) Are there any departmental officers or teachers engaged full-time in preparing or conducting drug education programmes in schools?

(4) If "Yes" to (3), what is the number involved?

Mr P. V. JONES replied:

(1) Drug education programmes are conducted at the discretion of the schools and generally within the schools' health education programme.

(2) Any material produced for drug education programmes is prepared by curriculum officers responsible for health education. There is no special training available for those conducting drug education programmes in schools.

(3) There are no departmental officers or teachers engaged full-time in preparing or conducting drug education programmes in schools.

(4) Not applicable.

I would add, Mr Speaker, in 1976 a committee composed of suitably appropriate personnel prepared a report on drug education in schools, and if the member would like a copy of that report, I will arrange for him to receive it.

HEALTH AND COMMUNITY WELFARE

Drug Education Programmes

756. Mr WILSON, to the Minister for Health:

(1) Will he detail the amount and categories of budgeted expenditure by the departments of Health and Community Welfare on drug education in the current financial year as compared with the previous year?

(2) How many officers of his departments are fully engaged in providing drug education programmes and what special training or qualifications is required for those so engaged?

(3) Through what kinds of venues are these programmes being offered?

(4) What are the numbers of staff available to conduct such programmes in terms of the public demand for them?

Mr RIDGE replied:

(1) The Health Education Council receives a grant for drug education from the Commonwealth Department. Grants as follows:

1976-77—$84 750.
1977-78—$91 500.

Some State Consolidated Revenue Funds and community health programme funds are expended on health . education, including drug education in the normal operations of the branches of the Public Health Department, but the exact amounts cannot be determined.

(2) The Commonwealth grant provides for two full-time health education officers, three part-time health education officers and three clerical officers.
Health education officers are usually graduates and/or trained health workers (e.g. nurses, teachers), who are further trained in in-service courses by the council. Clerical officers are engaged in the production and distribution of printed materials.

(3) Anywhere that community groups gather and ask for support.

(4) The council has adequate resources for its current needs.

POLICE

Drug Squad and Drug Education Programmes

757. Mr WILSON, to the Minister for Police and Traffic:

(1) How many officers are attached to the police drug squad?

(2) What is the budgeted allocation for the current year to cover the operations of the drug squad?

(3) What special training is undertaken by members of the squad?

(4) Are any numbers of the squad engaged in drug education?

(5) If "Yes" to (4)—

(a) how many officers are involved; and

(b) what is the extent of their involvement?

(6) What part of the drug squad's time, in terms of man hours in proportion to the squad's overall responsibilities, is spent specifically on drug education?

(7) What are the numbers of the staff available to conduct such programmes in terms of the public demand for them?

Mr O'Connor (for Mr O'NEIL) replied:

(1) 5 detective sergeants, 12 detectives.

(2) The drug squad is not isolated in terms of budgeting.

(3) Regular interchange between Victoria, New South Wales, and South Australia (2 officers per year). Also 2 officers per year to the Australian Police College, Manly, to attend a specialised drug training course, and occasional overseas study tours.

(4) Yes; lectures on drug awareness to community groups.

(5) (a) 4.

(b) Each lecture lasts about 1-1½ hours. These are delivered on demand where practicable.

(6) Lectures average 3 per month—with travelling, the average time for each lecture is about 3 hours.

(7) 4.

POLICE

Drug Education Programmes

758. Mr WILSON, to the Minister for Police and Traffic:

(1) How many officers are currently employed in the police lecture branch?

(2) Are members of the lecture branch involved in drug education programmes?

(3) If "Yes" to (2)—

(a) how many officers are engaged in conducting drug education programmes; and

(b) what special training do they receive to equip them for this task?

(4) (a) What is the nature of the programmes provided; and

(b) through what venues are they offered?

Mr O'Connor (for Mr O'NEIL) replied:

(1) Nine.

(2) Yes.

(3) (a) Seven.

(b) All police lecturing branch staff involved in the drug education programme attended a special training course organised and implemented by the Health Education Council of Western Australia in co-operation with the drug squad of the Western Australian Police Department.

(4) (a) Firstly, to indentify drugs and to create an awareness of the effects of drugs and the problems involved, together with the relevant laws and penalties relating thereto.

Also to supply information concerning the availability of agencies and services which could assist parents, should their youngsters become involved in the drug scene.

The overall aim of the lecture/discussion is to enable the respective students and parents to make their own decisions in respect to drugs.

(b) Lecture/discussions on drugs are only given when requests are received from either principals of schools, or interested organisations.

WATER RATES

State Housing Commission and Private Rental Accommodation

759. Mr WILSON, to the Minister for Water Supplies:

(1) Will State Housing Commission tenants occupying pensioner units, town house units, and flats, and tenants in privately rented flats and units be required to pay the proposed standard annual charge of $36?

(2) If "No" what will be the basis for water charges for occupants of this type of accommodation?

Mr O'CONNOR replied:

(1) The proposed $36 is a water rate by way of a prescribed standard charge and will be charged on all such residential units.

(2) Not applicable.

TRAFFIC SIGNS

Speed Limit: Beach Road

760. Mr WILSON, to the Minister representing the Minister for Transport:

(1) Is it normal practice to place speed limit signs at intervals along major highways in the metropolitan area?

(2) If "Yes" will he have his department investigate the need for such signs in Beach Road between Wanneroo Road and Mirrabooka Avenue?

Mr O'CONNOR replied:

(1) Not where the blanket speed limit of 60 km/h applies.

(2) The blanket speed limit applies to Beach Road.

TRAFFIC LIGHTS AND ACCIDENTS

Beach Road-Girrawheen Avenue Intersection

761. Mr WILSON, to the Minister representing the Minister for Transport:

(1) Can the Minister give the figures for fatal and non-fatal accidents at the intersection of Beach Road and Girrawheen Avenue for the past two years?

(2) In view of this record, does the Main Roads Department rate this intersection high on the priority list for the installation of traffic lights?

(3) When are traffic lights likely to be installed at this intersection?

Mr O'CONNOR replied:

(1) 1976 Fatal—Nil. Non-fatal—10.
1977 Fatal—Nil. Non-fatal—22.

(2) Yes.

(3) During the 1978-79 financial year.

ROAD

Stebbing Way

762. Mr WILSON, to the Minister for Education:

(1) Has his department's attention been drawn to the potentially dangerous situation in Stebbing Way at the entrance to Montrose primary school in Girrawheen, owing to the narrowness of the road and the congestion caused by cars stopping to set down and pick up children?

(2) If "Yes"—

(a) has his department discussed with the Shire of Wanneroo the question of widening the road to allow for safer access for cars and pedestrians;

(b) what proposals, if any, are being considered at present and when is action likely to be taken?

Mr P. V. JONES replied:

(1) Yes.

(2) (a) The Public Works Department has been requested to negotiate with the Shire of Wanneroo, after a request to the Education Department by the shire.

(b) A set-down embayment in Stebbing Way has been suggested by the shire at an estimated cost of $3 000, for which the Education Department is prepared to meet half the costs.

COMPANIES

Registration

763. Mr WILSON, to the Minister representing the Attorney-General:

(1) Is it a fact that there are over 4 000 companies recorded in Western Australia which are not registered?

(2) Is it also a fact that only Western Australian companies must be registered?

(3) If "Yes" to (1) and (2), why are eastern States and overseas based companies operating in Western Australia not required to register here?

Mr O'CONNOR replied:

(1) Yes—there is not any formal registration of "recognised companies" that carry on business in WA. A company incorporated in any of the Interstate Corporate Affairs Commission States of Queensland, New South Wales or Victoria can carry on business in WA after having its name approved by the commissioner and giving notice of the situation of its principal office in this State.

(2) No—companies incorporated overseas or in South Australia, Tasmania or the Territories must register as foreign companies if they carry on business in WA.

(3) See answers to (1) and (2).

NATURAL DISASTER DAMAGE

Busselton Jetty

764. Mr BLAIKIE, to the Minister for Works:

(1) Has his department made any assessment of the damage caused to the Busselton jetty during cyclone "Alby" and would he advise?

(2) What has been the cost of repairs and demolition of unsafe sections and clearing up debris after the above storm?

(3) Has any estimate of repair to the jetty been made, and if so, would he advise?

(4) Has his department carried out a marine survey to ascertain the condition of remaining jetty structure, and if so, would he advise results?

(5) If "No" to (4), why not?

Mr O'CONNOR replied:

(1) Yes. The promenade jetty was completely demolished between Piers 19 to 35, 40 to 60, 85 to 106 and 114 to 118, and the remaining sections between Piers 18 to 138 were damaged beyond economical repair.

(2) The cost of cleaning up debris, repairs to the railway viaduct and outer section of the main jetty, plus the demolition of unsafe sections of the promenade jetty, is estimated at $57 000. This work is in course.

(3) The replacing of the promenade jetty with steel piles and concrete deck is estimated at $870 000, and with steel piles and timber deck at $1 260 000.

(4) A detailed inspection by a diver from Fremantle has been in progress for a week, but no report is yet available.

(5) Answered by (4).

765. *This question was postponed.*

TAYLOR MEDIA AND MARKETING SERVICES

Engagement for Sesquicentennial Celebrations

766. Mr T. J. BURKE, to the Premier:

(1) Who are the principals of Taylor Media and Marketing Services, the firm awarded the tender for the consultancy service for the 150th Anniversary celebrations?

(2) How many firms tendered for the contract?

(3) What other public relations firms have been, are, or will be engaged for the 150th Anniversary celebrations?

Sir CHARLES COURT replied:

(1) The principals are—

Mr E. G. Taylor—Chairman.
Mr M. J. Taylor—Director/Secretary.

(2) Three.

(3) Farrell Newman.

COMMISSIONER OF POLICE

Retirement

767. Mr T. J. BURKE, to the Minister for Police and Traffic:

(1) Has the Commissioner of Police indicated his desire to retire before reaching the statutory retiring age of 65 years?

(2) If "Yes" can he give an indication as to when Mr Leitch will be resigning his position?

Mr O'Connor (for Mr O'NEIL) replied:

(1) and (2) No.

STATE HOUSING COMMISSION

Land

768. Mr T. J. BURKE, to the Minister for Housing:

(1) Would he please provide details of all land purchased by the State Housing Commission, including details of from whom it was purchased (owners) and prices paid since the beginning of 1977?

(2) If agency fees or commissions were paid, would he please indicate how much and to whom the moneys were paid in each case?

Mr O'CONNOR replied:

(1) and (2) It is long-standing policy of the commission, and endorsed by Housing Ministers of both persuasions, that this type of information is confidential to the commission.

YANCHEP SUN CITY

Groyne

769. Mr T. J. BURKE, to the Minister for Local Government:

Is he aware whether responsibility for the groyne at Yanchep Sun City will be transferred to the new owners, as a result of the recent change of ownership of the area?

Mr RUSHTON replied:

The groyne at Yanchep Sun City is State owned. A lease issued to Yanchep Estates Pty Ltd and Bond Coporation Pty Ltd on 26th February, 1974 was subsequently assigned to Yanchep Sun

City Pty Ltd, the shares of which are now owned totally by Tokyu Coporation.

MOTOR VEHICLE INSURANCE TRUST

Loss, Reserves, and Revenue

770. Mr T. J. BURKE, to the Minister for Local Government:

(1) Would he please provide details of the loss sustained in the last financial year and in this financial year to date by the Motor Vehicle Insurance Trust?

(2) What are the present reserves of the Motor Vehicle Insurance Trust?

(3) Are these resources invested?

(4) If so, what was the income for the last financial year and this financial year to date from these investments?

Mr RUSHTON replied:

(1) The deficit shown in the Balance Sheet and Profit and Loss Account laid before both Houses of Parliament as required by the Motor Vehicle (Third Party Insurance) Act for financial year ending 30th June, 1977 was $543 179. Final Accounts are prepared half yearly and at the last balancing date, 31st December, 1977, the deficit shown was $4 236 389.

(2) Reserves, i.e. accumulated surplus as disclosed in the last Balance Sheet for half year ending 31st December, 1977 was $6 424 985.

(3) Yes. The resources are invested save and except for a reasonable sum retained for daily use in transacting trust business.

(4) Income from investments for financial year ending 30th June, 1977 was $6 086 535. For half year ended 31st December, 1977 the amount was $3 579 184.

YANCHEP SUN CITY

Business and Industrial Sites

771. Mr T. J. BURKE, to the Minister for Lands:

(1) Who owns the sites on which businesses are built in the Yanchep Sun City area?

(2) Is she aware of plans to sell any of this land?

(3) Have any new industrial or other business sites been planned for the Yanchep Sun City area?

(4) Does she know whether any plans for industrial or business sites have been affected by the recent change of ownership of the land?

Mrs CRAIG replied:

(1) Apart from the Yacht Harbour Special Lease 3116/5595 (Crown Lease 82/1975) over Swan Location 8796 which is held by Yanchep Sun City Pty. Ltd. over which sub-leases have been granted to tenants for related business purposes, the Yanchep Sun City area comprises freehold land and is not under my jurisdiction.

(2) No.

(3) Not known.

(4) No.

QUESTIONS WITHOUT NOTICE

ROAD TRANSPORT

Overload Permit

1. Mr O'CONNOR (Mt. Lawley—Minister for Works): In answer to a question without notice asked yesterday by the member for Avon, I stated that Brambles Manford proposed using a rigid truck plus two trailers with a gross combination mass of 86.4 tonnes. Unfortunately, that was a typographical error; in actual fact it should have read 100.5 tonnes.

WORKERS' COMPENSATION ACT

Amending Legislation

2. Mr DAVIES, to the Minister for Labour and Industry:

My question relates to an answer the Minister gave yesterday to the member for Clontarf relating to the advertisements regarding workers' compensation placed in the newspapers by the Trades and Labor Council. The Minister said that the advertisements basically were false; in fact, he is reported in tonight's newspaper in similar vein. Did the Minister hear the challenge issued on the steps of Parliament House by the secretary of the TLC (Mr Peter Cook) to take action against him if the advertisements were false? If the Minister did not hear that challenge, I am now conveying it to him. Does he intend to take action if the advertisements are false, as he claims?

Mr GRAYDEN replied:

May I repeat that all of the advertisements are false.

Mr Tonkin: Then take action!

Mr GRAYDEN: Later this evening, when we are debating the amendments to the Workers' Compensation Act, I will have an opportunity to read them in detail and point out where they are false.

ROAD

Beach Road

3. Mr NANOVICH, to the Minister for Local Government:

I refer the Minister to the article in today's issue of the *Daily News* which is headed, "Council's road decision made 'under duress' ". Could the Minister advise whether, at his March meeting with officials of both Stirling and Wanneroo councils he gave an undertaking that if Stirling City Council did not agree to the extension of Beach Road, west of Marmion Avenue to West Coast Highway, he would intervene and have this portion of road completed?

Mr RUSHTON replied:

If my memory serves me correctly, I met with officials of the City of Stirling on site to discuss the problem relating to the extension of Beach Road through to the coast. The discussion centred around what was the best solution to the problem. There was a difference of opinion between the Shire of Wanneroo and the City of Stirling on this issue. We canvassed all sorts of options and fresh information was conveyed to the City of Stirling relating to the additional road that was being provided within the Shire of Wanneroo; namely, another east-west road just north of the one we were discussing.

The City of Stirling undertook to take back to its city council my request that it give further consideration to the best solutions to this problem and promised to convey its determinations to me in due course. I would suggest that the implications contained in the newspaper report are incorrect and what I have suggested to the City of Stirling is that it review the whole situation in the light of all the information. I am hopeful it will come forward with the best proposal which will benefit the transportation needs of that area.

HERALD AND WEEKLY TIMES GROUP

Interest in Alcoa

4. Mr SHALDERS, to the Premier:

Has he examined the allegation by the member for Warren that the Herald and Weekly Times group, of which *The West Australian* is a part, had interests in Alcoa?

Sir CHARLES COURT replied:

I thank the honourable member for notice of the question, the answer to which is as follows—

Yes.

Mr Davies: He thanks you for the question.

Sir CHARLES COURT: I can find no evidence of such an interest. I have also been assured from all inquiries I have made that neither *The West Australian* nor the Herald and Weekly Times group has any interest in Alcoa.

Mr H. D. Evans: What about interlocking insurance companies?

Sir CHARLES COURT: I repeat that neither company has any interest in Alcoa. In the light of this, the member for Warren has an obligation either to make public his proof of the alleged interest or apologise to the newspapers concerned.

WORKERS' COMPENSATION

Industrial Deafness

5. Mr SKIDMORE, to the Minister for Labour and Industry:

I draw the Minister's attention to the Full Court decision in which a worker's claim for compensation for an onslaught of industrial deafness was dismissed on the technical ground that the particular section of the Act was deficient in the eyes of the law. In view of the fact that the Workers' Compensation Act is to be amended, will the Minister advise the House whether he will put in a further amendment to correct this anomaly?

Mr GRAYDEN replied:

This is one of the matters which will be considered by the judge who will be

appointed to carry out the judicial inquiry.

WATER SUPPLY UNION

Meeting

6. Mr BLAIKIE, to the Minister for Labour and Industry:

(1) Is the Minister aware that the Secretary of the Water Supply Union (Mr Bennett) is reported today as having said that a notice issued by the union referred to "an ordinary union meeting to discuss internal union business"?

(2) Is the Minister also aware that Mr Bennett is reported as having said, "the notice did not refer to the protest rally at Parliament House today on workers' compensation"?

(3) If so, is the Minister satisfied with the explanation given by Mr Bennett?

Mr GRAYDEN replied:

I thank the member for Vasse for some notice of this question, the answer to which is as follows—

(1) Yes.

(2) Yes.

(3) No. Indeed, the explanation given by Mr Bennett is so untruthful that one can only conclude he has deliberately lied.

Mr B. T. Burke: You are picking on a union with one of the lowest paid group of workers in the State. What a lot of rubbish you are talking! You tried to sack 300 of them back in 1975.

The SPEAKER: Order! The member for Balcatta will restrain himself.

Mr GRAYDEN: For the information of members I have in my possession an actual photocopy of the notice issued by the union, and I should like to mention the salient points one by one, after which, with your permission, Mr Speaker, it will be laid on the Table of the House.

The salient points are—

> All members will cease work at 12 noon sharp. This action has been taken over the two most important issues confronting us since 1975.

Those issues are listed. Point two states—

> The Government's crippling amendments to the Workers' Compensation Act.

Mr B. T. Burke: What is the first point?

Mr GRAYDEN: It is—

> The massive run-down in the Water Board work force.

Mr B. T. Burke: Hear hear! You are responsible for that.

Mr Young: You are responsible for nothing.

Mr GRAYDEN: The notice continues—

> We will then march the short distance to Parliament House where we will join workers throughout the State in their rally against compensation cuts.

The notice is signed by Gordon Bennett, the General Secretary of the union. It continues—

> Every single member is required to attend. Pay numbers will be taken and a list of those not attending will be published.

I regret to say that the statements made by Mr Bennett were echoed by Mr Peter Cook on ABC television last night. The statements are completely untrue.

(The papers were laid on the Table of the House for the information of members).

MINING

Iron Ore Sales to China

7. Mr DAVIES, to the Premier:

My question relates to a question I asked the Premier last week. The Premier gave me much detailed information in his answer, for which I was grateful, but he did not actually answer the question. It related to the sale of iron ore to China. I asked the Premier: Has the Federal Minister for Industry and Commerce (Mr Lynch) been in touch with the Government over the sales of iron ore to China? The Premier did not answer that question. As Mr Lynch is reported in tonight's newspaper as saying he will be in touch with the producers in the next few weeks, can the Premier advise whether Mr Lynch has yet been in touch with him, his Minister, or any member of the Government?

Sir CHARLES COURT replied:

As I recall the answer I gave him, it was to the effect that the information announced by Mr Lynch was not new.

This State is already trading with mainland China in respect of both iron ore and pig iron. Therefore, there is nothing novel in what the Federal Minister said. However, I think my colleague has made it clear that at the appropriate time he will seek information from Mr Lynch to ensure there is nothing additional to what we already know.

Mr Davies: He is ignoring the Government.

Sir CHARLES COURT: Just listen for a moment. I do not expect Mr Lynch to rush madly to the Government about the matter because he knows that we probably have more information than he has on this question and in fact have been the initiators of efforts to stimulate this trade in iron ore, at the same time trying to maintain the trade in black iron; that is, the pig iron from the Kwinana blast furnaces.

Knowing my colleague as I do, I have no doubt he will be in touch with the Minister's department to find out whether there is anything we do not know. I suggest to the honourable member that the comment by Mr Lynch that he will pass on to the iron ore companies any information he has which he feels would help them in their negotiations is a sensible and proper one.

I repeat: it is our hope that the steel industry that is to be established in Shanghai by the Japanese steel mills for the Chinese Government will in fact be supplied by both the Australian coal industry and the Western Australian iron ore industry.

ROAD TRANSPORT

Nitrate

8. Mr CARR, to the Minister representing the Minister for Transport:

With reference to nitrate consignments to be transshipped from Westrail at Geraldton and carted north by Brambles Manford—

(a) Whereabouts in Westrail's Geraldton facilities will be the point of transfer from rail to road?

(b) What will be the route taken by the road vehicles to get them on to the main highway north?

(c) Will a gantry and/or other additional facilities be provided to unload the nitrate?

Mr O'CONNOR replied:

(a) Narngulu.

(b) The proposed route is Roshen Street, Fairfax Street, Edwards Road, Geraldton/Mt. Magnet Road, Floors Road to North West Highway. Permits will not be issued until the local authorities concerned have approved of the routes under their control.

(c) Yes. A gantry and weighbridge will be provided by Brambles Manford.

NATURAL DISASTER RELIEF

Busselton Jetty

9. Mr BLAIKIE, to the Minister for Works:

As the Minister's answer to question 764 on today's notice paper indicates that the cost of repairing the damaged section of the Busselton jetty would appear to be about $1 million, and as a marine survey is being undertaken, will the Minister make available the result of that survey to me, as the member for the district, as early as possible after the report is concluded, because that survey will be critical to any decision made in relation to the Busselton jetty?

Mr O'CONNOR replied:

I believe it will be a couple of weeks before the report will be completed. Divers are presently working in the area to ascertain the amount of damage and whether there are failures in other areas, such as borers in the piles. But I undertake to give the member a copy of the report as soon as it is available.

PRISONS

Inmates: Work Release

10. Sir CHARLES COURT (Premier): I wish to complete an answer I was unable to give yesterday to the member for Balcatta. He asked a question without notice regarding work release. The specific question was—

Will he confirm that Cabinet is not considering any change to the basic operation of the work release scheme?

I replied that I was not prepared to reveal which matters were before Cabinet.

I have now ascertained that all States are co-operating with the Australian Institute of Criminology in the conducting of research into the problems of long-term prisoners. One aspect of this research will involve looking at the work release and temporary leave programmes to establish their appropriateness for the management of long-term prisoners. It will not involve a detailed analysis of work release and special leave programmes in this State. Our own Department of Corrections is currently reviewing the work release programme and special leave programme. This review involves the monitoring of inmates who have completed or are currently involved in the programme. This is an ongoing study and is not expected to produce conclusive results for some time.