Legislative Council

Wednesday, 27th November, 1957.

CONTENTS.

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

ASSENT TO BILLS.

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

1, Coal Mine Workers (Pensions) Act Amendment.
2, Factories and Shops Act Amendment.
3, Optometrists Act Amendment.
4, Cattle Trespass, Fencing and Impounding Act Amendment.
5, Basil Murray Co-operative Memorial Scholarship Fund Act Amendment.
6, Noxious Weeds Act Amendment.

QUESTIONS.

COAL.

Tabling of Tender Board File.

Hon. C. H. SIMPSON asked the Minister for Railways:

Will he lay on the Table of the House the coal file (Government Tender Board 1433-55) which was recently laid on the Table of another place?

The MINISTER replied:

Yes.

DENNIS FIRE TENDER.

Particulars of Sale.

Hon. J. M. A. CUNNINGHAM asked the Chief Secretary:

The old Dennis fire tender which recently became surplus to needs, is now offered for sale in a showroom in Perth:—

(1) Will he advise the House if the firm is offering it for sale or sell it for the department; or did they purchase it outright from the department?

(2) What was the price received by the department for the vehicle?

(3) What was the mileage figure on the register when sold?

The CHIEF SECRETARY replied:

(1) Outright sale. Highest tender accepted.

(2) £200.

(3) Mileage register unserviceable since 1955. Road miles estimated at approximately 4,000 and for tests and pumping horse-power output of prime mover estimated to equal approximately 100,000 road miles. Appliance in service for 29 years and obsolete.

BILL—SHEARERS' ACCOMMODATION ACT AMENDMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

BILL—NORTHERN DEVELOPMENTS PTY. LIMITED AGREEMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendments made by the Council.

BILL—PUBLIC SERVICE.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 4 to 19 inclusive made by the Council and had disagreed to Nos. 1, 2, 3, 20, 21, 22 and 23.

BILL—ACTS AMENDMENT (SUPERANNUATION AND PENSIONS).

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

BILL—TOWN PLANNING AND DEVELOPMENT (METROPOLITAN REGION).

Received from the Assembly and read a first time.

BILL—LONG SERVICE LEAVE.

Recommittal.

On motion by the Minister for Railways, Bill recommitted for the further consideration of Clauses 5, 6, 8, 9 and 39.

In Committee.

Hon. W. R. Hall in the Chair; the Minister for Railways in charge of the Bill.

Clause 5—Exemptions:

Hon. N. E. BAXTER: On behalf of Mr. Logan, I move an amendment—

> That after the word "benefits" in line 33, page 8, the words "in the nature of long service leave" be inserted.

This amendment speaks for itself and deals with benefits in the nature of long-service leave. The idea of inserting these words is to make sure that this particular section does not refer to benefits other than long-service leave.

Hon. H. K. WATSON: I suggest to Mr. Baxter that he might be good enough to withdraw this amendment and postpone the clause until Mr. Logan arrives, because I understand he is going to make further inquiries into this matter.

Hon. N. E. BAXTER: I am quite willing to postpone this amendment until Mr. Logan returns.

The CHAIRMAN: It would be better if the hon. member withdrew the amendment for the time being.

Hon. N. E. BAXTER: I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

On motion by the Minister for Railways, further consideration of the clause postponed.

Clause 6—Contracting out prohibited:

The MINISTER FOR RAILWAYS: I move an amendment—

> That Subclause (2), inserted by a previous Committee, be struck out.

This provision means that where an award is in existence and long-service leave is on less than a 20-year basis, such as the award which covers employees at Yampi, any interested person can apply to the court and the court shall cancel it. It has no jurisdiciton at all; it must arbitrarily cancel the award on the application of an interested person. As I have said previously, surely this Committee is not going to agree to that proposition, which will take away by Act of Parliament something which an Arbitration Court has given.

Hon. H. K. Watson: By what authority?

The MINISTER FOR RAILWAYS: The Arbitration Court has given it under an award. Mr. Watson's contention is that such matters should be left to the court. In his second reading speech he said that if there was to be long-service leave, then, as in the case of other types of leave, the existing organisation should deal with the matter—that is the Arbitration Court.

Hon. H. K. Watson: Don't confuse the issue!

The MINISTER FOR RAILWAYS: Yet the hon. member proceeded to take everything from the court and make Parliament the authority. The amendment goes far beyond the basis for discussion and negotiation which the employers have chosen to call their national code. There is no such clause as this in the code which the employers submitted to the A.C.T.U.; and which is still being discussed by both parties. Surely we are not going to go beyond that code! Even "The West Australian" in reporting the Bill last week—

Hon. N. E. Baxter: Have you read tonight's paper?

The MINISTER FOR RAILWAYS: —said that the amendments inserted by the Council were in line with the national code as agreed upon by the employers and the A.C.T.U. That is wrong. "The West Australian" ought to be fair, and correct itself and let the people of the State know that this subclause goes beyond any proposed suggestion by the employers and the A.C.T.U. The A.C.T.U. has never been asked by the employers to agree to such a clause, and the negotiations are still proceeding.

In answer to Mr. Baxter, I have not read tonight's paper; but at 3 p.m. today I had advice from the A.C.T.U. to the effect that no agreement had been reached, but they were still negotiating. It is not the function of a Government, surely, to override the award of a court; but that is what this subclause does. I appeal to the Committee, now that it has had more time to consider the amendments inserted last week, to vote against the subclause.

Hon. H. K. WATSON: I hope the Committee will not agree with the Minister. The subclause was inserted after mature consideration by the Committee. There is nothing in what the Minister has just said that warrants any departure from the decision which the Committee then reached. On the contrary, page eight of tonight's "Daily News" make it doubly clear that we are on the right lines; because under the headline "Melbourne" it says, "The State Governments are to be asked to amend their Long Service Leave Acts . . . . "

The Minister for Railways: On a point order. The hon. member has told the Council right through that it is his objective to put into the Bill the national code, as he terms it. The article in today's paper refers to the national code.

Hon. Sir Charles Latham: You are making a speech now.

The CHAIRMAN: Order! That is not a point of order.

Hon. H. K. WATSON: The whole idea behind the desire of the A.C.T.U. and the employers is to put the national code into an Act of Parliament; and having done so, to say that it is not for the Arbitration Court or any other authority to vary the long-service leave provisions. That is why we put in Subclause (2). If we did not do that, we would have the ridiculous position of Parliament having to determine what the long-service leave code shall be, and some outside authority playing around with it.

The fact that in this State we have one award which contains a long-service leave provision is, I submit, quite beside the point. Our Industrial Aribitration Act does not contain provision for the court to make a long-service leave award. The Industrial Arbitration Acts in the other States may give power to the arbitration courts to make long-service leave awards. Until such time as provision in this regard is put into our Act, it is beyond the jurisdiction of the Arbitration Court to grant a long-service leave award; and in so far as it has included such a provision in an award, that provision is beyond the jurisdiction of the court. The A.C.T.U. and the employers' federations have decided that long-service leave shall be determined by Parliament; and we are carrying that out.

The MINISTER FOR RAILWAYS: The A.C.T.U. has not agreed on the implementation of a national code when the national code is finally decided. Whether it will go into an Act of Parliament, or whether it will be dealt by the Arbitration Courts is still a matter of negotiation. I had that information by telephone from Melbourne at 3 p.m. today. It came direct from the A.C.T.U. office in Melbourne.

An important clause still under discussion is the one which deals with the exemptions, which this Subclause (2) would nullify. It goes far beyond the proposals that the employers submitted to the employees. The propqsal in paragraph 5 of the code distinctly provides that where an existing award or agreement stipulates that there shall be less or better terms than are proposed in the national code, then those terms shall continue to apply. The hon. member desires to go far beyond that, and has gone far beyond it by having this inserted in the Bill so that all those matters shall be brushed aside, and any employees who are enjoying better conditions than the code proposes can have them taken away, and will have them taken away on the application of any interested person. All I am asking members to do is to get into line with the proposed code, at least in respect to this issue; and I hope they will support the amendment.

Hon. H. K. WATSON: Clause 5 of the Bill grants exemptions; and that is a different point to the Minister's. I ask the Committee not to agree to the amendment.

The MINISTER FOR RAILWAYS: Although Clause 5 exists, it has no effect if an interested person applies to the Arbitration Court for a cancellation.

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

Ayes	9
Noes	13
Majority against	4

Ayes.

Hon. G. Bennetts	Hon. G. E. Jeffery
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. G. Fraser	Hon. J. D. Teahan
Hon. J. J. Garrigan	Hon. F. R. H. Lavery
Hon. E. M. Heenan	*(Teller.)*

Noes.

Hon. N. E. Baxter	Hon. H. L. Roche
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. L. C. Diver	Hon. J. M. Thomson
Hon. A. F. Griffith	Hon. H. K. Watson
Hon. J. G. Hislop	Hon. F. D. Willmott
Hon. Sir Chas. Latham	Hon. J. Murray
Hon. G. MacKinnon	*(Teller.)*

Pairs.

Ayes.	Noes.
Hon. R. F. Hutchison	Hon. A. R. Jones
Hon. W. F. Willesee	Hon. L. A. Logan
Hon. F. J. S. Wise	Hon. R. C. Mattiske

Amendment thus negatived; the clause, as previously amended, agreed to.

Clause 8—Employment before commencement of this Act:

Hon. H. K. WATSON: I move an amendment—

That the words "of subsection (3)" in line 17, page 12, be struck out.

This is a drafting amendment.

The Minister for Railways: The words are superfluous.

Amendment put and passed.

Hon. H. K. WATSON: I move an amendment—

That the bracketed letter "(a)" in line 23, page 12, be struck out.

This is also a mopping-up operation.

Amendment put and passed.

Hon. H. K. WATSON: In my haste, and in a desire to assist the Committee by getting the amendments on the notice paper, I inadvertently had three paragraphs put down on the notice paper for Clause 8, whereas they should have been inserted in Clause 9. I refer to paragraphs (b), (c) and (d). It will be necessary to strike out these paragraphs, which were inserted by a previous Committee, and to insert them in Clause 9. Page 296 of the Minutes discloses the paragraphs mentioned. I move an amendment—

That paragraphs (b), (c) and (d) inserted by a previous Committee be struck out.

Hon. Sir CHARLES LATHAM: What will happen to paragraph (b) which is already in Clause 8?

Hon. H. K. WATSON: Paragraph (b), shown in the Bill, was struck out by a previous Committee and is not now in existence.

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

Clause 9—Entitlement to long-service leave benefits:

Hon. H. K. WATSON: I move an amendment—

That the words "The entitlement" in line 28, page 13, be struck out.

This is also a tidying-up amendment.

The MINISTER FOR RAILWAYS: I cannot see how the hon. member considers this to be a tidying-up amendment. I think it is desirable that the words remain in the Bill; otherwise the hon. member will have to insert something else.

Hon. H. K. WATSON: If the Minister looks further down the notice paper he will see that the next amendment I propose to move will clarify the position.

Amendment put and passed.

The MINISTER FOR RAILWAYS: I move an amendment—

That paragraphs (a) and (b) of Subclause (2), inserted by a previous Committee, be struck out and the following inserted in lieu:—

(a) on the completion by an employee of each period of ten years' continuous employment with his employer—

is thirteen weeks' long-service leave; or

(b) in the case of an employee who has completed more than ten years' continuous employment commencing on or after the first day of January, one thousand nine hundred and fifty-one with his employer and whose employment is ended—

(i) by the employer for any cause other than serious negligence or wilful misconduct on the part of the employee; or

(ii) by the employee on account of illness or incapacity of the employee, and the Secretary for Labour is satisfied, and certifies in writing that in his opinion, the illness or incapacity is of such a nature as to justify the ending of the employment—

is such period of long-service leave as equals one-fortieth of the period of the employee's continuous employment since the last accrual of entitlement to long-service leave under paragraph (a) of this subsection, in addition to the long-service leave to which he is entitled under that paragraph.

While I realise that some tidying-up is necessary in regard to this amendment on the recommittal of the Bill, the object is to reinsert in the Bill the basis of 10 years of qualifying service, instead of the 20-year period which has been substituted. The Government considers that as 10 years is the basis for long-service leave in the State, and more than one-third of the employees are already working under that qualifying period, nothing greater than that period should apply to the workers in this State. The Government does not desire to depart from the existing basis of 10 years.

I am hoping that members having had the week-end in which to consider more fully the implications of this Bill might agree to the 10-year basis, and reinsert the provisions for 13 weeks' leave after 10 years of continuous service with an employer; and to pro rata payments under certain conditions.

Hon. H. K. WATSON: I ask the Committee not to stultify itself. The whole basis of the Bill agreed upon by the Committee after very full discussion was that it should be in accordance with the Australian code, which is 13 weeks' leave after 20 years' service. The Minister now has the temerity, which passes my understanding, to ask the Committee to change its mind.

The MINISTER FOR RAILWAYS: There is no Australian code as referred to by Mr. Watson. There cannot be one applying to Western Australia in view of the previous amendment. While it may be said that members agree to the principle of long-service leave, the employees concerned will have to wait a very long time before they reach the stage of entitlement to that leave.

Hon. H. K. WATSON: Contrary to what the Minister has said, many employees in Western Australia will become entitled to long-service leave the day after this Bill is passed. Many will be entitled to 13 weeks' leave then and there; whereas under the Minister's proposition, they would have to wait four years.

The MINISTER FOR RAILWAYS: The hon. member has not given us the number of employees in this State who will be entitled to the long-service leave he referred to on the basis of 20 years of continuous service. Apart from the employees in Government service, very few in private industry will be qualified under that basis.

Hon. N. E. Baxter: You would be surprised at the number.

The MINISTER FOR RAILWAYS: The hon. member would be surprised to learn how few there are. Of all the workers in Government service, under very favourable conditions of employment, fewer than 30 per cent. reach the stage of becoming eligible for long-service leave on the basis of 10 years' service. It would therefore be very much more unlikely that employees in private employment would become entitled to that leave on a 20-year basis.

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

Ayes	9
Noes	13
Majority against	4

Ayes.

Hon. G. Bennetts	Hon. G. E. Jeffery
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. G. Fraser	Hon. J. D. Teahan
Hon. J. J. Garrigan	Hon. F. R. H. Lavery
Hon. E. M. Heenan	*(Teller.)*

Noes.

Hon. N. E. Baxter	Hon. H. L. Roche
Hon. L. C. Diver	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. J. M. Thomson
Hon. J. G. Hislop	Hon. H. K. Watson
Hon. Sir Chas. Latham	Hon. F. D. Willmott
Hon. G. MacKinnon	Hon. J. Cunningham
Hon. J. Murray	*(Teller.)*

Pairs.

Ayes.	Noes.
Hon. R. F. Hutchison	Hon. A. R. Jones
Hon. W. F. Willesee	Hon. L. A. Logan
Hon. F. J. S. Wise	Hon. R. C. Mattiske

Amendment thus negatived.

Hon. H. K. WATSON: I move an amendment—

> That after the word "employer" first occurring in paragraph (a), page 13, inserted by a previous Committee the words "the employee shall be entitled to" be inserted.

That replaces the deletion of the words "the entitlement" which has already been dealt with.

Amendment put and passed.

Hon. H. K. WATSON: I move an amendment—

> That the words "is thirteen weeks' long-service leave; or," in line 32, page 13, be struck out.

That is purely a drafting amendment.

Amendment put and passed.

Hon. H. K. WATSON: I move an amendment—

> That after the word "leave" in line 19, page 15, the following subclauses be added:—
>
> (3) Any leave in the nature of long-service leave or payment (whether by lump sum or by annual bonus) in lieu thereof granted, whether before or after the commencement of this Act to an employee by his employer in respect of any period of employment with the employer shall be taken into account and shall in the case of leave with pay to the extent of the period of such leave, and in the case of payment in lieu thereof to the extent of a period of leave, with pay equivalent to the amount of the payment be deemed to have been leave taken and granted under the provisions of this Act and to be satisfaction to the extent thereof of the entitlement of the employee under this Act.
>
> (4) An employer shall be entitled to offset against any payment by him into any long-service scheme, superannuation scheme, pension scheme, retiring allowance scheme, provident fund or the like, or under any combination thereof operative at the coming into operation of this Act, any liability for payment in respect of leave under this Act; and the conditions of any such scheme or fund are hereby varied and modified accordingly.
>
> (5) The entitlement to long-service leave hereunder, shall be in substitution and satisfaction of any long-service leave to which the employee may be entitled in respect of the employment of the employee by the employer.

The MINISTER FOR RAILWAYS: I oppose the amendment because it strips all employees of any benefits they might have had and offsets any payments and allowances that may have been made to them. I am wondering whether this does not affect the gold allowance which is included in a miner's pay in respect of his annual leave. I am wondering whether it would not have the effect of bringing about the subtraction of that allowance from his entitlement when he goes on long-service leave.

This amendment is a little different from the similar amendment previously considered, inasmuch as in this one the hon. member is making doubly sure that any bonuses or other payments that an employer may have seen fit to give to his employee will be offset against the long-service leave, because he adds the words "and the conditions of any such scheme or fund are hereby varied and modified accordingly." There is no doubt they will be varied and modified accordingly; and although, if an employee can work long enough and live long enough, he will get his long-service leave, any benefits or excess over the award rate which his employer may have seen fit to give him because he thought he was worth it, will be taken away when he goes on long-service leave. The gold allowance is a striking example of that. On those grounds alone the amendment should be rejected.

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

Ayes	13
Noes	9
Majority for	4

Ayes.

Hon. N. E. Baxter	Hon. H. L. Roche
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. L. C. Diver	Hon. J. M. Thomson
Hon. J. G. Hislop	Hon. H. K. Watson
Hon. Sir Chas. Latham	Hon. F. D. Willmott
Hon. G. MacKinnon	Hon. A. F. Griffith
Hon. J. Murray	*(Teller.)*

Noes.

Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. E. M. Heenan	Hon. G. Fraser
Hon. G. E. Jeffery	*(Teller.)*

Pairs.

Ayes.	Noes.
Hon. A. R. Jones	Hon. R. F. Hutchison
Hon. L. A. Logan	Hon. W. F. Willesee
Hon. R. C. Mattiske	Hon. F. J. S. Wise

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

Clause 39—Proceedings to be heard by industrial magistrate:

Hon. H. K. WATSON: I move an amendment—

> That after the words "Industrial Magistrate" in line 17, page 29, the words "the Conciliation Commissioner or the Court of Arbitration" be inserted.

The Committee may remember that when we dealt with this clause previously, I moved the amendment which is now standing in my name on the notice paper but, at the request of the Minister, did not press it, since the Minister suggested that it might not be of vital importance. Since then I have gone into the matter and I find that the amendment is necessary if the Bill is to be orderly and is not to provoke litigation as to the powers of the Arbitration Court.

Clause 39 is intended to keep all proceedings for breaches of the Act within the arbitration system by excluding from the Police Court prosecutions for offences. There is no objection to that. But Clause 39 conflicts with Clauses 23 and 25, because it limits the trial of offences to the industrial magistrate, whereas Clauses 23 and 25 provide for trials either by the Arbitration Court or the industrial magistrate.

So far as I can gather, the conflict was in the Bill when it was introduced in another place and did not arise out of anything done in this Chamber. To remove conflict and avoid unnecessary litigation, it is necessary to insert the words proposed in the amendment.

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

Bill again reported with further amendments and the reports adopted.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. A. F. GRIFFITH (Suburban) [5.44]: When the Chief Secretary was introducing this Bill, he remarked that it was not the first time we had seen a measure of this description in the Council. I oppose this measure because I regard it as another attempt to increase the activities of the State Government Insurance Office, and as a further encroachment by that office. I consider the Bill to be unnecessary, as there are already sufficient facilities in the field of insurance without any further expansion by the State.

The Chief Secretary: But you would welcome a foreign company here.

Hon. A. F. GRIFFITH: As I proceed I will indicate to the House the back-door method which the Government hopes to use in connection with one provision in the Bill relating to life assurance. First of all I will refer to portion of the Chief Secretary's speech when introducing the measure. He said—

> This Bill, which mainly seeks to enable the State Government Insurance Office to engage in all types of insurance, apart from life assurance, has been presented in this House on four previous occasions.

Despite the fact that the Minister's speech contained those words, he proceeded at great pains and at great length to tell us how the Bill sought to put into effect certain things in relation to particular sections of life assurance; and I will deal with that question a little later. The real purpose of this Bill is contained in Clause 4, which reads—

> (1) The Government of the State for the time being and from time to time is hereby authorised to engage in carry on and conduct insurance business, other than life assurance except to the limited extent authorised by paragraph (d) of this subsection, by or through the Office established by this Act and subject thereto under the management and supervision of the General Manager the Office is hereby authorised and empowered to—

The balance of the clause sets out the things that the general manager will be empowered to do. The portion of the clause I have quoted is the crux of the Bill and that which precedes and follows it is of no great import.

I repeat that the Bill is completely unnecessary because the community, as the House well knows, is fully served by existing facilities of a highly competitive nature. In this Bill there is, of course, a sharp division of basic principles. The Government—it is a well-known fact—would like

to extend the activities of the State Government Insurance Office and other Government trading concerns, in an endeavour to implement its policy of socialism. It is said that there is a great demand for the widening of the activities of the State Government Insurance Office; but I believe that demand is limited to the Government.

The Chief Secretary: Then what are you afraid of?

Hon. A. F. GRIFFITH: No public demand exists for an extension of the activities of that office, or more convincing proof would have been presented to the House by the Minister; but he had, in view of the facts, to satisfy himself by making a bland statement that a public demand existed for the measure, and that we should therefore give effect to it.

The Chief Secretary: You are not game to try it out and see what the demand is!

Hon. A. F. GRIFFITH: It would be strange if there was not some demand made to the State Insurance Office by some individual or individuals—

The Chief Secretary: You are not game to try it!

Hon. A. F. GRIFFITH: Despite these interjections—which no doubt are intended to put me off the track, but will not—there has been no public clamour or protest. I have not seen anyone write to the Press or protest—

The Chief Secretary: Not even Tony McKillick?

Hon. A. F. GRIFFITH: I do not see how he comes into the Bill. Although some of these figures have been previously quoted in this House—but not in the last year or two—I think it would be wise for us to examine one field of insurance in which the State now deals actively; and that is workers' compensation. The figures for 1938-39 show that in that year the State Insurance Office received £292,484 in premiums as against £232,909 received by the private insurers. Members will see that the State Office received more in premiums in this field than all the private offices together.

Ten years later, in 1948-49, the position had altered; and the figure for the State Office was £309,040, and for the private companies £479,939. Coming to 1955-56, we find an extraordinary situation, where the figure for the State Office is £408,828 and that of the private companies £834,330.

Hon. F. R. H. Lavery: Yes, with 79 companies against one office.

Hon. A. F. GRIFFITH: Despite the fact that this field is there for the State Insurance Office, it is obvious that the public demand for the private companies is growing rather than diminishing; and over the years has gone to the private companies, proportionately, much more than it has to the State Insurance Office.

The Chief Secretary: There is a deciding factor about a lot of that.

Hon. A. F. GRIFFITH: The Chief Secretary can tell the House about that when replying.

The Chief Secretary: You would not give it, but you know it.

Hon. A. F. GRIFFITH: Before the war, in 1938-39, the State Insurance Office was writing a larger volume of business than all the private insurers together, but it failed to maintain that position. To give some further figures, in 1948-49, it was £16,556, representing a 5.7 per cent. return; and in 1952-53 it was £181,120, representing a 62.26 per cent. return, for the State office; while for the private insurers in 1948-49 the figure was £247,030, or a 106 per cent. return, and in 1952-53 it was £499,332, which represented 214.38 per cent.

I have not quoted the figures for 1955-56, but they are just as great. With regard to motor-vehicle insurance, while it is submitted that the State Insurance Office does undercut the rates quoted by other insurers, the following figures extracted from the Government Year Book indicate, in no uncertain terms, that the business is not written on a sound underwriting basis. For 1955-56, the premium revenue of the office was £124,476, while the total expenditure was £110,241; and after allowing a substantial figure for unearned premiums, this department must be operating at a loss, and there would be no margin for reserves being built up, as would be expected of any sound insurance office.

Members can see the position in respect of the State Insurance Office and the business that it now does. I suggest that the private insurance companies built up their business over many years, as the average age of those companies is in the vicinity of 80 or 90 years. During that time their stability and goodwill have been based upon a foundation of well-practised business principles. The Chief Secretary suggested that the State Insurance Office had contributed generously to this State, and I think it should do so; but it is not the only insurance office that has done that. The private companies, of course, have invested huge sums of money in this State in many directions.

I will now take the opportunity of dealing with that portion of the Bill which relates to life assurance. In this regard the Minister said—

> This Bill seeks to enable the State Insurance Office to engage in all types of insurance apart from life assurance.

He gave a long dissertation on how the Bill would put into effect that which he said did not exist, and he said—

> Turning now to the new provision in the Bill, which has resulted from overtures made by the Farmers' Union and others on numerous occasions to the Treasurer, on the occasion of the payment of probate on farmers' and grazier's estates . . .

Again we were given no evidence of the representations made by the Farmers' Union or others, which I suggest were mere figments of the Minister's imagination. Something which is difficult for me to understand is that when explanations were made to the Minister controlling the State Insurance Office, regarding the representations that were alleged to have been made by the Farmers' Union, a letter was produced for the benefit of the Minister for Labour, indicating the attitude of the Farmers' Union on this matter; but the Government still persisted in giving to the Chief Secretary a speech in the course of which he had to make the remarks I have read out.

One would think that, in the circumstances, the Government would have had another look at this, and perhaps would have explained that some mistake had been made in the observations of the Minister for Labour. To clear up this matter once and for all, I will read a letter by the general secretary of the Farmers' Union of Western Australia, addressed to C. W. Court, M.L.A., who made the inquiries regarding these representations. The letter is dated the 14th November and reads—

> Dear Mr. Court: I have looked through our files in order to ascertain what we did regarding the provision of probate duty by means of an insurance policy. I find that we wrote to the Premier, Hon. A. R. G. Hawke, on the 13th August, 1954, following the carrying of a motion by our 1954 annual general conference. This motion sought an exclusion from probate duty on that amount of the deceased person's estate as is represented by the value of an insurance policy specifically taken out to meet probate charges. We suggested that the policy should be taken out in favour of the State Government, the Treasurer being named the beneficiary and at the time of the issue of the policy if the policy was insufficient to meet the amount of probate the additional amount required would of course be charged against the estate. If it was more than sufficient the surplus would revert to the estate. The important thing is that the proceeds of the policy to the extent to which they are applied in payment of duty should not be included as part of the estate for the assessment of duty. Yours faithfully, A. G. Traine, General Secretary.

There has been a complete distortion of the true facts. There is the letter which I am able to produce, signed by the general secretary of the Farmers' Union, and indicating clearly and decisively that the position was absolutely the reverse of that set out by the Chief Secretary. Contained in this letter is no mention whatsoever of the State Government Insurance Office. What the Farmers' Union was saying, of course, was that the proceeds of a policy taken out with any life assurance company should be exempt from the payment of probate duty. I repeat that this is a totally different set of circumstances from those which the Minister asked us to accept.

I would like members to study the process of dealing with life assurance which this Bill envisages. A farmer or pastoralist —it must be borne in mind that the provisions are limited to a farmer or pastoralist—can make a proposal to the State Government Insurance Office for payment of an amount which he estimates will cover his probate duty. In other words, he can estimate what his probate duty will be and apply to the State Government Insurance Office, by way of a proposal, to be insured for an amount equal to his estimated probate duty.

He will pay a premium, of course, according to his age, for the sum total of his policy. The Bill then provides that such policy shall be assigned to the Treasurer. In business practice, the position would be that the farmer or pastoralist would have a policy for an assured sum which would be assigned—this would be a so-called probate policy—and the principal interest he would have in that policy would be the payment of the premium. However, he would not be able to use it as a form of collateral security unless the policy was reassigned to him in his own name. I suggest that this would be a very shortsighted policy for any farmer, pastoralist or businessman to follow.

Just fancy a man taking out a life assurance policy and assigning his interest in it to any other person—in this case the Treasurer—when there is no necessity for him to make such an assignment; I am certain that any accountant or solicitor who tendered advice such as that to his client would not be carrying out his duty in a proper manner.

Hon. E. M. Heenan: That is somewhat akin to paying taxation in advance.

Hon. A. F. GRIFFITH: It is not akin to paying taxation in advance at all. The method of paying taxation in advance, as the hon. member must know, is on the "pay as your earn" principle. The two systems are completely divorced from each other.

Hon. G. E. Jeffery: It would be similar to the payment of provisional taxation.

Hon. A. F. GRIFFITH: No. I would suggest that that system is completely divorced from the proposal contained in this Bill. When a person takes out an assurance policy, he immediately creates an estate, and the policy is issued to the assured. If it is a £5,000 policy and the assured person pays one-quarter of the premium, he immediately creates an estate in that policy; and on his death, the £5,000 is payable to his estate. So it is different from the system of paying provisional taxation.

Hon. E. M. Heenan: The amount would be credited to his estate.

Hon. A. F. GRIFFITH: I appreciate that. But why should a farmer or a pastoralist have to adopt this roundabout method to obtain protection in connection with the payment of his probate duty? Normal principles of life assurance business embrace that very practice now.

Hon. E. M. Heenan: But he does not have to take out a policy if he doesn't want to.

Hon. A. F. GRIFFITH: No; and I will come to that point in a moment. In England, in 1864, a life assurance scheme was introduced whereby people could pay their premiums at any post office. There were no agents. That scheme was introduced for the benefit of the workers.

The Minister for Railways: Was it a national scheme?

Hon. A. F. GRIFFITH: I do not think so. Nevertheless, I am informed that after it had been in existence for 64 years there were 12,000 policies out of a total of 87,000,000 in force—this was in the industrial department—in a population in England at that time of 40,000,000. After all that activity it was found that the scheme was impracticable, and it had to be folded up.

In his speech, the Minister stated that the proposal in the Bill will provide a unique opportunity for the fixing of a policy. What is unique about it? I suggest it is unique only because it ties up the policy for the required assignment. When it is so tied, it cannot be used in any way as a form of security. The principle of acquiring life assurance is this: Life assurance must be sold. It is not bought on a voluntary basis as a general principle. There are exceptions, of course; but I would suggest that for every man who walks into a life assurance office to insure himself voluntarily, there are literally hundreds of policies that are sold by the sales organisation which the particular company, of necessity, has to have in order to conduct its business.

In order to fulfil a proposal of this nature—bearing in mind that the State Government Insurance Office would be obliged to accept the same principle—namely, that life assurance is sold and not bought—the State Government Insurance Office would be obliged to set up a large-scale sales organisation which would be active throughout the country centres in order that it might sell its product. I suggest that the expense of maintaining an organisation of this nature would be particularly high; and, in fact, too high for the potential volume of business which the State Government Insurance Office would obtain, bearing in mind that the State's field is limited to farmers and pastoralists.

The Bill provides that the manager of the State Government Insurance Office shall have power to employ and dismiss field staff, adjusters, referees and inspectors. He can also establish offices and agencies throughout the State in a manner which he thinks fit. Such a step, of course, would be very expensive to implement. I want to draw attention to one or two particular matters in the field of life assurance which are dealt with by this Bill.

The measure envisages one class of business for one class of person. That is uneconomical and, obviously, is only the thin end of the wedge; because the next step will be an even further move into the life assurance field, and eventually the State Government Insurance Office will extend its activities over the full field of life assurance.

The Chief Secretary: Which you know cannot be done without the permission of this House.

Hon. A. F. GRIFFITH: The proposal in the Bill which the Government envisages will mean that there will be placed in the field of life assurance a sales organisation which will operate in a peculiar and particularly limited manner—a manner in which no established life assurance office could possibly afford to operate. What sound business would contemplate setting up a State-wide selling organisation which would cater for only one section of the community as it passes through? The Bill would require agents of the State Government Insurance Office to pass through country districts to interview farmers and pastoralists but to pass by shopkeepers, farm labourers, shearers and other such workers.

The Minister for Railways: The Bill doesn't say that.

Hon. A. F. GRIFFITH: If it does not, it will be covering a wider field than I imagine.

The Minister for Railways: The Bill does not say that it will do these things.

Hon. A. F. GRIFFITH: What it does say is that it will limit the field of life assurance to the farmer or the pastoralist.

The Chief Secretary: We will widen the field if it suits you.

Hon. A. F. GRIFFITH: I am aware of that. They are the people who contribute substantially every year to the volume of life assurance business with the mutual life assurance societies. They are obliged to take their risks as a whole phase.

Hon. Sir Charles Latham: They seem to do pretty well, you know.

Hon. A. F. GRIFFITH: The mutual life assurance offices do very well indeed.

Hon. Sir Charles Latham: They are putting up beautiful buildings.

Hon. A. F. GRIFFITH: Yes; and I hope they will continue to do so, because whilst they are so doing they are safeguarding the assets of their policy-holders. Having reached this position, the State Government Insurance Office would find that many farmers were interested in one or other of the forms of life assurance which the State Government Insurance Office, under this Bill, will not provide.

Mutual life assurance societies have representatives who live in the country centres scattered throughout the State. Those men are well equipped to advise the public on any matters concerning life assurance. In the hands of a well-practised, well-trained life assurance representative rests a heavy responsibility, because it is his bounden duty to give advice to those members of the public who seek such advice on life assurance business. There would be times in the career of a life assurance representative when he would, no doubt, be obliged to advise a man that, because of his financial position, he was carrying sufficient life assurance. It is a responsible position for any man to hold.

Hon. F. R. H. Lavery: Have you ever known a life assurance representative to tell a prospective client that?

Hon. A. F. GRIFFITH: I do not know many life assurance representatives. It should be obvious that the expenses of this large undertaking would be much greater than expenses of the mutual life assurance societies which, at the moment, handle all the business in the life assurance field. If the expenses are greater, the returns to the individual must be smaller; and in a community where competitive services are freely offered, the life assurance field is probably the most competitive service of all. Therefore, it is difficult to see how the State Government Insurance Office can endeavour to take the place of the mutual life assurance societies that have been rendering such excellent service for so many years.

The Chief Secretary: I am wondering whether all this is in the Bill.

Hon. A. F. GRIFFITH: It is not; but I am simply pointing out to the Chief Secretary that because of the vast field of life assurance which the Bill hopes to cover, the State Government Insurance Office will be meeting with intense competition from the present mutual life assurance societies which, at the moment, cover that field more effectively in their normal daily business run of activities. I venture to suggest that it would be extremely difficult for a representative of the State Insurance Office to ask a man to take out a probate policy that would be immediately assigned to the Treasurer. An ordinary life assurance representative would say to such a man, "Keep this policy with the rest of your securities and, in the event of your death, the money will be there."

Sitting suspended from 6.15 to 7.30 p.m.

Hon. A. F. GRIFFITH: Before tea, I had reached a certain stage, in speaking to this Bill, concerning the life assurance provisions in it. For a moment I would like to go back and requote some of the figures I gave in regard to workers' compensation insurance. I became a little confused when giving those figures from my notes; and in order to make certain they are correct, I would ask the indulgence of the House to quote them quickly again. It will be noted that before the war, in 1938-39, the State office was writing a larger volume of business than all the private insurance offices, but had failed to hold its position and, compared with that year, the business of the State office increased in the following manner:—

In 1948-49—£16,556, or 5.7 per cent.

In 1952-53—£181,121, or 62.26 per cent.

In 1955-56—£116,344, or 38.8 per cent.

The private insurers showed the following increases:—

In 1948-49—£247,030, or 106 per cent.

In 1952-53—£499,322, or 214.38 per cent.

In 1955-56—£601,421, or 258.2 per cent.

From writing 43.3 per cent. of the total business for 1948-49 the private insurers have increased from 106 per cent. to 258.2 per cent. while the State Insurance Office has increased from 5.7 per cent. to 38.8 per cent. of the total volume of the business.

I said before that if the expenses of the State office were to be greater, as I anticipate they would, in the field of life assurance, for the reasons I have mentioned, the return to the individual evidently must be smaller; and in a community where competitive services operate, it is difficult to see how an intelligent farmer, or a pastoralist, would contemplate placing his business in such a venture.

The farmer and the pastoralist—as I am sure all country members will agree—are very definitely individualists, and are quite jealous of their rights. They are not going to take lightly to the provision that their

policy should be assigned to the Treasurer for the purposes contained in the Bill. Such an action would take from their control during their lifetime a valuable piece of collateral security.

With a small field of business and a small number of policy-holders, there must be for many years large fluctuations of mortality rates. Large, well-established, life offices are able to estimate this important factor to a very close margin, and I think members will agree that the mutual life offices throughout the world —not necessarily those in Western Australia only—operate on a very highly competitive basis; and a comparison of premium rates, surrender rates, loan values with all the big life offices is so close that it shows an extremely small margin.

Hon. E. M. Heenan: Would it not only add to your own assets if it were not assigned?

Hon. A. F. GRIFFITH: With respect, I suggest the hon. member has not got the right story. Let me put it this way: If a man were to decide to take out two life assurance policies for a figure of, say, £5,000 each; and mark one as "probate duty" and not mark the other at all, between the two there would be no difference whatsoever, because where a policy is marked as probate duty—

Hon. E. M. Heenan: He dies and he has £10,000 insurance.

Hon. A. F. GRIFFITH: Which he has in any case.

Hon. F. J. S. Wise: If one is assigned to his wife it is not included in probate.

Hon. A. F. GRIFFITH: That is only partly right.

Hon. E. M. Heenan: If it is assigned to the Treasurer?

Hon. A. F. GRIFFITH: Whether it is assigned to his wife or to the Treasurer it is still part of his estate, depending on certain circumstances. If a farmer were to take his wife into partnership with him —as is frequently the case in these days of high taxation—and she made a proposal for life assurance and paid the premium out of her income, I venture to suggest that in law the policy would be hers, and not a part of her husband's estate.

Hon. H. K. Watson: Is the Treasurer going to pay the premium in this case?

Hon. A. F. GRIFFITH: No. Of course the Treasurer is not going to pay the premium; that would be asking too much.

The Minister for Railways: Sir Arthur might.

Hon. A. F. GRIFFITH: But in other circumstances, where the wife makes a proposal for an assurance on the husband's life and the premiums are paid from the income of the husband, then in law it would be claimed that the policy is part of the husband's assets.

Hon. N. E. Baxter: No.

Hon. A. F. GRIFFITH: I think it is; and if the hon. member wants to contradict me, all well and good—I am only too happy to learn. I think that where the premiums are paid out of the wife's income the policy could be deemed to be her property and not part of the husband's estate. But when the other condition prevails then, in law, it is part of the husband's estate. However, I repeat, I am open to being convinced the other way.

The Minister for Railways: Isn't there a joint arrangement?

Hon. A. F. GRIFFITH: Yes; but none of these things have any bearing on the fact that the proposer in either case is expected to assign the policy to the Treasurer and thereby bind up his assets. I think that such a proposition is the thin end of the wedge.

The Minister for Railways: What wedge?

Hon. A. F. GRIFFITH: The big wedge.

The Minister for Railways: What is wrong with that?

The Chief Secretary: What is the brand on the wedge?

Hon. A. F. GRIFFITH: The main objective of a life office is to provide the community with an efficient life assurance service; and this is assured, of course, by healthy competition between the offices. As I said a moment ago, the difference between the premium rates and the other rates between the mutual life offices is something that is very difficult to assess—it is so small—and of course it must be done by economic management and careful investment of funds.

Some time ago somebody made an interjection and referred to the big buildings that the insurance companies were putting up. It is true that they are erecting these large structures; and I hope that they will have sufficient funds to be in a financial state to continue to erect them, because in them lie the security of the policy-holders' investments. And it must always be borne in mind that the advantage of the mutual life assurance offices is that the company belongs to the policy holders and the surplus made by the company—because it has no shareholders; that is, in the case of the mutual life office—can be distributed to nobody else but the policy-holders in the form of bonuses and participation in the surplus.

We know that life offices contribute substantially to Commonwealth Government bonds, local bodies, local authority loans, by investment in industry, commerce, housing and pastoral activities, and they spread the savings of their policy-holders in every

form of Government and private enterprise. Without naming any individual company, we know that this is a fact, and that the mutual life offices render a very valuable service to the community in the amount of money they make available to Governments and local governments of all kinds. Apart from that, the life assurance offices, through the life assurance medical research fund of Australia and New Zealand, encourage great research into diseases of the heart and of the blood vessels. I repeat that Australia's great life offices are, in the main, mutual life companies whose policy-holders benefit out of the manner in which their business is conducted.

In his speech, the Chief Secretary endeavoured to make a number of points. He made eight points from A to H. I want to take the opportunity of making one or two comments on the points he made. Firstly he said that the Bill would have the effect of obviating the necessity of keeping a large amount of liquid or semi-liquid assets, thereby removing any restriction on the investment of capital.

That, of course, is nothing new. Mutual life offices in this State, in every other State, and in all parts of the world, have established that practice over a number of years, so that in that regard this Bill will give us nothing new whatever. It is only normal business and financial transactions that bring about a state of affairs like that in the life assurance world. The Chief Secretary said the other evening that it obviates the necessity of keeping a large amount of liquid or semi-liquid assets on hand, thereby removing any restriction on the investment of capital. It does nothing of the kind. I think it is unfair of the Government to try to lead members to believe such a state of affairs exists. Mr. Heenan is a practising lawyer, and he might correct me if I am wrong. Mr. Watson is a practising accountant, and he will also be able to correct me if I am wrong.

The Minister for Railways: It will cost you a two-guinea fee.

Hon. A. F. GRIFFITH: When a man dies, the first thing necessary is to establish, so far as the life assurance office is concerned, proof of his death. When this is done, quite apart from any other circumstances which might prevail, the money, so far as the life assurance office is concerned, is ready to be paid out. The next thing that takes place is that the executor renders to the Supreme Court a statement of assets and liabilities.

Hon. E. M. Heenan: Sometimes there is not an executor.

Hon. A. F. GRIFFITH: When there is no executor, the Public Trustee steps in. The next of kin applies for letters of administration. Is that correct?

Hon. E. M. Heenan: Sometimes the next of kin cannot be found.

Hon. L. C. Diver: Sometimes the police step in.

Hon. A. F. GRIFFITH: Is that the type of thing which takes place?

Hon. E. M. Heenan: Yes.

Hon. A. F. GRIFFITH: Then the probate duty is assessed. Where the life assurance office is holding money on the life of the deceased when a death certificate is presented, the life assurance office is always ready to pay out to the executor. I think that is the position.

Hon. H. K. Watson: Correct.

Hon. A. F. GRIFFITH: This Bill will not provide anything different from that set of circumstances which I explained a few moments ago. However, I repeat, it will tie up during the process of the continuity of the policy the asset in the policy and any collateral security that the assured may like to use it for during the course of its existence. What does this man take out a life assurance policy for? Fundamentally it is a protection for his family. If he receives the right sort of advice somebody, according to the income he receives, will assess his policy and requirements and sell him—I repeat sell him—a type of life assurance which it is desirable for him to have.

The Chief Secretary: Just as well we put in a probate clause, or you would have nothing to talk about.

Hon. A. F. GRIFFITH: Had the Chief Secretary not brought down the Bill, I would not have had anything to talk about at all. The Government has seen fit to bring the Bill down, and it is my intention to discuss it to the best of my ability.

The Chief Secretary: You haven't touched the main part of the Bill.

Hon. A. F. GRIFFITH: That is nonsense.

The Chief Secretary: We have been waiting a long time to hear you do so.

Hon. A. F. GRIFFITH: The Chief Secretary knows that is not true.

The Chief Secretary: All you have spoken about is life assurance, which is hardly touched in the Bill.

Hon. A. F. GRIFFITH: I have read certain sections of his speech to the Chief Secretary; and if he is patient for a few minutes, I will sit down. He can then reply if he wants to.

Hon. H. K. Watson: On the other matters, have you anything fresh to say apart from what you have said during the past five years?

Hon. A. F. GRIFFITH: We know that this matter has been debated previously in the House; and I agree with Mr. Watson that, basically, there has not been anything fresh said by me except in regard to this provision to include a life assurance

section in the State Insurance Office. It has been put up in a different manner entirely in order that it might convince one or two members of the Country Party who are farmers.

The Chief Secretary: Tell us why you deny the people of this State the opportunity to trade with their own insurance company.

Hon. A. F. GRIFFITH: Surely the Chief Secretary does not think that members of the Country Party will be misled in this respect, because they have had plenty of experience in business and have been through hard times and they know which type of assurance is best to have.

The Chief Secretary also said that it places a considerable sum of money at once in the hands of the executor with which to meet without penalty the necessary expenses incidental to the settlement of the estate. We know it does not in actual fact place money in the hands of the executor any quicker than is the case under the existing circumstances. The Chief Secretary also says it relieves the executor of the necessity of raising cash by forced sale of assets, thereby enabling him to await a favourable market.

This is a completely fallacious argument. Where the amount of money is insufficient to pay probate duties, how can it have the effect he says? We know it cannot possibly have that effect; and circumstances would be no different with a policy in the name of the State than with a policy in the name of the private companies, except —I repeat—that when it goes to the State, it is an absolute assignment to the Treasurer.

He also said that it simplifies the administration of the estate, thereby reducing legal and other expenses. I appeal to Mr. Heenan. How could a set of circumstances of this nature reduce the legal expenses? Perhaps it is unfair of me to appeal to Mr. Heenan.

The PRESIDENT: Order! The hon. member must not keep asking questions across the Chamber.

Hon. A. F. GRIFFITH: I was not aware that I was asking questions.

The PRESIDENT: I say that is a question.

Hon. A. F. GRIFFITH: With respect, Sir, I appealed to Mr. Heenan. I did not expect him to answer; but I beg your pardon. I suggest it will do nothing of the kind. I do not see how the legal and other expenses could possibly be any less under the circumstances envisaged by the Chief Secretary than under conditions which prevail at the present time.

Further the Chief Secretary said that it hastens the settlement and distribution of the estate. The same position applies in that case. He also said that it imposes no undue burden on the beneficiaries, all charges being met by moderate annual payments throughout the assured person's life. The use of the word "moderate" suggests that insurance with the State under these conditions is going to be cheaper than with any of the existing companies.

The Chief Secretary: Yon have to put up Aunt Sallies to knock them over.

Hon. A. F. GRIFFITH: The Chief Secretary is not bad at doing that. By way of interjection I asked the Chief Secretary how he would suggest it would be cheaper; and he said this, "It is desired to introduce a new line of business which would save farmers a great deal. It would be cheaper from the point of view of the farmer." That is from the Chief Secretary's speech. The two statements are far removed from the present position; and the farmer or the pastoralist would not be saved a great deal, because the premium rate must be competitive and could not be cheaper as a result.

He told us that it keeps the estate intact, so that each beneficiary must receive the sum intended by the testator. He said further that it enables the assets of the estate to be transferred, by providing funds for the payment of the tax which must be paid before the transfer is allowed. Talking about Aunt Sallies, that is a big one; because the amount intended for the beneficiaries can only be paid in a set of circumstances where there is sufficient money. Whether the policy is taken with the State or with any other office, if the assets are not sufficient to meet the requirements of the will, the beneficiaries do not have a hope of getting it.

Finally, I would like to say this: In these days of high taxation, farmers and pastoralists in many cases take their wives, sons and families into partnership in order to break down the impost of taxation and the impost of probate duty in connection with the estate. I think it would be completely impracticable for the State office to enter this field and do more for the public of this State than is already being done by the existing life assurance offices. Furthermore, the provisions of the Commonwealth Life Assurance Act would not apply where the trading was confined to the State.

I think I have said sufficient on this matter. I repeat that the facilities provided in this State for many years by the mutual life assurance offices have been very good, and they have rendered a great service to the community as a whole.

Hon. L. C. Diver: Gratis.

Hon. A. F. GRIFFITH: Of course not. Nobody would be so silly as to suggest that. People are not in business to give things away, any more than Mr. Diver works on his farm to give his produce away. That is not a reasonable argument at all. A man takes out a life assurance

policy and pays a premium, and the company indemnifies his life against loss in respect of the premium which is paid by the assured person.

If the suggestion of the Farmers' Union were adopted by the Government, the probate policy would be taken out with any of the companies, not just the State office. No suggestion has ever been made by the Farmers' Union that it should be taken out with the State office. If the Treasurer of the State had seen fit to follow the suggestion of the Farmers' Union and, in the case of any policy assigned to the Treasurer for the purpose of paying duty the Treasurer, had accepted that policy free of probate duty, the Government would have done the farming community a good turn.

That was not the case. It was rather the reverse; and the Government endeavoured to mislead the House with the suggestion that the request came from the Farmers' Union that life assurance of this nature should be entered into by the State office.

The Chief Secretary: Who said that?

Hon. A. F. GRIFFITH: The Chief Secretary did.

The Chief Secretary: That is about as true as all your other statements.

Hon. A. F. GRIFFITH: I did not want to go back over this; but since I have been challenged on it, I must. The Minister said—

> Turning now to the new provision in the Bill which has resulted from overtures made by the Farmers' Union and others on numerous occasions to the Treasurer, on the occasion of the payment of probate on farmers' and graziers' estates—

Is that plain English?

The Chief Secretary: Where did I say the Farmers' Union asked for the State Government Insurance Office?

Hon. A. F. GRIFFITH: Is it necessary to read it again?

The Chief Secretary: Yes. You want to read it a dozen times in order to understand it.

Hon. A. F. GRIFFITH: The Chief Secretary said, "Turning now to the new provision in the Bill—." That is the provision that the State Insurance Office be permitted to engage in this field of life assurance, which is probate assurance, and that the policy taken out by the farmer or pastoralist be assigned to the Treasurer for probate, on death.

The Chief Secretary: Read what I said.

Hon. A. F. GRIFFITH: The letter from the Farmers' Union is just the contrary. There is no mention in that letter of anything pertaining to the comments made by the Chief Secretary in his speech.

The Chief Secretary: There is nothing in my speech to say that the farmers asked for it to go to the State Insurance Office.

Hon. Sir Charles Latham: Are we going to be all night on this Bill because of your interjections?

Hon. A. F. GRIFFITH: It is not worth while, because the Minister knows the situation.

The Chief Secretary: You have only twisted it around to suit yourself—which is entirely wrong.

Hon. A. F. GRIFFITH: I have not. I have quoted the Minister's speech and the letter from the Farmers' Union. The Farmers' Union in its letter says, "We do not ask that the assurance be taken out with the State office."

The Chief Secretary: Neither did I say it.

The PRESIDENT: Order! The Chief Secretary will have the right to reply.

The Chief Secretary: Thank you, Sir, but if one allows something that is untrue to get about 24 hours' start on one, it is pretty bad.

The PRESIDENT: The Chief Secretary should rise on a point of order and take exception at the time.

Hon. A. F. GRIFFITH: All one can do in a case like this is to quote the words used by the Minister. If I have placed a misinterpretation on the words—

The Minister for Railways: Read the full sentence.

Hon. A. F. GRIFFITH:—or intention of the Minister, then I offer him my apology, and say to him that his speech is not consistent with the Bill; so it does not matter anyway.

This argument goes to the basic principle of what I—as a member of a political organisation—have as a political belief, and what the Government has as a political belief, which is just the opposite. Both of us are entitled to our point of view.

I rest by saying that my point of view is that here we still have the principle of the State Government Insurance Office making further encroachment on a field on which it has no right to encroach because the facilities provided by the mutual life offices are adequate and satisfactory, and over a period of years these officers have given service to hundreds and thousands of people.

The Chief Secretary: No one is denying that.

Hon. A. F. GRIFFITH: I oppose the Bill.

HON. L. C. DIVER (Central) [8.4]: I support the Bill. When I first came into the House, approximately 80 insurance

companies were operating in Western Australia. Today we have just one or two short of 100. I have heard no hue and cry from the insurance world about the encroachment on their preserves because of the agencies that have come here during that time.

My mind goes back to the period when I was connected with local government and an endeavour was made to get some form of cheap insurance. Local government in this State is largely composed of farmers and businessmen, and they gave support to the creation of a pool through the State Insurance Office. The fact that in many instances the members of the local authorities have been agents for various private insurance companies, but have been big enough to subdue the hip-pocket nerve to the advantage of the community, speaks for itself.

I have before me a circular put up by the insurance companies of Western Australia, setting out that the State Insurance Office has, since the war, been losing ground in some forms of insurance. I take it that is a fact. If it is so, what a wonderful effect this healthy competition by free enterprise is having on a State agency! In these circumstances, what have we to be frightened about in allowing the State office to go into a wider field of insurance than it covers today? If it does enter that field, it will mean that there will be one more competitor; and from the figures supplied to me, it would appear that private enterprise is well able to compete against the State.

The opportunity was taken by Mr. Griffith to point out what appeared to him to be the shortcomings with respect to life assurance and the effect upon the farmers. If I heard the hon. member aright, he challenged the fact that a farmer who took out an insurance policy in the name of his wife would not be taxed on it in the event of death.

Hon. A. F. Griffith: Under certain conditions.

Hon. L. C. DIVER: I put it quite straight to the hon. member that that is not a fact. If ordinary business prudence is used in taking out cover on one's life in favour of one's wife, the policy is marked for the benefit of the wife, and it is not part of the estate of the individual concerned. To say otherwise is to draw a red herring across the path.

To me, this House is losing its status as a House of review. Here we have a piece of legislation that has been presented to us on five consecutive occasions; and each time it has been substantially the same, apart from the provision dealing with life assurance. If we listen to some people, the Bill will be denied the Government—a Government which, during the last three years, has been to the people and returned with a substantial majority.

We would say, in effect, that the people do not know what they are doing, and that the legislation that has been sent to us time after time should be turned out. Is that the attitude that we are to conform to in a modern democracy? It does not meet with my view. Even in the House of Lords such a state of affairs would not be tolerated. Legislation of the type that has been presented here year after year would, before now, be on the statute book in the Old Country. With these few comments, and for the reasons I have advanced, I propose once again to support the measure.

HON. H. L. ROCHE (South) [8.12]: I have not supported this measure previously and I have no intention of doing so on this occasion. Admittedly it is Government policy, and the Government keeps sending it to this Chamber. I am firmly of the opinion, and always have been, that any trading that a Government enterprise can do can be done better by private enterprise.

Where there are abuses by private enterprise or the need to protect the public, the protection can be afforded through legislation which the Government should be prepared to pass. In recent times some quite controversial legislation has been passed; and if it is necessary to control abuses, such legislation could be availed of rather than that we should establish huge trading concerns which, when all is said and done, seem to string along with the private enterprise on which they are supposed to be an effective check.

There is, however, one aspect to this continued endeavour by the Government to broaden the scope of the State insurance activities; and that is that, year after year—I cannot say I blame the Government; it is its policy—we who subscribe to political beliefs other than those of the present Government, refuse to extend the powers of Government enterprises—particularly the State Government Insurance Office; but the parties to which we belong have not the courage apparently to come out openly and say that given the opportunity by the electors they would dispose of these State trading concerns—not only the insurance office.

My position as an individual member is gradually becoming intolerable, and it will continue to be so until such time as we face the position that Mr. Diver outlined a little while ago. The non-Labour parties in this State should realise that it is long past the time when they should tell the public just where they stand in respect of State trading, and just what they will do when the public give them an opportunity to administer the affairs of Western Australia. With those expressions of opinion—and in the hope that sufficient courage will develop in certain quarters so that an open, downright and

unequivocal statement will be made in respect to State trading, and the attitude of the non-Labour parties in this State towards it—I am voting against the Bill.

HON. E. M. HEENAN (North-East) [8.16]: I can fully appreciate the point of view outlined by Mr. Roche. That is a point of view he espouses and it is logical for him to oppose the Bill. However, he has hit the nail on the head when he draws attention to the fact that we have a number of these State trading concerns and some of them are functioning quite satisfactorily; while others, perhaps like private concerns, are not doing so well.

Be that as it may, other Governments have been in power from time to time and they have not disposed of or discontinued them. Surely those people should do one thing or the other; and, as Mr. Roche pointed out, if a Liberal Government came into power in this State, in order to be consistent, and to carry out its policy, it should dispose of the State Insurance Office. But could it be imagined that such a state of affairs would ever occur? I do not think any member of this House really and conscientiously believes that such a state of affairs will ever come about.

We have the State engaging in the sphere of insurance; and in spite of its humble origin, and because of the excellent service which it has rendered to various sections of the community, especially in years gone by—and I as a Goldfields member can recall what it has done for the goldmining industry and the unfortunate men who contracted sillicosis and other mining diseases as a consequence of working in the industry—it has won its place in the affairs of the State.

It is possessed of a building which is a monument to the City of Perth; and one never hears of any scandals associated with the conduct of the State Insurance Office. As a matter of fact, the indications are that it is conducted on a high business level. So why should we not accept the fact that it is established, and that it should take its place and on an equal footing with other insurance companies? Why should we deny it the right to engage in other spheres of insurance on a competitive basis? It does not seem to me to be fair to deny it that opportunity.

As Mr. Roche has pointed out, this is the fifth occasion on which a Bill similar to this has been before the Parliament of this State. Members should also bear in mind that this legislation has been introduced by a Government which has been elected by the majority of people in Western Australia. It seems to me that that fact should count for something. It surely indicates that the Government is speaking with the voice of the majority of people in Western Australia when it brings forth a measure such as this! It seems to me to be a sound and irrefutable argument as to why the measure should be passed on this occasion. It is not compulsory for anyone to insure with the State Insurance Office; so I cannot see any lamentable consequences occurring if the Bill is agreed to.

Mr. Griffith dealt at great length with the innovation which is proposed in the way of giving the State Insurance Office the right to engage in probate policies. He spoke as if there was something sinister about it, but I really think he overstated his argument. The probate policy, or its function, is well known to everyone. Most people come within the category of the ordinary or average person; and the average person usually has a house, furniture, perhaps a motorcar and some money in the bank. But that all adds up these days and an estate of £7,000, £8,000, or £10,000 is quite common. None of that estate can be touched until the will is proved—if there is a will. In lots of cases people die without leaving wills, and considerable delay takes place in getting such a state of affairs cleared up.

Eventually the position arrives where probate or letters of administration are taken out, and then the death duty is assessed. As we all know, probate duty has kept increasing in recent years. Even on modest estates it amounts to a few hundred pounds; and probate duty of £500 or £600 is not uncommon, even on small estates. In many cases it is considerably higher; and the wise person, realising that his wife and children will probably not have £400 or £600 readily available, takes out a probate policy.

This means that when the person dies, the money is available to pay probate duty on the estate. The insurance company handling the policy makes the money available as swiftly as possible in order to pay probate duty and other expenses. That is laudable and praiseworthy; and most people who are aware of their responsibilities, consider it advisable to take out such a policy.

If the State Insurance Office desires to enter that sphere—and it will be restricted to farmers and pastoralists, the wealthy section these days—why should it be denied the opportunity? In the majority of cases when a farmer leaves £30,000—as an example—it comprises the farm, the buildings, the home and the stock, and not much in the way of ready cash. But on an estate such as that, probate duty of perhaps £2,000 would have to be paid. Such a person would be wise to take out a probate policy so that the ready money would be available.

I see nothing wrong with the State Insurance Office engaging in that class of business, although Mr. Griffith went to some pains to point out that assigning

such a policy to the Treasurer was foolish, or would not appeal to the average person. He said that it would come out of his estate—or he used some such term—and a person would have no control over it.

A man would get a lot of satisfaction from the knowledge that, if he died, £2,000, or £3,000 would be available to enable his wife and family to pay the necessary probate duty without having to sell up the farm or dispose of any of the stock. I think it is a good type of policy for a farmer or a pastoralist, or anyone with a big estate, to take out. Other companies are engaging in this class of insurance and it is working quite well.

I have a small policy—I forget with which company—and I received fair and reasonable terms; I am eminently satisfied with it. But if anyone in the future likes to take out such a policy with the State Insurance Office—and there will not be any compulsion about it—it will be on terms similar to those that the other companies offer. So it seems to me that this Bill has a good deal of merit.

If people are opposed to State trading concerns, or any extension of them, I can appreciate the logic of their voting against a measure like this. But when they examine the position, they must accept the view that in the past they have allowed this office to come into operation. It has proved its place in the community, and there is no prospect of abolishing it. I am sure the people of Western Australia would not stand for that. Why not, therefore, let the State Insurance Office trade in spheres of insurance which are normal, and which are the types of business conducted by the other companies? We must bear in mind that the Bill was introduced by a Government elected by the people of the State. It can be argued that it has the sponsorship of the majority of the people of Western Australia, and it should be passed.

On motion by Hon. F. J. S. Wise, debate adjourned.

BILL—TRAFFIC ACT AMENDMENT (No. 4).

First Reading.

Received from the Assembly and read a first time.

Second Reading.

THE MINISTER FOR RAILWAYS (Hon. H. C. Strickland—North) [8.33] in moving the second reading said: This Bill contains a number of amendments to the Traffic Act and many different principles. At present the principal Act provides for the licensing of vehicles for 12, six or three months in the metropolitan area, but no provision for three-monthly periods in the country districts. This, of course, is an anomaly.

The Bill, therefore, proposes to bring the metropolitan area into line with the country districts by providing periods for the licensing of vehicles of either 12 months or six months only. It should not be necessary to point out that the quarterly period was introduced during the days of petrol rationing when the future was so uncertain. Prior to World War II there was a fixed 12-monthly period which applied right throughout the whole of the State. So it will be appreciated that a concession will still be retained. However, the Bill does authorise any local authority, if it so desires, to license vehicles for three months only.

Under the Act there are quite a number of exemptions pertaining to primary producers particularly, and also to other classes of motor vehicle users. One exemption relates to a bona fide prospector. There have been complaints that some local authorities have been interpreting this concession in a niggardly fashion; and, because a person has some minor operations on his prospecting area, they deny him the concessional 50 per cent. reduction in the licensing fee.

So the proposal in the Bill is to make the concessional licence apply not only to a prospector, but also to one engaged in mining operations, but excluding a mining company. That is to say, the ordinary small individual going about his mining operations—prospecting or otherwise—can take advantage of the concessional licence.

At present—and again this follows the amending legislation introduced last year—in those cases where a traffic licence is sought for a person under the recognised age, one can be granted provided the parent, guardian, or employer agrees. Experience has shown that in a number of cases, employers are obtaining drivers' licences for under-age drivers contrary to the wishes of the parent or parents.

So it is proposed that, in order to allow this provision to remain, the employer—if the police have reason to believe the parent or guardian is not in the State—can give his approval to a licence being granted. I think it will be agreed that no employer should have the right to take steps to enable a youth of tender years to obtain a driving licence without parents or the guardian first of all having an opportunity to lodge an objection if that be their desire, and if they are reasonably available.

Another amendment deals with a person learning to ride a motorcycle. A similar provision was contained in the amending Bill before Parliament last year. It was finally agreed that where a person was learning to ride a motor-cycle he should be accompanied by either another motorcyclist riding on his driving side, or by a

licensed driver or teacher sitting in the sidecar attached to the learner's motorcycle. The Bill proposes a third method; namely, that the learner should be accompanied by a driver riding on the learner's pillion seat. This proposal conforms with the general instructional practice.

With regard to drivers' licences, I understand the fee in other parts of Australia is £1 per annum in most cases and 15s. per annum in one or two instances. In other words, Western Australia is out of step with the other States. The Government gave this question consideration; and it has resolved—as appears in this Bill—that a fee of 10s. should be charged when an application is made for a driver's licence. That will pay for the cost of the driving test or examination. The 10s. fee charged for the driver's licence itself will be retained.

Hon. J. G. Hislop: Does the Government propose to retain the annual fee?

The MINISTER FOR RAILWAYS: That is the intention; and also on the initial application there will be a fee of 10s.

Hon. J. G. Hislop: Will the Government agree to a perpetual fee of £5?

The MINISTER FOR RAILWAYS: No.

Hon. J. G. Hislop: That would save a lot of work and trouble.

The MINISTER FOR RAILWAYS: That may be so; but it is thought more suitable to license drivers annually in this State.

Hon. J. G. Hislop: Has not Queensland got such a provision?

The MINISTER FOR RAILWAYS: The traffic authorities in this State prefer an annual licence. So far as the existing licence-holders are concerned, the fee for them will still be 10s. per annum when they seek to renew their drivers' licences. The intention is that when the 10s. is paid on application for a driver's licence that shall hold good for a period of three months. The experience is that some people seeking to obtain licences are overcome by nervousness, or perhaps they are merely not familiar with certain traffic regulations that should be known to them, and accordingly they are not given a driver's licence. The period of three months is to enable them to come back a second or third time and get their licence, for which they will only pay the 10s.

Hon. H. K. Watson: Won't they pay any additional fee?

The MINISTER FOR RAILWAYS: They will not pay an additional fee. In other words, the 10s. testing fee will apply for three months. So actually there is a new principle being introduced of paying not the cost of the examination or the test—because that costs far more than 10s.—but a contribution towards the cost of the service given. Members will recall that last year we gave some attention to the stealing of vehicles and in that respect the penalties were substantially increased. These were followed with interest in other States of the Commonwealth which in several instances are either more or less following our pattern or giving serious consideration to it.

But there are two weaknesses. The first is that the penalties contained in the section of the Act apply to motor-vehicles only. As a result, caravans, trailers, etc. are excluded. The Bill seeks to delete the word "motor" and thus make the penalty apply to all vehicles that use the road.

The second error which has become apparent as a result of an interpretation of the court is that there are, as members know, increasing penalties with successive thefts of motor-vehicles. It appears, however, as the legislation is worded at present, that if a person steals three cars on three separate days he gets the first; then the second and heavier penalty; and also the third and heaviest penalty. But if he steals three cars on the one day it is considered to be the one offence and he only gets the one penalty, which in this case is the smallest. Accordingly an amendment has been drafted to correct that. It appears ridiculous that if over a period of 12 months one person steals three cars, and somebody in one day steals three, four or half a dozen, the latter should get away with the lesser penalty.

At present the commissioner has power in the case of a person of bad character and repute, to refuse to grant him a driver's licence. It is proposed that where a person has shown himself to be a bad, reckless and irresponsible driver who commits major breaches—many of them over a period of time—the Commissioner of Police may make application to the court; and if the appropriate court determines that such person is not a suitable individual to hold a driver's licence, it can confirm the application of the Police Commissioner.

In Western Australia we have no provision for what in the Eastern States, are called "hire" cars. This legislation refers to them as private taxi-cars. They are vehicles which do not ply for hire in the streets in the ordinary way but are operated exclusively from the premises of the owners. This would apply to those where a driver is supplied and also to those of a "drive yourself" nature. It is not intended to impose any restriction in connection with them, but merely to have simple regulations covering them.

I might mention the necessity for an amendment in one respect which will illustrate the point. Before a person can drive a taxi or an omnibus, or any vehicle for the transport of paying passengers, it is necessary for nim to obtain a conductor's licence. But in the case of hire cars it is possible for anybody to be at the wheel provided he has a licence. There was a case recently where a young man took out

a party in a car and met with a bad accident. I think members will agree that where a person is in charge of a passenger vehicle, there should be some slightly higher test or qualification as against that for the ordinary driver. This would apply only where a firm supplied a driver with a hire car.

Hon G. C. MacKinnon: It would not apply to the person hiring a car and driving it himself?

The MINISTER FOR RAILWAYS: No. Another amendment is to enable taxi licences to be issued in respect of a limited area. As is known, perhaps, there is a waiting list in Perth, and not more than a certain number of new licences are issued in one month. But it could happen, as it did several months ago, that a taxi was required in Midland Junction to serve in that locality. A licence was granted to this applicant, but out of his turn.

In order to regularise it and to have some sort of supervision; and to save the position under which a person obtains a taxi licence one day to serve in a particular area but who on the next operates it in the heart of Perth—and there is nothing to stop him at the present moment—it is proposed that it should be possible to impose certain limitations.

That would mean that he could not cruise streets or use the ranks of Perth if his licence was restricted to Midland Junction or Armadale. His base would be Midland Junction or Armadale as the case may be. But if he were taking a passenger from Midland Junction to one of the other suburbs—say Subiaco or Cottesloe—there would be no restriction on or impediment to his taking a passenger or passengers on his way home. It is not intended that he should be restricted in this matter, or that he should not deviate from his journey. If a person obtains a licence to operate in a particular area, that area should be his base. This is desirable in order to give people in some of these more outlying parts an opportunity of having a taxi service; otherwise they may not have one at all.

In respect of the transfer of a licence from one person to another, when a vehicle is disposed of, it was found, after the conference of managers met last year, that we finished by making it a responsibility not only for the seller, but also for the new buyer to notify the local authority or the licensing authority; also both of them were responsible for the payment of the transfer fee.

Under this legislation it is proposed that the person disposing of the vehicle shall be required to notify the licensing authority, but the purchaser is the one who will be required immediately to effect the transfer. That has been virtually the procedure over the years, except that there was no specific requirement for it to be done immediately.

A new departure is the proposal for the licensing of dealers in used cars. Several months ago the traffic Minister was approached by representatives of the Used Car Dealers' Association and the Chamber of Automotive Industries which both sought some form of control. They stated that they had ideas along the lines of the Land Agents Act, but not on as comprehensive a scale. They submitted a number of reasons for that request, and stated there were some people engaged in that occupation—perhaps not many—who were a discredit to the trade. A number of cases have been reported in the Press following on court action taken from time to time.

At present they pay 10s. a year to license their business, but no control is exercised. There is no intention in the Bill to restrict or impede the activities of used-car dealers in any way. The Bill provides that before a person can deal in used cars he shall be licensed at a fee of £5 per annum. The request was for a much greater sum; but as in country districts the used-car dealers would purchase and dispose of very few vehicles in any year, it would be an imposition if, as was suggested at one time, £100 was prescribed as the fee. On that basis, a small dealer in the country could do six months' business without any return.

The Police Department is to receive applications, and licences will be granted subject to the applicant being of good character and repute, etc. If an applicant is rejected, or subsequently his licence is cancelled, the person affected will have a right of appeal to a court. The Bill provides that the dealer shall take out a bond not exceeding £3,000.

The reasons advanced for the necessity to control used-car dealers include the prevention of corrupt dealing such as the changing of tyres and parts after a vehicle has been licensed. A further reason is to discourage and to put a stop to the present procedure that is adopted whereby a vehicle deemed to be unroadworthy by the licensing authority in Perth is canvassed by the dealer around local authorities until it is passed for registration.

Hon. G. C. MacKinnon: That is a reflection on local authorities. It is not quite true.

The MINISTER FOR RAILWAYS: I would not say it is a reflection. Perhaps "canvassed" might not be the correct word to use. It might happen where a local authority has not the time or the technical knowledge to check the vehicle. As far as possible there is a provision to prevent the sale of unroadworthy vehicles.

Another purpose of the Bill is to protect the purchasers of used vehicles. It will make it easier for the Police Traffic Branch and the local authority to trace vehicles. It will overcome the present anomaly under which, while reputable dealers pay the

necessary transfers, the fly-by-night dealers escape that responsibility and defraud the Police Traffic Branch or the local authority in the country areas in which they operate. The licensed dealer will be required to keep a register showing his transactions; that is, an entry for each vehicle he purchases and for each vehicle he sells.

An example is a leading used-car firm which, in a month, turns over the best part of 200 vehicles. Being a reputable firm, when it purchases a car, or receives one as a trade-in, it invariably goes to the Police Traffic Branch and pays the fee. If it does that several times a day, taking the particulars of the car to the Traffic Branch, a tremendous amount of work is entailed. In order to avoid, and indeed to reduce, that work there is an amendment to allow local authorities to make provision for car dealers, while keeping a constant check on them, to make payments and effect transfers monthly or at periods to suit the convenience of the local authority. That would be of immeasurable assistance to the used-car dealers.

It is proposed that trolley-buses should henceforth be subject to the Traffic Act. It is not intended to include trams, as these, being on a fixed route, cannot pull into the kerb. Apart from that, it is felt that before very long trams will disappear entirely from the city. Trolley-buses, are more manoeuvrable, and there is no reason why they should not be brought within the ambit of the Act.

Hon. G. Bennetts: They are limited to a certain extent by overhead wires.

The MINISTER FOR RAILWAYS: They have enough room to get alongside the kerb.

Hon. C. H. Simpson: Would it include standards of construction for trolley-buses —with regard to high steps and so on?

The MINISTER FOR RAILWAYS: No trolley buses have high steps. The hon. member is thinking of some of the newest tramway motor-buses.

Hon. C. H. Simpson: Will it have anything to do with the buses?

The MINISTER FOR RAILWAYS: It is not proposed to put that into the Bill; but it is proposed that in regard to future construction of these buses provision shall be made to overcome the disability that exists today.

Hon. C. H. Simpson: And for the rectification of the present trouble?

The MINISTER FOR RAILWAYS: If we put it into the legislation, it would be very difficult. Private operators found the same difficulty as the Tramway Department is experiencing with its buses where the engine is underneath the body work; and it is a disability which is not easy to overcome. Three steps have been tried; but it was found there were numerous accidents with them—in fact more than when there were two, the lower one of which was rather high.

But in many instances the height of the steps is no greater than that of many of the steps on the trams; and while there may be some inconvenience and difficulty for aged and crippled people, there are not the number of accidents that occurred when three steps were used. A lot of females with high-heeled shoes have difficulty, not in entering, but alighting from the vehicles. In the designing of bodies for future chassis, however, every endeavour will be made to rectify the disability.

The next matter to be dealt with is that of blood tests for alcohol. The proposal in the Bill is that where the blood test shows .05 per cent. or less of content of alcohol, that shall be conclusive evidence that the person is not under the influence of intoxicating liquor. Where the blood test is .15 per cent. or greater, it shall be regarded as prima facie evidence that the person is under the influence of intoxicating liquor.

Where the test shows between .05 per cent. and .15 per cent., the court shall take this into consideration as evidence, together with all other relevant and admissible facts; but the test shall not of itself be accepted as conclusive evidence of inebriation. I must emphasise that these proposed blood tests would not be compulsory but purely voluntary. At present it is possible for a person who has been charged to call in the services of a doctor, and have a blood test taken. However, there is no statutory procedure covering a test, and the Bill is an attempt to provide a pattern which is in existence in many parts of the world. A similar voluntary test is in operation in 16 of the United States of America.

The test is not necessarily a check as to the amount of liquor that has been consumed. It is a check on the percentage of liquor in the bloodstream, which of course has an effect upon the reactions of the person concerned. It has been roughly estimated that .05 per cent. represents approximately three schooners of beer; but much, of course, may depend on other factors, such as the physique and fitness of the person; whether he drank on an empty stomach, etc.

As I have mentioned, 16 American States have the same tests as those proposed in this Bill; and in three of these States, the police may demand a compulsory test. Canada, Germany, Czecho-Slovakia, France, and Denmark have compulsory tests; and in Denmark, if the test exceeds .1 per cent., the offender is gaoled. In Sweden the test also is compulsory; and if the test exceeds .08 per cent., the

offender receives a term of imprisonment of six months. If the test is .15 per cent. or more the period of imprisonment is 12 months.

In Norway tests have operated since 1936; and if the result is more than .05 per cent., the minimum proposed in this Bill, the person is guilty, irrespective of any other evidence. In Switzerland the police may order a test; and .1 per cent. is generally the limit, although there are differences in various parts of the country. A person with a content in excess of .1 per cent. is regarded as being under the influence. In Holland the tests are not compulsory, but are practically routine procedure.

In Australia, blood tests have been on a voluntary basis in Victoria since 1955; and in that State .05 per cent. or less is regarded as prima facie evidence that the person concerned is not guilty. I understand that experience has revealed that notwithstanding that blood tests are optional, approximately 50 per cent. of the people charged with driving under the influence of liquor elect to be tested. I am told that in New South Wales the proposition is under Cabinet consideration.

Members will appreciate that as this is initial legislation, we have chosen to be cautious. Instead of allowing it to be up to .15 per cent. before a person is deemed to be under the influence—as we could easily have done by adopting what is the procedure in many countries—it is felt that the blood test shall, at this stage, be supplementary to the normal tests that are now made by the police. This procedure has certain advantages.

Hon. G. C. MacKinnon: Would the .15 represent nine schooners

The MINISTER FOR RAILWAYS: I could not say. I am informed that there are about 70 or 80 different complaints or causes responsible for a person giving the appearance of being under the influence of liquor. There could be the shock of the accident; some domestic unheaval which has caused a certain state of mind reflected in his physical actions and reactions; diabetes; mental aberrations; intense fatigue, etc.

Then there are people who may be a little erratic in their driving habits. It could be that such a person might have had one small drink. If he was involved in an accident, it is possible that his breath might smell of liquor; and this, with car driving of an uncertain and erratic nature, might lead to the belief that the person was adversely affected by alcohol. In such a case the test would reveal that the percentage of alcohol was below .05, and no proceedings would be taken against the person.

On the other hand, a person showing .15 per cent., whilst not being drunk, has nevertheless in the view of expert opinion, had sufficient liquor to impair seriously his judgment as a driver. Accordingly he is to be discouraged, and the only way is by a salutary penalty of one sort or another.

At present there is provision for blood tests to be taken, and they are recognised; but no formula is laid down. This procedure presents difficulties for the police. If a person had an accident affecting him physically, it would not be possible for the police to carry out the customary test.

Members might be interested to learn that Dr. A. T. Pearson, the District Medical Officer for Perth, has been keeping a check on traffic fatalities. He finds that during a period of several years, of 218 blood alcohol tests, 24.3 per cent.—these are motor drivers, motor-cycle riders and pedestrians—had more than .2 per cent. of alcohol in their blood. Of pedestrians, 37½ per cent. had more than 2 per cent.

At a conference last March of the Australian Transport Advisory Council, which comprises the Federal and State transport Ministers, a resolution was unanimously agreed to in the following terms:—

> That the council agrees to receive the report of the medical-legal committee on voluntary blood tests and endorses the scientific principles contained therein, and at the same time recommends the findings and procedures to the State Parliaments for incorporation in their legislation as far as is practicable.

This medical-legal committee which has been working on this proposition for several years is composed of Mr. T. G. Paterson, chairman of the Australian Road Safety Council: Supt. Arnold, of the Victorian Police Department; R. R. Chamberlain, Crown Solicitor of South Australia; D. M. Chambers, Crown Solicitor of Tasmania; Dr. A. J. Christophers, Chief Industrial Hygiene Officer in the Victorian State Department of Health; Dr. C. H. Dixon, Medical Secretary of the Victorian Branch of the B.M.A.; J. C. Finemore, Parliamentary Draftsman, Victoria; Dr. F. S. Hansman, representing the Federal Council of the B.M.A. in Australia; Sir Stanton Hicks, of the Adelaide University; Inspector K. E. Hubbard, of the Victorian Police Department; Professor E. J. S. King, Professor of Pathology, University of Melbourne; Dr. J. H. Lindell, Chairman of the Hospitals and Charities Commission of Victoria; Dr. N. E. W. McCallum, Officer in Charge of the Victorian Police Scientific Bureau; T. A. McDonald, Senior Government Analyst, N.S.W. Department of Health; J. P. M. Reid, Secretary of the Safety Council of New South Wales; M. H. R. Shipp, Senior Chemist of the Government Analyst's Laboratory of the Tasmanian Department of Health; A. E. Stoneham, Stipendiary Magistrate, N.S.W.; L. Strudwick, Secretary of the Australian Automobile Association; and Dr. T. G. Swinburne, President of the Victorian

Division of the B.M.A.; and I. L. B. Henderson, Queensland State Government Chemical Laboratory.

Members will realise that these persons are among the most eminent lawyers, medical men and jurists in the Commonwealth; and, in addition, there are representatives of national safety organisations, police and traffic authorities, automobile associations, etc. Their report to the Australian Transport Advisory Council was unanimous.

Dr. F. S. Hansman, who, as I have said, represents the B.M.A. on the committee has written that—

> When the blood alcohol rises to a level where co-ordination is impaired, but long before the person is drunk, the driver becomes a menace to society and to himself. It is here where our sons on their motor cycles and their girl friends riding pillion kill themselves against a telegraph pole. It is here where the 5-ton lorry driver decides to pass a long line of traffic on a narrow road and fails to "cut in" in time to avoid an oncoming car. It is here that the flash young man in his new car attempts to beat the yellow light and crashes into somebody anticipating the green light.
>
> It is there that the medical profession is most concerned. We look upon the acceptance of the validity of the blood alcohol test with a line of demarcation at 50 mgm per cent. as providing the best means of educating people to drink sanely and we think that propaganda can teach people that alcohol taken to throw off the shackles that weigh us down, is "using" alcohol, but taken in amounts and in such a way that the blood alcohol concentration is high enough to affect co-ordination, is the "abuse" of alcohol and converts a convivial companion into a slaughterer of human life.
>
> Though co-ordination is definitely affected there may be no gross clinical diagnostic signs present. There will be plenty of suggestive evidence, but not such signs as are required under the present system to prove guilt. The gross signs of intoxication only appear when the cells of the primitive part of the brain are affected, and then we get loss of eye reflexes, staggering gait, slurred speech, disarranged dress, stentorous breathing and finally coma and death; but what can be more paradoxical than to try and prove the presence of such signs when we know they are not present, over the long range of alcohol concentrations, where many of the accidents and deaths are caused.
>
> As regards the test and its validity, you are asked to accept nothing new; the test has been in use for over 50 years. You are asked to accept nothing novel; the method of ascertaining the amount of alcohol present is the same in principle as applied to many other biochemical tests. You are asked to accept nothing untried; by now hundreds of thousands of blood alcohols have been estimated. You are asked to accept nothing unproved; the governments of 300 million people have accepted the validity of the test for legal purposes.
>
> Speaking to a body of people who are interested in science, which after all is only "true knowledge," I am sure you will agree that science will in the end always outweigh obstinacy, ignorance, prejudice and vested interests.

Another provision in the Bill deals with diesel fuel. We cannot introduce legislation here in anticipation of something that might be done by the Commonwealth Government; and so it is proposed, in this Bill, to authorise the Minister to make amendments or adjustments to the existing scale of license fees where fuel other than petrol is used. The Minister for Traffic has given an undertaking that in all cases where tax on diesel fuel is payable, he intends, with the least possible delay, to have gazetted in the terms of this Bill a proposition that the double licensing fee shall no longer be payable.

A small amendment deals with omnibuses. It is a fact that if a bus operator's vehicle is out of commission temporarily, he can put another vehicle on the road without licensing it. It has been found, fortunately in a few cases only, that a licence has been taken out for a light bus and shortly afterwards that bus has been replaced by a large one, ostensibly because the light one was undergoing repairs.

In order to meet some of the cost of the records, and to provide some definite check, it is proposed in the Bill that a nominal fee of 10s. shall be payable by any bus operator who seeks to replace one vehicle with another for a temporary period. Such a provision would apply to the proposed Metropolitan Transport Trust, if it eventuates.

There is also a proposal to enable local authorities to develop car parks from their license fees. The matter is left entirely to their discretion. Such a request has been made by several local authorities.

Other amendments deal broadly with two propositions. It will be seen, in quite a number of cases, that where subsequent offences have been committed by the same person, a higher penalty than that in existence at present shall be applied. It is not proposed to interfere with the initial penalty as provided in the principal Act.

Other provisions deal in principle with reductions in licence fees. It has been found that there are anomalies, and instead of having a sliding scale, it is proposed to have one on a smaller and lower

basis. The same applies to earth-moving and road-making equipment; there shall be a percentage reduction but with a maximum payment. As regards tractors generally, and which are not used on the roads, it is proposed that there shall be a reduction down to 25 per cent. of the normal fee, or £5, whichever is the lesser. This proposal will conform with the amendment made in this House to another Bill seeking to amend the parent Act.

Another proposal refers to trailers. The position is that the charge is 5s. a cwt. up to 10 cwts. Therefore, for 10 cwts. one paid £2 10s. If the trailer weighed 11 cwt. the rate became £1 a cwt. and the total fee payable is £11. This applies to a Lightburn cement mixer which weighs a few lb. in excess of 10 cwt. So instead of paying £2 10s., the people concerned are being called up to pay £11. The Bill seeks a graduated basis so as to overcome the anomaly. There are a number of such adjustments, based on experience, to which the House should have no objection. I move—

That the Bill be now read a second time.

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

BILLS (2)—FIRST READING.

1, Reserves.

2, Road Closure.

Received from the Assembly.

BILL—EAST CAREY PARK LAND VESTING.

Second Reading.

THE MINISTER FOR RAILWAYS (Hon. H. C. Strickland—North) [9.13] in moving the second reading said: This is a small and very simple Bill. In 1950 the Railways Commission resumed certain lands in Bunbury for the purpose of railway housing; and in 1952 the land was transferred to the State Housing Commission, the reason being that the Railway Department was not pursuing as vigorously its house building programme, and because it was not desired that there be virtually a complete suburb of railway employees.

Because of the shortage of suitable land, the Housing Commission proceeded immediately with the replanning and development of the area, and the position today is that there are 234 completed houses on this area and a further 16 houses being erected. It will be appreciated, therefore, that there is only one logical course to take to enable the transaction to be finalised and certificates of title to be issued to the 37 people who seek them. The whole of the area has been used, with the exception of about 100 sites which are being drained and filled.

An amendment to the Public Works Act requires that when land is to be used for a purpose other than that for which it was originally acquired, it should first be offered to the original holder. This is hardly feasible in this case as the whole of the area is subdivided and all the land either has been built up or is being built upon or is in the process of being prepared for building, with the exception of an area which has been set aside by the town planning authorities for an open space.

The purpose of the Bill is to enable the land to become Crown land and to be granted in fee simple to the State Housing Commission, without the necessity for it to be offered for resale to the original owner of the land. The Bill also seeks approval for the closure of a public road and a right-of-way which otherwise would have had to be asked for in the usual Road Closure Bill that is presented to Parliament at the end of each session. I move—

That the Bill be now read a second time.

HON. J. MURRAY (South-West) [9.15]: I have no intention of opposing this small Bill; because what the Minister has said is perfectly correct. This land was resumed for the erection of railway cottages, which are probably two miles from Bunbury along the main highway. The Railway Department did not desire, as was first proposed, to establish a complete miniature township in one particular area. The land was handed over to the State Housing Commission owing to the demand for Commonwealth-State rental and purchase homes.

Subsequently, the Public Works Act was amended so that it became mandatory that when land was resumed and was not used for the purpose intended it should be offered to the original owner. However, in this case the State Housing Commission had used the land for some two or three years before the amendment to the Public Works Act became effective, and therefore a large portion of it was built upon.

As the Minister has said, there is no way out but to allow the land to revert to the Crown and for it to be treated in the usual manner by the State Housing Commission. I have heard no complaints from the people who are in the houses on this land or from the railway employees who were there when this land was first taken over on their behalf.

Those people are now either housed by the State Housing Commission and given an opportunity to purchase the houses, or they are accommodated elsewhere throughout the town. The Bill, therefore, will impose no hardship on any person, and it is an endeavour to rectify a situation that should never have occurred.

On motion by Hon. Sir Charles Latham, debate adjourned.

BILL—LONG SERVICE LEAVE.

Third Reading.

THE MINISTER FOR RAILWAYS (Hon. H. C. Strickland—North) [9.19]: I move—

That the Bill be now read a third time.

HON. H. K. WATSON (Metropolitan) [9.20]: On the third reading stage of the Bill, I think it is desirable, in view of the amendments made by this House, to summarise briefly the provisions of the Bill as they now stand and the concessions which they will afford. The measure will now provide employees with long-service leave of 13 weeks after the completion of 20 years' service. An hour or so ago, the Minister suggested that the number of people who would benefit under the amended Bill would be negligible.

The Minister for Railways: I said a few.

Hon. H. K. WATSON: Well then, a few. I know of one company which, on the day this Bill was assented to, would have 34 of its employees becoming eligible for 13 weeks' long-service leave at a cost of £10,000 to the company. From inquiries and investigations, through a survey which has been made, it is reasonable to estimate that, throughout the State, between 18,000 and 20,000 persons will become entitled to long-service leave on the day this Bill is assented to, and the cost to private employers throughout the State will be in the vicinity of £4,000,000.

In addition, there will be many tens of thousands of workers who have already 10 years' service to their credit; and who, on the day following that on which the Bill is assented to will, if their services are terminated, be entitled to six and a half weeks' pro rata long-service leave; or should they die following the assent of the Bill, will have the equivalent of six and a half weeks' wages paid to their widows and families as a pro rata entitlement.

Immediately assent is given to this Bill, all the benefits that I have outlined will accrue to all employees who have had 20 years' service and the pro rata benefits will accrue to all those workers who have given 10 years' service. They are the proposals in the Bill at the moment as against those which were in the measure when it first came to this House and which offered no one any long-service leave benefits until 1961.

On reviewing the Bill as a whole, I think it must be conceded that it gives a very fair measure of reward for long service. How industry is going to meet the £4,000,000 involved immediately; how it is to stand up to the disorganisation that must follow as a result of many old and key employees becoming entitled to long-service leave is not easy to envisage. I can only say that there will have to be a great deal of goodwill and mutual understanding shown by both employers and employees.

I consider, in studying the Bill as a whole, that as a long-service leave measure it compares more than favourably with any legislation in any other State or with any provision in Commonwealth awards. If, as the Minister implied—that is, if I understood him correctly—the Bill does not proceed in view of the amendments that have been made in this House, the consequences will certainly rest upon the head of the Minister and his Government.

THE MINISTER FOR RAILWAYS (Hon. H. C. Strickland—North—in reply) [9.25]: Mr. Watson has quoted figures. But in doing so he did not mention the company that he cited; nor did he give any authority for the figures he has obtained, so that I could check them. Therefore, one can only treat them with suspicion just as he treated my version of the figures I quoted concerning the number of employees affected.

I based my assessment of the number of workers who would be affected in private industry on the number of workers in governmental and semi-governmental undertakings who will qualify and become eligible for long-service leave after 10 years' service. The figures show that only 30 per cent. of those workers become eligible for long-service leave after giving 10 years' service.

Looking at these figures fairly and squarely, it is logical to assume that in private industry, where a worker serves a qualifying period of 20 years, the figure relating to the number of employees affected would be extremely small. Mr. Watson cited one company which had 30 employees who would become eligible for long-service leave immediately this Bill is assented to. He also mentioned pro rata payment to other employees; but such payments must apply under certain conditions in any proposal such as this. Nevertheless, it does not mean that a person can be employed for 10 years and then expect that pro rata payments will be made automatically. He must serve in his occupation to the satisfaction of his employer.

There are features in this amended Bill which a Labour Government could not accept. One provision now will take away from the workers the qualifying period of 10 years and will make it obligatory for them to serve 20 years before they become eligible for 13 weeks' long-service leave. Such a provision is impossible of acceptance by a Labour Government. It is a fine thing for Parliament to say to the Arbitration Court, "You did the wrong thing. We are going to show you that you are not allowed to do that!" As the hon. member has often pointed out, if we disagree with the Arbitration Court, the Industrial Arbitration Act should be amended or the judges should be sacked. However, we should not pass legislation in the

interests of any individual, which will cancel any award that has been made by the Arbitration Court. Further, the Bill now contains a provision which states that the Arbitration Court shall cancel an award; it does not even state that it "may" cancel it. This is a situation which no Labour Government could accept.

I am certain that the provision was inserted in the Bill because it was known full well that a Labour Government could not accept such a situation. The measure as presented by the Government was based on the principle of granting long-service leave after 10 years' service and for such service to be made retrospective for seven years. Also, to enable industry to organise itself, the Bill provided for a three-year maturation period. Mr. Watson has stated that immediately the Bill becomes law between 18,000 and 20,000 workers will become eligible for long-service leave, and that the granting of such leave would cost industry £4,000,000 immediately.

Our assessment—on the 10-year basis—is that it would not cost industry more than £4,000,000 or £5,000,000 in 1961. Therefore, it is purely a matter of opinion as to which figure is the correct one, because to obtain a definite figure it would be necessary to analyse the position of every employer and every employee in the State.

There are aspects of the Bill which I feel sure will not be accepted by the Government. There are others, of course, such as that which provides that the benefits accorded to an employee shall be cut down to the bare minimum, such benefits being laid down in the award which covers the occupation in which the employee is engaged. That means that if a man is getting 10s. or £1 above the award and he gets it for 10 years, when he becomes eligible for long-service leave at the end of the period that the Bill as amended stipulates, he will not get that extra 10s. or £1 per week. What members in effect want to say is, "Your employer has been paying you all these years, but now you must go on what the court says is an appropriate wage for the position you occupy."

Hon. A. R. Jones: Don't you think the employer will do the right thing?

The MINISTER FOR RAILWAYS: We should leave the employer doing the right thing as he is at the moment. He might have been doing it for 15 years; but members opposite now want to say, "You must not do that. You must do something else; and this is what you are going to be paid." I have quoted the glaring example of the goldmining industry where, by amendments, members opposite have taken away that portion of the miner's pay which is known as the gold allowance.

Members opposite say to these men, "When you go on your annual leave, it is all right. You get your basic wage, plus your margin, plus your gold allowance; and that is your pay. But when you go on long-service leave we propose to cut out your gold allowance." Under this proposition of 20 years we could have the spectacle of many people in the goldmining industry, if they live and work long enough for the same owner, taking their annual leave and their long-service leave at the same time—they could take those leaves conjointly.

In that case they would work the first fortnight and be paid their basic wage, their margin, and their gold allowance; but for the remaining 13 weeks their gold allowance would be cut out. That is what the members in this Chamber want to do; and, as I have pointed out on more than one occasion, it is not the sort of proposition that is acceptable to a Government that represents the workers. I have no hesitation in thinking—indeed it is the only logical conclusion at which I can arrive—that certain unacceptable provisions have been placed in the Bill with the knowledge that they would not be accepted by the Government.

We all know that there are more ways than one of killing a pig. I would say there are two ways at least, one of which is the quick method, and the other the slow. In this case, the method being used to defeat the Government's objective is the slow method of placing it back on the Government to accept or reject the proposition. In my opinion the Government would have no hesitation in saying that it is not prepared to accept it; and that it will not penalise the workers on Cockatoo Island, Yampi Sound, for instance, who have just been given long-service leave on a 10 yearly basis by the Arbitration Court.

Do members opposite expect us to accept this and say to these workers, "What the judge told you is not right. Parliament says you must stay there for 20 years?" That is the sort of proposition that the members opposite are asking the Government to accept, and I do not think it will be acceptable at all.

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

Ayes	24
Noes	2
Majority for	22

Ayes.

Hon. N. E. Baxter	Hon. R. C. Mattiske
Hon. G. Bennetts	Hon. J. Murray
Hon. E. M. Davies	Hon. H. L. Roche
Hon. L. C. Diver	Hon. C. H. Simpson
Hon. G. Fraser	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. A. F. Griffith	Hon. J. M. Thomson
Hon. W. R. Hall	Hon. H. K. Watson
Hon. E. M. Heenan	Hon. W. F. Willesee
Hon. J. G. Hislop	Hon. F. D. Willmott
Hon. G. E. Jeffery	Hon. F. J. S. Wise
Hon. G. MacKinnon	Hon. J. Cunningham *(Teller.)*

Noes.

Hon. L. A. Logan	Hon. Sir Chas. Latham *(Teller.)*

Pair.

Ayes.	Noes.
Hon. R. F. Hutchison	Hon. A. R. Jones

Question thus passed.

Bill read a third time and returned to the Assembly with amendments.

BILL—TRAFFIC ACT AMENDMENT (No. 3).

Returned from the Assembly with an amendment.

BILL—METROPOLITAN (PERTH) PASSENGER TRANSPORT TRUST.

In Committee.

Resumed from the previous day. Hon. W. R. Hall in the Chair; the Minister for Railways in charge of the Bill.

The CHAIRMAN: Progress was reported after Clause 1 had been agreed to.

Clause 2—agreed to.

Clause 3—Arrangement:

Hon. C. H. SIMPSON: I move an amendment—

> That the words "Division 3—Compulsory Acquisition of Passenger Transport Undertakings," in lines 9 and 10, page 2, be struck out.

It will be noted that there are 24 amendments in my name and they all hinge on this initial amendment. With the taking out of the compulsory clause there is coupled the intention to insert a new clause which will guarantee to private operators coming into the trust all the rights and privileges they now enjoy, and also the benefits which the trust—if it is brought into being—might give them by way of certain advantages.

Sir Charles Latham quoted from the evidence with particular reference to a question I submitted to Mr. Adams who was giving evidence on behalf of the Omnibus Proprietors' Association. I asked if it was possible to have voluntary action on behalf of the operator, and his reply was as follows:—

> I daresay it could operate but it would be desirable in my opinion that the Metropolitan Transport Trust operate the whole of the undertakings within that area.

I submit that while Mr. Adams is quite entitled to hold that opinion, it is, after all, an opinion. If I am any judge of the reactions of certain of the witnesses who gave evidence before that committee, I think they would prefer to have the right to continue their own businesses. However, they felt that if they remained outside the trust they could be the victims of any treatment the trust meted out to them. Hence the reason for submitting these provisos which will lay down in the Bill the privileges which are preserved to them and the benefits which the trust could endow them with, such as concessions on diesel tax, sales tax and licence fees.

If there is a protective proviso in the Bill it will give some assurance that private operators will be able to carry on, which will be a good thing for the Government of the day. It has been conclusively proved in the evidence submitted that this will be a costly undertaking so far as the Government is concerned. It will mean the provision of a considerable sum of capital to equip the trust, to compensate the various operators and to provide for the payment of interest on the capital of undertakings taken over, extending over a period of years. The inclusion of this amendment would not prevent any operator from entering the trust as and when he wanted to. It is possible that all the operators would seize the opportunity of going into the trust; but there would be no compulsion.

I feel the Government's reaction will be this: "It is all very well to say we should take over the unprofitable undertakings and the others carry on under their own steam." I submit that that is the wrong picture. It is obvious that if the trust were formed, the Government trams, trolley-buses and road buses would come under the operation of the trust. It is also fairly certain that other concerns would prefer to do the same. It could be that half of the independent operators would come in.

Therefore the trust would not start off with the left-overs of the poorer areas. It would start off as a fairly solid concern. If the trust proved to be as good as we are told it would, I do not think there is any question that the other operators would come in. On the other hand, it would relieve the Government of a considerable amount of responsibility and outlay; and it would give the other services the right to continue and show whether they were giving a better service than the Government. It would be a testing period.

It would tend to lessen industrial risks. The evidence shows clearly that an active union official was obtaining for the Tramway Union certain privileges which were not granted to private operators. That contributed to a large extent to the extra expenses which the Government services were subjected to and to the fact that the Government services—road services and tramways—showed a loss of £260,000 odd; whereas the private services were able, on an overall basis, to show a profit. I think these are good arguments as to why the basis should be voluntary.

The Bill provides that the period of taking over shall be up to three years. During that period the private companies would obviously carry on. And I think they should be permitted to carry on indefinitely if they so desire. The cost to the

Government will be substantial and it is unlikely that the full amount of equipment and the number of new buses required could be obtained at once. If the Government were relieved of a substantial proportion of that outlay, it would be able to use that extra money for other commitments.

It is the duty of the Government to help those in difficulty. I have often expressed the view that the Government is like a policeman. It is there to preserve order, protect the large body of law-abiding citizens against lawbreakers, and assist those in trouble; but it should not interfere. It has a duty to preserve public utilities and to help them in time of trouble, always accepting the view that it must be satisfied that those instrumentalities are operating efficiently. The principle has been accepted time and time again; and I instance Wundowie, and the assistance given to Chamberlain Industries. Other examples could be given as to how the Government steps in to support necessary public utilities which must be kept going in the interests of a section of the community.

Under the operation of the Adelaide trust new areas are farmed out to private operators because it has been found in actual practice that a small operator can develop a new area as he is not bound by many of the rules which govern a big service. They can develop these areas much cheaper than the trust. The trust subsidises these people until such time as the service can be taken into the trust. There is a precedent for an independent operator to be performing the service, although there is a trust in being.

There are many reasons why the element of compulsion should be avoided. If the idea of the trust is as good as its sponsors claim, why not prove it instead of holding a gun at the heads of operators and forcing them to come in? I think that is the fear in the minds of some of the operators. The present Minister for Transport has been quite fair in his treatment of the different bodies, and he has actually put into effect what I am suggesting should be the policy of the trust. My amendment will retain for operators a certain amount of independence.

Much has been said about through-routing. It is the opinion of some people that through-routing is not possible without a trust. That is a fallacy. Parking places for surplus vehicles during the slack period could be found in Perth, as is done elsewhere, to avoid having lines of vehicles parked in busy streets. Through-routing, with the avoidance of costly dead-running —which must be reflected eventually in fares—could be avoided.

Hon. F. R. H. Lavery: Evidence before the select committee was that, owing to unbalance of population, through-routing here is impossible.

Hon. C. H. SIMPSON: The peak period demand morning and afternoon is experienced in the railways, just as with road transport of passengers, and trains are shunted out of traffic after the morning peak until they are required again in the afternoon. I think the Minister interjected that this was a case of loading the Government with the unpayable concerns; but that is not so. I have no doubt that some other operators would go over to the trust, which I think would have every prospect of success. Any operator could come in if he so desired, but I do not think there should be compulsion.

The MINISTER FOR RAILWAYS: The amendment is the forerunner of a series of amendments designed to remove compulsion from the Act as far as the trust is concerned; and I hope the Committee will not agree to it, because, as the hon member said I interjected—I did not; but I will say it now—it would create a situation where the trust would be required to take over unprofitable services while the profitable ones could be retained if the operators so desired.

Hon. C. H. Simpson: Why not?

The MINISTER FOR RAILWAYS: Because it would mean a hotch-potch transport system such as we have now, with no prospect of a profitable future. The hon. member was one of eight members of the select committee, seven members of which decided, after hearing all the evidence, that the Bill as introduced here contains all the requirements necessary successfully to operate the transport trust. I repeat that the amendment would result in a hotch-potch system—

Hon. C. H. Simpson: That was not the opinion of some of the witnesses.

The MINISTER FOR RAILWAYS: The evidence is overwhelmingly in favour of the Bill as it appears before us.

Hon. J. M. A. Cunningham: If the proposition is so attractive surely few operators will stay out.

The MINISTER FOR RAILWAYS: If the amendment were agreed to, I do not think the trust would have a possibility of success, and I doubt whether it would be established. The amendments the hon. member has on the notice paper virtually say to the trust, "Hands off those who do not want to join you!"

Hon. G. Bennetts: I don't know what the taxpayers would say about it.

The MINISTER FOR RAILWAYS: I do not think they would be prepared to contribute to the losses of a trust established under such conditions. I have no doubt that Mr. Simpson desires that the trust shall not be established, as he voted against the second reading, and only after that stage gave advice of his intention to move these amendments. I repeat that, after hearing all the evidence, the select

committee, with one dissentient voice, said that the trust should be established under the Bill now before us.

Mr. Simpson mentioned Government assistance to services later taken over by the Tramway Department, but that has had disastrous financial results. While he was Minister, one service out North Perth way came under his authority, and he knows it was a financial disaster for the Tramway Department. The present Government took over a service running to Bassendean, in order to help the operator out of his financial difficulties, and that cost a great deal. Two of the buses were sold a couple of months ago for about £150 each. That is the sort of tragedy which the hon. member's amendment would bring about, should the Government accept the Bill in that form.

I would remind the Committee that the Government creates the goodwill of these transport concerns by giving them a franchise for a certain route and protecting them from competition. Having created the goodwill in that way, is the Government then expected to purchase it? On the other hand, when a service is completely run down and is on the verge of bankruptcy, the Government pays nothing for goodwill; but on more than one occasion this and previous Governments have bought the service at valuation with subsequent disastrous financial results. All the Government does is to buy a losing proposition. By so doing, however, Governments help metropolitan bus operators out of their financial difficulties and prevent them from becoming bankrupt.

Hon. L. C. Diver: You have not been so generous to the country people.

The MINISTER FOR RAILWAYS: I do not want to mention how much the Government pays for transport in the country, but it runs into millions of pounds. However, this is not a parochial matter. The country obtains its share of the public purse for transport needs. I do not think that country members are so selfish as to consider that the people in the metropolitan area are not entitled to their share of the public purse for their transport needs. All that the hon. member's amendment will do will be to leave the position as it is now. I ask the Committee not to support this amendment; because, as Mr. Simpson has said, it is the key to the taking out of the Bill every form of compulsion by the trust and it would place obligations on the trust which would be untenable to it and would absolutely nullify its establishment.

Hon. L. A. LOGAN: The amendment offers members a little food for thought. By the Minister and the members of the select committee we have been told that all bus operators in the metropolitan area were quite agreeable to the establishment of a metropolitan passenger transport trust. If such is the case, surely this amendment will ensure that they were genuine when they gave evidence before the select committee. Apparently the bus operators do not care for "compulsion" to be taken out of the Bill. They cannot have it both ways. Let us place the onus on them instead of on Parliament if they desire the formation of this trust. By removing the word "compulsion" from the Bill we may gain the truth. I would like to talk over the story with the bus operators themselves, in order to arrive at the truth.

Hon. L. C. Diver: Has any bus operator approached you to tell you that he did not want the trust formed?

Hon. L. A. LOGAN: I was informed that there were at least four bus operators who did not want this Bill. But I would like them to tell me that themselves.

The Minister for Railways: What is holding you back?

Hon. L. A. LOGAN: The bus operators themselves, probably. Last night the Minister said that metropolitan passenger transport was disorganised.

The Minister for Railways: I said it was dislocated.

Hon. L. A. LOGAN: What is the difference?

The Minister for Railways: You were not here.

Hon. L. A. LOGAN: Yes I was; and I am here now. The Minister also stated that metropolitan passenger transport was a hotch-potch. As we have a Transport Board and a Minister for Transport handling transport matters, what a shocking indictment it is for the Minister to say that the transport in this city is a hotch-potch! Why does not the Minister get rid of the Transport Board and establish another one which will work efficiently?

The Minister for Railways: Why not introduce a Bill to remedy the position?

Hon. L. A. LOGAN: The Minister knows that a private member cannot introduce any Bill dealing with money matters. If all the bus operators want this trust let them come forward and give their opinion. I intend to support the amendment.

Hon. C. H. SIMPSON: The Minister said that certain services were taken over by the Government with disastrous financial results. I think he referred particularly to the Bassendean and Morley Park services. At that time the Bassendean service was in the developmental stage; and when the build-up occurred between here and there, I am satisfied that that service need not have shown such a heavy loss, especially with the continued development of the area. However, it was running alongside a railway which provided a

very good service at cheaper fares, and that was the reason why this service did not show up as well as it should have done.

In regard to the Morley Park service, Mr. Lancaster—one of the witnesses who appeared before the select committee—summed up the situation extremely well, in my opinion. Here is a question I asked Mr. Lancaster, together with his answer—

> You said that the Bedford Park and Morley Park runs, which you surrendered to the Government, were returning you quite a lot of money. When the Government took over there was a loss of patronage. What is the reason?—There were two different types of drivers, in my opinion. The Government driver took this view, "I am driving this bus and I cannot be sacked"; whereas our drivers take this view, "I had better run the service properly otherwise I could be sacked." I have seen three Government buses running one behind the other whereas we used to split our vehicles. That is the difference between a private undertaking and the Government service. If our employees fail to comply with an order they can be sacked, but it is very hard to sack Government drivers. We used to operate with one inspector spending half the time on that service but the Government employs as many as five inspectors on the various parts of that route.

He also said that the movement of trams in convoy, and the slackness of the drivers concerned—which added to the greater overhead charges of the tramways—were reasons why a private operator could make a good profit on that roster but the Government service made a loss. So much for the Morley Park run.

The Minister for Railways: I did not mention the Morley Park run.

Hon. C. H. SIMPSON: That is a service which is showing a loss; and that is how Mr. Lancaster explained the fact that he is making a profit and the Government is making a loss. The true story is therefore set out in the evidence.

The Minister stated that I suggested two positive ways to reduce the loss on our transport services and to assist the bus operators to continue, and possibly enable them to make a profit. I ask whether, if a private bus operator had operated that service and had had to depend on it for his living, he would have cancelled out such loss.

In his evidence Mr. Nicholl said that the Government, by and large, had imposed on this very important service taxes which created much discrimination between the Government services and the private service, and that had worked against those operators.

If the bus operators have rendered an efficient and essential service to the public and have, through no fault of their own but through the pressure of heavy taxes, found the service to be unprofitable, it is up to the Government to come to their aid when they get into trouble, in view of the disabilities they have been forced to work under.

One of the main witnesses who appeared before the select committee, Mr. Napier, said—

> The question uppermost in my mind is why socialise metropolitan passenger transport while private operators continue to provide a satisfactory service in meeting the travel wants of so many people?

The Minister for Railways: Why did you take over one when you were Minister?

Hon. C. H. SIMPSON: Mr. Napier was a very competent judge. He has spent all his life in the transport industry. He knew what was and what was not a good service. In any case I submit that if all the points enumerated by the Minister in favour of the trust and the principle of compulsion are correct, then he should agree to the removal of the compulsory acquisition provision and still have an effective trust which private operators can decide to join or not.

Hon. F. R. H. LAVERY: In his submission to delete the compulsory acquisition of transport undertakings, Mr. Simpson during the Committee stage and during the second reading referred to the proposition put up by Mr. Napier. While I do not suggest that I as a layman can teach Mr. Napier anything about the running of trams, I do know something about omnibuses.

I shall read a portion of Mr. Napier's evidence to clear up one or two points which have been raised. He began his evidence after being questioned by the Chairman as follows:—

> I will ask you, Col. Napier, to read the notes you have prepared and subsequently members of the Committee may ask you any questions they desire to ask.

He answered—

> I wish first to mention, Mr. Chairman, that I have secured the approval of the Minister for Tramways to appear before this committee and record my observations, he well knowing that I do not favour the projected measure. As a Government servant it was necessary that I acquaint him with what was going on. My statement is as follows:—
>
> Metropolitan Transport Trust—Projected.
>
> 1. The question uppermost in my mind is why socialise metropolitan passenger transport service while private operators continue to provide a satisfactory service in meeting the

travel wants of so many people? Surely from the Hon. the Treasurer's angle it would be preferable by far to do all possible to keep the private operators "on the road." If a transport trust backed by the Government is to become the sole operating authority then it would seem that the Hon. the Treasurer will be faced with a further drain on his limited loan moneys to the extent of £500,000 (approximately) per annum. This figure is the sum of the difference in operating costs (Government v. Private Companies) and interest on capital expenditure associated with the acquiring of private operators' interests and the meeting of the major needs of the proposed trust.

In considering revenue from the districts now serviced by private operators it must not be thought that the revenue now recorded will be earned by the trust, because it is fair to assume that worker's fare, child's fare and pensioner's fare concession, now available on Government trams and buses, will be made to apply throughout all districts taken over by the trust—the outcome will be lessened revenue.

In the light of the loss recorded by other States—

Sydney and Newcastle—1955-56—£4,138,000;

Melbourne—1956-57—£1,077,425;

Adelaide—1955-56—£86,247;

and having in mind the all-out efforts made by those authorities to reduce costs and increase revenue, it is safe to predict that the projected trust would not present a brighter picture.

2. Should Parliament agree in principle to the creation of a one only operator, it surely would be better from the Hon. the Treasurer's standpoint if the trust took over a private operator's district only when such operator gave notice of his inability to carry on. In such cases assets of use to the trust might be taken over at a mutually agreed upon valuation but no amount paid for good will. Such an arrangement would be a much less costly way of absorbing private operator's interests than compared with the cost of compulsory acquisition.

Does that paragraph tie up with what we have so often heard in this Chamber about the rights of private enterprise and the protection that should be given to it? I would be ashamed of myself if private industry was allowed to go to the wall before the trust took over the assets at a much reduced value. If the trust is brought into being it will adopt a fair and equitable method of taking over the assets of the private bus companies, and at the same time give them solid compensation which, in the next 12 or 18 months, may depreciate greatly in value if the Bill is defeated. Mr. Napier continued—

3. While a deal of criticism has been levelled at the existing passenger transport set-up in Perth and the suburbs, by no stretch of imagination can it fairly be said that the system is chaotic, because without doubt operators are not muddling along and are in the main operating services convenient to the public. However, transport operators are at a disadvantage in that they are unable to create fares such that they meet increased costs.

The CHAIRMAN: Does the hon. member intend to connect these remarks with the amendment?

Hon. F. R. H. LAVERY: I am very sure they are connected. Mr. Napier's evidence continued—

4. It is believed that financially a sounder approach than the creation of a one only operating authority would be to do all possible to keep private operators, in general, "on the road" and to this end—

(i) lessen the number of private operators;

(ii) allot zones of operation to the remaining operators;

(iii) amend the State Co-ordination Act to provide for operator's representatives on the board;

(iv) relieve operators by waiving Transport Board's fees and endeavour to seek a waivure of sales tax.

If, despite the introduction of these measures, an operator should be unable to carry on and other private operators be unwilling to take over the district then obviously the Government must become the operator, but it should not be obliged to acquire the company's assets and it should certainly not make any goodwill payment.

Note: The matter of zoning the metropolitan area was investigated some few years ago by a special committee set up by the then Minister for Railways and Tramways.

5. Appendices.

Appendix (1) is my spot estimate of the cost of acquiring private operators' interests and meeting the major needs of the trust.

Appendix (2) and (3) have reference to Appendix (1) from which it may be noted that it might transpire that expenditure on creating of depots would be £700,000 less than that shown on Appendix (1).

Appendix (4) provides in some measure an indication of the outcome of a Government operator taking over a private operator's interest.

I read that evidence out because there seem to have been doubts as to the evidence Mr. Napier actually gave. In the course of interrogation he made many observations, some of which are borne out by fact. Many of his observations were broken down as a result of examination. When asked if the railways and road transport should run services together, he, like Mr. Hall, the commissioner, said it would be possible but highly impracticable.

The other point I wish to make in regard to the compulsory acquisition of transport is that evidence was given by Mr. Adams, representing the Omnibus Proprietors' Association; by Mr. Evans, representing the Scarborough bus company; by Mr. Lancaster, representing himself; by Mr. Nicholls, representing himself; and by Mr. Kostera, representing two hills runs. They were the only bus operators who appeared before the select committee. Mr. Adams was asked whether he was speaking on behalf of his company or the Omnibus Proprietors' Association. He said he was speaking for the association. He left us in no doubt about that. He said that after several meetings and after investigation, it was not possible for the bus operators to form themselves into one organisation. One of the difficulties was the lack of finance.

He said that the Scarborough bus company, which did not want to come under the scheme proposed in the Bill, did agree after investigation, but it wanted to retain its buildings. The evidence of Mr. Evans bears that out. Mr. Lancaster was in no doubt that he did not want to come into the organisation; but when questioned by members of the select committee, he admitted that if he did not agree to join the trust voluntarily, he might find himself in difficulties because the trust might work against him. That evidence is given in black and white. There was no compulsion on Mr. Lancaster to say that he was agreeable to joining the scheme. He said he did not want to come under it. Mr. Logan said that four operators did not want to come into it, but the evidence given to us was that there were only two. I feel that this is an attempt to alter in a material way a Bill that was further amended at the request of Mr. Adams on behalf of the association. I hope the amendment will be defeated.

The CHAIRMAN: I do not think the amendment calls for a second reading speech. I refer members to Standing Order 397 which covers the question of tedious repetition. I hope members will keep to the amendment before the Chair.

Hon. G. BENNETTS: If the amendment is carried, we will have a shandygaff sort of trust.

Hon. C. H. Simpson: I like them.

Hon. G. BENNETTS: We will take over the junk at the expense of the State. If the trust comes into being it will, apart from the railways, be one of the biggest undertakings in the State. The trust can only work successfully by standardising on its vehicles; otherwise hundreds of thousands of pounds worth of parts will have to be kept for replacement purposes. I was a member of a local governing body for 18 years and it had mixed vehicles.

The CHAIRMAN: I hope the hon. member will connect his remarks with the amendment before the Chair.

Hon. G. BENNETTS: For the trust to operate successfully it will have to take the lot or nothing.

Hon. E. M. DAVIES: In answer to what Mr. Simpson has said, I wish to quote one or two passages of the evidence. Mr. Adams, the President of the Omnibus Proprietors' Association, said—

> During the course of the negotiations and in answer to a question from the Minister, we stated that private operators, if they all joined together in one unit, would not be able to secure the necessary capital to become the sole operating authority and further, that the difficulties of all getting together voluntarily were practically insurmountable.

The following is a question asked by Mr. Simpson, and the reply given by Mr. Adams:—

> In your opinion could the trust function successfully if it included the Government services and such of the private operators as desired to be embraced in the trust, and leave the entry into the trust as a voluntary action on the part of all operators?—I dare say the trust could operate; but it would be most desirable in my opinion that the metropolitan transport trust operate the whole of the transport within that area.

Mr. Adams has had a lot of experience, and I was impressed with his evidence.

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

Ayes	10
Noes	14
Majority against	4

Ayes.

Hon. N. E. Baxter	Hon. R. C. Mattiske
Hon. J. Cunningham	Hon. J. Murray
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. L. A. Logan	Hon. G. MacKinnon

(Teller.)

Noes.

Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. H. L. Roche
Hon. L. C. Diver	Hon. H. C. Strickland
Hon. G. Fraser	Hon. J. D. Teahan
Hon. E. M. Heenan	Hon. W. F. Willesee
Hon. G. E. Jeffery	Hon. F. J. S. Wise
Hon. Sir Chas. Latham	Hon. J. J. Garrigan *(Teller.)*

Pair.

Aye.	No.
Hon. A. R. Jones	Hon. R. F. Hutchison

Amendment thus negatived.

Hon. C. H. SIMPSON: I think there was an understanding that one small operator was to be allowed to carry on as an independent operator. I was wondering how, in the circumstances, that operator will fare.

The MINISTER FOR RAILWAYS: The trust would view his position and treat his case on its merits. The trust would not want to take over a service which might be an embarrassment to it. I cannot give an assurance because I am not the Minister who would be in charge. I am sure, however, that the operator would get equitable treatment.

Clause put and passed.

Clauses 4 to 13—agreed to.

Clause 14—Suspension and removal of members of the trust:

The MINISTER FOR RAILWAYS: I move an amendment—

> That after the word "shall" in line 5, page 8, the word "not" be inserted.

This amendment is necessary because of a printing or drafting error. This provision applies where there is reason to suspend a member of the trust. He cannot be suspended unless similar procedure is followed to that which applies to the Railways Commission.

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

Clauses 15 to 17—agreed to.

Clause 18—Determination of questions by the Trust.

Hon. J. G. HISLOP: I wonder whether it would be wise to give the Chairman both a deliberative and a casting vote. In a board of three the chairman could be out-voted time after time and, after looking at the evidence, I believe that is what happened with the Railways Commission. I would like to hear the Minister's views on the point.

The MINISTER FOR RAILWAYS: The Bill has been carefully drafted, and a lot of thought has been given to it. It has been in the course of preparation for over 12 months and consultations have been held with people who would be candidates for membership of the trust. I understand the Minister responsible for the Bill desires it to remain as it is. The position in the railways was not quite as Dr. Hislop said. Where the Commissioner of Railways might have been out-voted by his two assistants the Minister would decide.

Hon. J. G. Hislop: Couldn't that happen here?

The MINISTER FOR RAILWAYS: No. The same provision does not appear to be in this Bill.

Hon. G. C. MacKinnon: It is a majority verdict.

The MINISTER FOR RAILWAYS: Yes.

Clause put and passed.

Clauses 19 to 22—agreed to.

Clause 23—Functions of the Trust:

Hon. N. E. BAXTER: What would be the metropolitan area proclaimed under this legislation? The present metropolitan services extend quite a long way out into the urban areas, and the clause mentions streets in the metropolitan area. The definition of a street is a way along which houses are built on one side or the other. I should like to have the Minister's views on the point.

The MINISTER FOR RAILWAYS: As the Bill states, the metropolitan area would be proclaimed by the Governor from time to time. As we know, there are various metropolitan areas including one under the Traffic Act and one under the metropolitan markets legislation. I can assure the hon. member that the area for the purpose of the trust's operations would be the metropolitan area as we know it in respect to transport services. It would certainly not be taken to include country transport services.

Clause put and passed.

Clauses 24 to 80—agreed to.

New clause:

Hon. L. C. DIVER: I move—

> That after the word "Act" in line 32, page 23, the following be inserted to stand as Clause 24:—
>
> > Notwithstanding the provisions of any Act, it shall also be a function of the Trust to approve the fares to be charged and the time tables to be observed from time to time, in respect to railway coaching services within the metropolitan area; and after the coming into operation of this Act, no fare or time table in respect to such railway coaching services shall be published unless the approval of the Trust has first been obtained.

This is to ensure uniformity and to guard against the railways coaching service competing with the metropolitan transport trust for the same passengers. We do not want them to operate as they are at the moment; nor do we want them to continue to undermine the transport

system which will be set up by the trust with public funds. I am sure the Committee will support my amendment.

The MINISTER FOR RAILWAYS: I hope the Committee will not agree to the new clause. The trust will not want to run its business into the ground by competing with other Government-owned services. I would think the trust would want to overcome competition—that is the concern of everybody in the inner metropolitan area. The trust will be a Government body, but will not be under the control of the Minister or of the Government. Mr. Diver might just as well include the price of electricity because trolley-buses, etc., will be run.

When the trust is established there will be no question of various operators competing with each other. It is envisaged that the trust will make ends meet, because it will rationalise and organise its services. Mr. Diver talks about the railways undermining the private transport operators, but I remember the time when there were no private operators offering and it was the railways that carried the passengers. It is the private operators who have undermined the public-owned services.

Under the new clause the trust would have to secure the approval of another Government body; that is, if a railway trust were established. That would be both intolerable and embarrassing. The hon. member wants to obviate a position which he thinks exists today, namely, that the railways are attracting customers from the private operators because of their cheaper fares.

Hon. L. C. Diver: Don't you agree?

The MINISTER FOR RAILWAYS: I quoted the case of the Tramway Department services from Swanbourne where, as Minister, I agreed to the fares being increased, because the Transport Board said that the bus operators were not doing any good. The only way to overcome the problem is to establish a trust. There will be two Government organisations—the trust and the railways—and that would not be any more logical than it would be to run the buses along the railway line from Bellevue right through.

Under this Bill we would have complementary instead of competitive services. The amendment would be an expense to the railways and an embarrassment to the trust. No service at the Bellevue end is doing any good because it is over-catered for. The trust will run all the road services in the metropolitan area and will reorganise the disorganisation that exists today.

Hon. N. E. BAXTER: I hope the Committee will agree to this new clause, because it is important. The Minister admitted that the Transport Board could not co-ordinate passenger transport services.

The Minister for Railways: I said it had not done so.

Hon. N. E. BAXTER: We will have the bus services, the ferries, and the tramways tied under a trust, and the railways controlled by the Railway Department in every way. Accordingly, something must go out of existence. There have been buses from Fremantle or Midland Junction to Perth in competition with the railways. There could be no co-ordination between the railways and the bus services, so there would be a lessening of service because with the competition from the railways, the trust would take the buses off and let the railways have an open go.

Unless the amendment is agreed to the Railway Department will decide the fares and the timetables. It would suit the Minister for Railways if the railway services got all the passengers. He would see that the fares were kept to a minimum and the trust would eventually take the buses off the run and we would not even get as good a service as we have had in the past.

Hon. F. R. H. LAVERY: I know Mr. Diver feels strongly on this matter, but as his new clause is worded at the moment it will be unworkable. The matter of fares could be overcome if the proposal made by Mr. Hall and Mr. Brodie were accepted, namely, close liaison between the department and the trust. I do not think the amendment is practicable. I refer to the evidence given by Mr. Hall and Mr. Brodie. They said that the running of the passenger trains in the metropolitan area are to a great extent controlled by services from the country. If some of the words were deleted from this amendment it would work.

Hon. L. C. DIVER: The Minister wishes the Committee to believe that if this new clause were agreed to it might become a burden on the trust. I think his submission can be dealt with lightly, because the Commissioner of Railways would determine a timetable and schedule of fares which he desired for the metropolitan coaching services, and at his leisure would submit them to the trust for approval. If the Commissioner of Railways and the transport trust disagreed in regard to a timetable or fares, who would decide the issue in the absence of a clause such as this? The railway officers would turn to their Minister, as would the members of the transport trust.

The Minister for Railways: The Minister would have nothing to do with the trust.

Hon. L. C. DIVER: I hope the Minister is right. We would have the spectacle of the transport trust being at a disadvantage because the Commissioner of Railways would have the backing of his Minister.

Hon. C. H. SIMPSON: I have a lot of sympathy with what Mr. Diver wants to do, but I do not think it would be practicable. I can see many difficulties in the way of allowing the operational side of the railways to be controlled by an outside body. However, the members of the Committee agreed wholeheartedly with the Commissioner of Railways and the Chief Traffic Manager, Mr. Brodie, on the need for a close understanding and liaison between the trust and the railways; because the question could arise in the future in regard to feeder bus services to certain railway points. As much as I like the amendment, I cannot support it, because I do not think it will work.

Hon. L. C. DIVER: I am somewhat taken aback by Mr. Simpson's attitude to this amendment, as I cannot read into it any interference with the operational activities of the railways. The consistent opposition to this proposal amazes me. I realise that Mr. Simpson was once a Minister for Railways and perhaps nurtures some affection for the rail services. However, we are dealing with a business proposition and I feel strongly on this particular point. I resisted Mr. Simpson's idea of allowing those to stay out who wished to do so, because it would not have been an overall and complete trust representing all traffic in the metropolitan area. However on the other side of the ledger, I want to see the railway coaching services brought under the general overall planning by the trust.

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

Ayes	6
Noes	15
Majority against	9

Ayes.

Hon. N. E. Baxter	Hon. H. L. Roche
Hon. J. Cunningham	Hon. J. M. Thomson
Hon. L. C. Diver	Hon. Sir Chas. Latham
	(Teller.)

Noes.

Hon. E. M. Davies	Hon. J. Murray
Hon. G. Fraser	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. H. C. Strickland
Hon. E. M. Heenan	Hon. J. D. Teahan
Hon. J. G. Hislop	Hon. W. F. Willesee
Hon. G. E. Jeffery	Hon. F. J. S. Wise
Hon. F. R. H. Lavery	Hon. R. C. Mattiske
Hon. G. MacKinnon	*(Teller.)*

Pairs.

Ayes.	Noes.
Hon. A. R. Jones	Hon. R. F. Hutchison
Hon. L. A. Logan	Hon. J. J. Garrigan

New clause thus negatived.

Schedule, Title—agreed to.

Bill reported with an amendment and the report adopted.

Third Reading.

THE MINISTER FOR RAILWAYS (Hon. H. C. Strickland—North) [11.46]: I move—

That the Bill be now read a third time.

HON. C. H. SIMPSON (Midland) [11.47]: I do not wish to delay the House, but must register a final protest against the passing of the Bill. Had the clauses I wished to include been included, covering voluntary admission and the right of operators to remain out if they so wished, together with protection for operators in regard to non-interference, and assistance by the trust where necessary, I feel that the result of the passing of the Bill might have been a happy one. It would then have shown conclusively whether one system was more efficient than the other.

I know that it is intended to appoint a high class man to direct the operations of the trust and I do not doubt that such a man will be secured for the position, but not matter how good he may be, the system he controls will become the target for intensive industrial bombardment. That is borne out by the history of most concerns where all the eggs have been placed in one basket. An illuminating illustration of that was given by the General Manager of the Tramways and Ferries Department, when asked by the Minister for Transport why his service operated at such a loss compared with others. He gave a picture of the different conditions that had to be provided by his department and which made the service so much more expensive.

Mr. Lancaster's evidence proved that sooner or later operators, whether working for the trust or for the Government, if they are protected by active union executives, will develop what is called the Government stroke. The Minister for Transport was scathing in his condemnation of anything like that and claimed, I think, too optimistically, that that would not happen under the trust. I regret having to assert that such a condition will inevitably arise, as it has in the three States where trusts have already been formed and have invariably shown a loss. Part of the trouble is that in each case the trust concerned eventually got tied up with the Government of that particular State. The Governments eventually had to provide money to meet losses and in some cases had to have a say as to the scale of fare charged; and so, despite the intention to divorce the trust entirely from the Government's control, we find that it always comes back to that sooner or later.

That was the case with the London Transport Authority where, according to the evidence, such huge losses were incurred that the system had to be altered. All this proves that sooner or later the Minister in charge comes into the picture

and exercises authority. Feeling certain that that will be the experience in regard to this trust and believing, on the evidence put before us, that the private operators can give a cheaper and more economic service to the public, I feel that the Bill will result in a tremendous drain on Government funds, in expenses and the payment of interest. In view of the State's financial position and the desirability of operating transport services as cheaply and efficiently as possible, I ask members to vote against the third reading. I oppose the third reading.

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

Ayes	13
Noes	8
Majority for	5

Ayes.

Hon. N. E. Baxter	Hon. F. R. H. Lavery
Hon. G. Bennetts	Hon. H. C. Strickland
Hon. G. Fraser	Hon. J. D. Teahan
Hon. W. R. Hall	Hon. W. F. Willesee
Hon. E. M. Heenan	Hon. F. J. S. Wise
Hon. G. E. Jeffery	Hon. E. M. Davies
Hon. Sir Chas. Latham	*(Teller.)*

Noes.

Hon. J. Cunningham	Hon. R. C. Mattiske
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. G. MacKinnon	Hon. J. Murray
	(Teller.)

Pairs.

Ayes.	Noes.
Hon. R. F. Hutchison	Hon. A. R. Jones
Hon. J. J. Garrigan	Hon. L. A. Logan

Question thus passed.

Bill read a third time and returned to the Assembly with an amendment.

BILL—PARLIAMENTARY SUPERANNUATION ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading—Defeated.

Debate resumed from the previous day.

HON. C. H. SIMPSON (Midland) [11.58]: This is another of those Bills which arrive here year after year as hardy annuals. I can say at once that we entirely support the principle of compensation; but we are asked, at this late hour, to give this measure considerable thought and study, particularly in regard to certain new features that it contains. I wonder whether the Government is sincere in its desire to have this Bill passed, or whether this is just a challenge to this Chamber, which could perhaps be used later, as a charge of non-co-operation.

While it is not lengthy, the Bill does contain certain new features. Clause 2 seeks to amend Section 5 of the Act, in order to bring contractors into the category of those in respect of whom an employer is called upon to pay a premium.

Clause 3 proposes to amend Section 7 of the Act. This is the familiar "to and from" clause. Clause 4, which is to amend Section 8, extends the right to make a claim which, at the moment, is limited in the Act. It is proposed to lift the limit to the sky. This clause also proposes to lift the benefits by 25 per cent. Clause 5, which affects Section 10 (a), raises the limit for totally and permanently incapacitated individuals and seeks to apply, in addition, the basic wage variations.

Clause 6, which affects Section 11, is consequential and again this clause proposes to jack up the benefits to be paid to workers. Clause 7 affects the first Schedule and includes ex nuptial children. It also proposes to increase the charges in regard to medical and funeral expenses and provides that where there are no benfits these can be disposed of as directed by the Workers' Compensation Board. It also applies to medical aids and hospital charges. In any event, it increases still further the benefits to the worker and obviously the premium which the employer has to pay.

Clause 9 also refers to the First Schedule and deals with the increase to totally incapacitated individuals. Clause 10 applies to the Second Schedule which aims at increasing the benefits by 25 per cent. and Clause 11 applies to the Third Schedule of the Act. This sets down a new definition of boilermaker's deafness; an added disability for which a claim may be lodged.

Before we even start to examine this Bill, we know that, whatever its fate, we are sure to have another Bill of a similar nature introduced to this House next year. I think the time has come when we must have some regard to the capacity of industry to pay these premiums. We have to remember that the present scale—it is referred to in the Bill as £2,400 or £3,000 as the case may be—has already been varied by the application of the basic wage rises. For instance, the amount of £2,400 becomes £2,617 and the amount of £3,000 becomes a greater figure also. In addition, the weekly payment of £12 8s. 8d. becomes £13 10s. and so on.

This year we have been asked, by means of one Bill or another, to provide extra taxes. We are planning the construction of a new railway which will cost the State at least £5,000,000 or, with extras, probably £10,000,000. We are planning the implementation of long-service leave which will tax private industry by an amount of approximately £17,000,000. We have only just approved of the formation

of a metropolitan passenger transport trust which will require up to £5,000,000 for capital expenditure and also to cover probable losses and interest on the scrip that will be taken up by the various bus operators.

The question is: Where is all this money to come from? How are we to obtain the extra money to provide increases in the benefit to workers who claim workers' compensation as well as providing the money for these other schemes for which we have pledged our support?

I would like to read to the House a description of the provision contained in Clause 2. There is a part of that clause which is difficult to follow. It is impossible to guess the intention of this clause. The position regarding odd-job, contract and piece workers under the Act is at present most confused. Legal opinion is that the proposed amendment will add only confusion to confusion.

In the Assembly the Minister stated that the intention of this clause is to include contract bricklayers within the definition of "worker" in the Act. He said that it was taken from the Victorian Act. Legal opinion is that the clause will not extend the Act to cover such person. It is reported, by the insurance commissioner of Victoria, that a similar provision in the Victorian Act has caused much litigation and has been practically useless.

That was a general summing up of what the effects of this clause will be. Adjustments have already been made to the basic wage and members will recall that in 1954 a select committee was asked to furnish a report and it performed a very good job. Amongst other things it recommended that there should be an automatic increase in workers' compensation payments to conform with basic wage adjustments. The idea was that we should not be called upon to deal with this legislation year after year. However, what has happened? Despite the provision, a Bill similar to this has been introduced year after year and the actual discussion on this legislation has taken up a great deal of time.

In the past four years an all-round increase has been granted. The 1954 select committee made many recommendations for increases in workers' compensation benefits, but with the proviso that annual reviews of this legislation should cease. The recommended increases were granted but it seems that the annual reviews are not ceasing. On the two recent occasions when this type of Bill has been introduced, the tenor of the Opposition's attitude has been that the granted increases should mark a halt in the Government's rising demands in connection with workers' compensation. This year, the time for that halt to be brought about has arrived. We are going to have long-service leave granted to workers at a high cost, whatever form it may take. We should let it rest at that.

Workers' compensation increases previously granted by Parliament in only recent years have led to an increase in premiums. Principally due to amendments to the Act, premiums rose by an average of 25 per cent. in April of this year. The Government now wants another 25 per cent. in benefits and workers' compensation extended to people other than workers. This is an unreasonable request.

Before making more submissions, I think a suggestion made in another place by the Deputy Leader of the Opposition is one that is worthy of consideration. His suggestion was that instead of bringing forward a Bill dealing with workers' compensation in the dying hours of the session—to which measure we could not possibly give the consideration that it deserves—possibly we could let the measure be postponed until next year when the people concerned, employers, employees and the State Government Insurance Office, could probably get together in an endeavour to overhaul all the provisions of the Workers' Compensation Act and bring it up to date. I make a similar suggestion to the House at this juncture.

I will now quote another extract which I think is illuminating. This is an estimate of the increased costs and a statement relating to the total increases in the premiums paid in the last four years. The percentage of total claims for weekly workers' compensation benefits, is 53 per cent. Lump sums paid out for claims, redemption and debt represent 18 per cent. of the total claims, and the proposed increase in regard to those is 25 per cent., which will increase the cost by an estimated 4.5 per cent. of the total. Medical and hospital expenses represent 27 per cent. of the total claims and the proposed increase represents another 20 per cent., and the estimated increase represents 5.4 per cent. of the total increase in costs.

So, if the Bill is passed, there will be an estimated increase in costs of 9.9 per cent. or near enough to 10 per cent. on last year's scale. The increase in premiums over the last four years is most illuminating. The figures are as follows:—

Year ended 30th June—
1954—£1,353,847
1955—£1,510,703
1956—£1,640,261
1957—£1,695,431

So it can be seen that since 1954 the amount paid out in premiums has grown from £1,353,847 to £1,695,431.

In commenting on the "to and from" workers' compensation claims, and quoting from the figures in New South Wales, in which State the records are more complete

than in any other, the following are the figures, setting out the accidents of the last three years:—

1953-54—3,429
1954-55—4,334
1955-56—5,385

That is an increase of 36 per cent. in two years; that is, from 1953-54 to 1955-56. That is much more than would be accounted for by any population increase. One of the disturbing features of the incidence of the number of claims was that in connection with the last figure given, namely 5,385; 2,827 related to accidents arising out of motor-vehicle claims. That is to say, more than half of the claims made under that "to and from" clause arose out of claims which resulted from transport of workers by motor-vehicle.

It would be interesting to know what percentage of those accidents occurred on the journey to work, as compared to those which occurred on the journey from work, because we know that on the way home an employee is not under the direction of the employer, but neither is he under his direction when he is travelling to work. However, when he is going to work he is in such a hurry to get there that the question of his entering a hotel does not arise.

On their way home the workers do go into hotels. I submit that as a result in many cases accidents occur. Reading between the lines it appears that more than 40 per cent. of the total claims in respect of accidents have arisen on the journey home, after the workers had been into a bar and taken a few drinks. The payment of claims in these cases amounted to 7 per cent. of the total compensation.

I shall now quote the concluding remarks of an address given by Mr. Dawson, the Insurance Commissioner of the State Accident Insurance Office, Melbourne, in regard to the recent changes in the Victorian legislation. His final summing up is as follows:—

> The present workers' compensation legislation as interpreted by the Courts of Law has now assumed very largely the character of a social service, the heavy ever-increasing cost of which is borne by one section of the community only (i.e. employers). Unless the legislature is prepared to limit the liability of employers to injuries and diseases which have a casual relation with the employment, the cost of claims will, I believe, continue to increase and the burden on industry may well become such a severe handicap to Victorian employers that they might find that they are at a disadvantage as compared with employers in other Australian States where the availability of compensation is more restricted. The only other alternative that I can see to meet the position which may arise would be to absorb compensation to workers into the social service legislation and thereby spread the cost of the benefits over the whole community, as has been done in England.

I have one more extract to which I want to make reference. That is the limit of medical and hospital expenses which was deleted from the Victorian legislation in 1953, and the proportion which those expenses bear to the total claim costs. They have risen from 24 per cent. in 1953-54 to 29 per cent. in 1956-57. That is an increase of over 20 per cent. of such costs, or an increase of 5 per cent. of the total claims.

There is every reason to suppose that the lifting of the limits in this State will be followed by an increase equal to that experienced in Victoria, and this State can expect an increase of 5 per cent. of the total claim costs. We can regard as certain that a similar measure will be introduced at the next session of Parliament. In view of the lateness of the present session I consider that we should ask the Government to defer this very important Bill, despite the fact that it has received very reasonable treatment in another place, until next year so that the measure can reach this House much earlier in the next session. Having regard to all the factors, including the deliberation of many Bills in the dying hours of this session, this Bill should be rejected. For those reasons I oppose the second reading.

HON. J. G. HISLOP (Metropolitan) [12.22 a.m.]: I am surprised to see a Bill of this nature. If we were going to be asked to consider a measure to amend the Workers' Compensation Act I should have thought it would be one to which a great deal of attention had been given.

In the early part of this year the Minister appointed a committee which consisted of members representing the workers' interests and insurance interests; and it conferred with the Workers' Compensation Board and with two medicos of whom I was one—and the medical officer of the State Insurance Office. We examined many aspects of workers' compensation, particularly in regard to rehabilitation and the more rapid treatment of the injured worker to facilitate his subsequent return to work.

I have been interested since I returned from my trip overseas to realise that there has been no meeting of that committee; or, if there has, I have not been invited to it. One of the things we went into thoroughly was the preparation of a new certificate for the notification of an injury which came within the ambit of the Act. We gave attention to this aspect for the reason that we believed there were many cases that could have received more adequate treatment, had more details been known of each individual's physical condition at the time of the accident. We were

progressing along this field, about halfway through the year, and nothing more has apparently eventuated.

This Bill disappoints me considerably. There seems to be some idea that a worker can be adequately recompensed simply by increasing the amount paid out by industry. I have tried to point out to this House before that it is totally inadequate. The raising of workers' compensation by 25 per cent. does not really help. All it does from the injured man's point of view is to give him a greater sum of money for minor injuries. However, it remains totally inadequate if a worker suffers a serious illness. The raising of the compensation from £2,400 to £3,000 for the widow of a man who suffers a fatal accident does not do much more than add a minor amount to the contribution at present available to her. It seems to me that the whole approach towards the Workers' Compensation Act is now out-moded.

One of the suggestions I have made in regard to this Bill is that it should be completely changed from a "Workers' Compensation Act" to a "Workers Compensation and Insurance Act." That fits in with what Mr. Simpson said about the general public playing some part in contributing towards the cost. Even without that contribution, I think the cost could be met by industry and the worker. There are very few accidents in which there is not some degree of negligence, however slight, on the part of the injured person.

It is always possible that the worker has had a bad day at work prior to the accident. It may be that before leaving home for work he has been involved in a domestic upset; in other words, the temperament of the individual has been disturbed. Even though he may be an excellent worker, who normally would take great care, the incident to which I have referred could disturb his concentration. Therefore, we find that at the time of every accident there is some contributory negligence, small though it might be.

This takes me back to the thought that if an individual desires to be adequately compensated he should bear some of the responsibility by contributing a share of the cost. If a worker wishes to be protected under this Act for injuries received while he is not under the control of his employer, but travelling to and from his place of employment, he should pay something towards the cost of compensating these injuries throughout the body of workers. Just imagine what a scheme of that nature could do for the worker, as compared with the present Act!

The other day, a young man, who had been involved in a car accident—his car overturned on the road—was awarded £20,000 by the court in compensation through the Motor Vehicle Insurance Trust with the consent of both parties, because that unfortunate fellow will be paralysed for the rest of his days. Had that same injury resulted from an accident in falling from one of the major buildings now being erected in the city, just think for one moment what the position of the injured person would be under the Workers' Compensation Act.

Even under this Bill he would receive the relatively small amount of £3,000 which would not in an way whatsoever recompense him for the injury received. The money would certainly not earn sufficient interest on which he could live; the capital would be absorbed in a few years; and the individual would have to fall back upon the State to obtain relief by way of a pension.

If we could institute a fund to which the worker and industry contributed, and if on actuarial figures it was found necessary, the Government did, too, we could provide completely for those injured in industry. If the worker contributed £1 a year and the employer contributed £1 per employee per annum, we would establish a fund of about £360,000. If that was regarded as an excessive cost for either party, and the amount was reduced to 10s., and the Government contributed 10s., we would have an annual fund in the neighbourhood of £270,000.

Out of this amount we could adequately pay for the loss of limb and for injury causing paralysis, and we could give to the widow a sum of money that would ensure that she and her children could live in much the same condition as they would had the husband survived. We could, in short, in various ways make contributions to those who really deserve them. I would say that the first half-dozen injuries under the schedule are such that they demand this treatment.

I suggested this type of approach to workers' compensation when the committee to which I referred earlier was sitting this year, but I do not know the reception it received or whether the employers thought it was too much to pay. But I was staggered when I was told that the idea could not be sold to the worker. The worker could not be sold the proposition that he should pay 6d. per week, or even less, to ensure that his family would be cared for should anything happen to him. I could not believe it, but that was the only approach to my suggestion. I would like to have the task of selling this to the worker because I do not believe that he is so unmindful of his family that he would refuse to pay this small sum to ensure that his family was protected in the way he would wish.

If a sum of money of this kind were set aside, the premiums under the Bill should remain static for a period of five years in order to give the employers some idea of the stability in regard to their contributions. The amounts paid from this fund should be over and above what is now being paid under the Act. I also envisage that we should do a great deal more than that. If we took in the "to and from" clause and

estimated its cost in proportion to the cost in New South Wales, our annual figure would be in the neighbourhood of £100,000. Even on the small payment I have suggested of a contribution of 10s. each we would still have £170,000. This amount, perhaps, would not cover what we desire. With a small increase we could, by putting aside a sum of money, build a rehabilitation ward in one of the hospitals such as the annexe at Subiaco, or elsewhere, with full equipment for the treatment of the injured worker.

I believe we waste a lot of time in allowing the worker to recover to a certain stage—even to the stage of discharge from hospital—before we attempt any rehabilitation. If we had a properly trained rehabilitation staff, I am certain the injured worker would return to work much earlier than he does now; and any change of occupation could be made in less time than it is now. These are facets of workers' compensation that we must meet soon rather than stick to the old idea that we should only raise the levels each year. That will not get us anywhere.

There are one or two other clauses in the Bill that are worth mentioning. Despite what I tried to tell the House last year about silicosis, the same old story is adhered to. Silicosis still appears in its old guise. No attempt has been made to compensate the individual with pulmonary disability arising from his occupation, yet we must face the fact that the cost of the State Insurance Office building in St. George's Terrace was met out of the funds from the mines. The mining companies were the ones who, by their premiums in the early days and probably later, provided the funds with which that building was erected.

There is still a duty on all of us to look at this question and see that these men are adequately compensated, because they are not at the moment. This period of three years really means nothing—it did many years ago, but it does not today. I have repeatedly stated here that I have seen individuals, 15 years after having left the mine, report with advanced symptoms of silicosis. That was in the days when there was no compulsory x-ray of the men on the mines. But today once a man is established as having even 10 per cent. of silicosis he can go on claiming as his silicosis disability increases.

That is so even under this Act, but it does not mean that we have marched forward with the time because, as I emphasised last year, there are men who show very small proportions of silicosis or silicotic affection of their lungs who have possibly some allergic demonstration as a result of it which produces considerable circulatory changes as well. There we can only compensate these men to the degree of silicosis which is estimated on an x-ray film. The rest of their disabilities are regarded as non-occupational, but many of them are occupational. Yet we find that members sitting here representing Kalgoorlie, listened to what I have brought to them from Canada, America and Africa last year, but still say that the best they can do for these people is to provide a three-year extension of the time in which to make a claim for silicosis. It makes one rather tired of trying to do anything for people when they refuse to take notice and simply go on in the same old way as the Government has for so many years.

I do not know whether the measure is intended to cover this sort of thing, but there is a disability which we encounter from time to time, particularly in boilermakers or others working under noisy conditions, and here I refer to the occupational disability of deafness which they develop.

Hon. G. Bennetts: It used to occur a lot in the batteries.

Hon. J. G. HISLOP: The difficulty is that the Act compensates a worker for loss of capacity to work, but this disability does not prevent him working, although it constitutes a disability in his social life when he is not working.

This raises a problem for which there is no adequate provision in the Act. This has simply been added to the Third Schedule and it brings in a principle which could be extended and to which I think consideration should be given generally, rather than to bring in a single heading of this type. Last year I voted for the workers' compensation measure that was before us, but I am tired of simply doing that in order to add a bit on—

Hon. G. Bennetts: Do you think the amount there is sufficient?

Hon. J. G. HISLOP: I am not in favour of unlimited medical expenses, as I think that would be most unwise. I strongly object to Mr. Simpson's statement that the medical profession charge an injured worker at a rate higher than private fees, because they feel he is not paying his bill. The B.M.A., in conjunction with the insurance companies, has laid down a schedule of charges under the Workers' Compensation Act and in the main they are two-thirds of the fees charged in private practice, and have been so for many years. Mr. Simpson's statement was unwise, because it could only antagonise a section of the people who are endeavouring to help the injured worker.

No member of the medical profession is in favour of unlimited fees, because that would only allow the individual who was tempted to abuse the provision to do so. Very few medical men today object to this clause. But again I come back to the point that the seriously injured man has never been catered for under this Act.

We set a figure to cover all cases in regard to both medical and hospital fees, and a year or so back I suggested that the board be given the right, in certain cases of serious illness, to grant an increase in the medical fees and hospital fees for the seriously injured worker.

Until we become realistic and do that we will never have an Act satisfactory to the workers. Hospital fees are very high today, because the costs are enormous and so £150 can be used up very rapidly if a seriously injured worker is admitted to hospital. In the old days, when a man's hospital fees were exhausted, he was transferred to the Royal Perth Hospital, where the honorary staff would look after him; and where, in the days when Mr. Chifley was Prime Minister, hospitalisation was free and the worker therefore had nothing to pay.

Today, when the injured worker has used up the whole of his hospital expenses, through no fault of his own and is transferred to Royal Perth Hospital, he still has to meet the hospital costs out of the totally inadequate sum that he receives for having been injured.

Hon. G. Bennetts: In Kalgoorlie today the only ward available costs 72s. per day.

Hon. J. G. HISLOP: That is quite cheap; because with theatre fees, dressings, drugs, bandages and so on, a hospital can easily cost £30 for the first or second week. This Bill does nothing for the really injured man, but simply continues the same old routine, with a complete lack of vision on the part of those dealing with workers' compensation. For those reasons, for the first time since I have been in this House, as a protest against this sort of thing, I refuse to vote in favour of the Bill.

THE CHIEF SECRETARY (Hon. G. Fraser—West—in reply) [12.46 a.m.]: As members have remarked during the debate, this is not a very comprehensive Bill, but it was introduced mainly with the idea of tightening up one or two points that needed attention. We believe, for instance, that it is not right to have three separate amounts of compensation in relation to injured workers. We do not think it should be £2,400 under the Second Schedule, £2,700 for the totally incapacitated, and £3,000 for the dependants of a worker who is killed.

The Government thought it was necessary to let Parliament again examine those payments, in order to see whether uniformity could be arrived at, as we think it should. From memory, I think the amounts were generally uniform up till last year. Members know how hectic the debate on last year's measure was; and while the sum for the dependants of the deceased worker was advanced to £3,000, the £2,400 was not altered.

We believe there is too great a discrepancy and it was felt that this small Bill would meet the requirements. I do not know whether Dr. Hislop's contentions are right or wrong, although I think there is a lot in what he says; but until the whole question is tackled from a more scientific angle, it is necessary to bring the legislation before Parliament each year, in order to keep the sums laid down in line with the altering value of money.

Hon. C. H. Simpson: Is not the adjustment of money values covered by the 1954 select committee's recommendations?

The CHIEF SECRETARY: I do not think so.

Hon. H. K. Watson: It was intended to be.

The CHIEF SECRETARY: I do not think it has stood up to the test; and in order to keep pace with the changing situation, owing to the alteration in the prices of lots of commodities, because of rising costs and other factors, this Bill is necessary. It is necessary almost every year to bring the workers' compensation legislation up to date, even if it is only to make certain adjustments. In addition, as has been mentioned, there is the old hardy annual of the "to and from" clause.

Hon. G. Bennetts: That is reasonable.

The CHIEF SECRETARY: We believe it is; and we think that whether we introduce a comprehensive Bill, or only a small one to amend the principal Act, we should include this clause in it in an endeavour to bring the benefits under the Act into line with those enjoyed by workers in other States. As members know, workers in several of the other States enjoy the benefit of the "to and from" provision. So we believe that until such time as that aspect has been agreed to, we are entitled, and it is our duty, to bring the clause before Parliament so that Parliament can again deal with the question.

Regarding the clause dealing with miners, I will admit that Dr. Hislop has often spoken on the question, particularly over the last year or two. Even though the provision might not be up to the standard the hon. member would like, surely he will admit that that part dealing with a person suffering from silicosis is just.

Hon. J. G. Hislop: No.

The CHIEF SECRETARY: The hon. member believes that it should be confined to the three-yearly period. We believe that the period should be extended beyond three years, and we consider that there is a lot of justification for the amendment. As regards hospital and medical expenses, members do not need me to tell them the tremendous cost there is in this regard today for anyone unfortunate enough to have to go to hospital. The amendment in

the Bill is an attempt to make up some of the leeway where these expenses are incurred.

Hon. G. Bennetts: There will be further increases, too.

The CHIEF SECRETARY: That is more than possible. I agree with Dr. Hislop that the very seriously injured worker will not get far today on the sum allowed for hospital and doctors' expenses; and he will be forced to provide a certain amount of the fees from his own funds. But I will admit that in many cases—and I know a large number of them—members of the medical profession have been exceptionally good, and the fact that the payment under the Act has cut out has not worried them at all; they have continued their services to the injured worker.

Hon. G. Bennetts: The medical men on the Goldfields are very good, too.

The CHIEF SECRETARY: We cannot expect those people to do it for ever; and we should amend the Act so that injured workers can receive a proper remuneration. I do not know who will tackle the scientific approach to this question, such as Dr. Hislop mentioned. Governments of all sorts and sizes have been in office during my term in Parliament, and at no time has any of them tackled the question from a scientific point of view. Such legislation as this must be brought down until such time as some system is evolved, somewhere in the world, so that we can copy it and improve our present legislation.

Hon. J. G. Hislop: Why not start here?

The CHIEF SECRETARY: Generally these investigations take a lot of money, and Australia usually has to rely on other parts of the world to make investigations.

Hon. J. G. Hislop: That is today's funny story.

The CHIEF SECRETARY: Not many advances are initiated in Australia, because of the expenditure.

Hon. J. G. Hislop: It is too late. It would be a waste of time telling you what should be done.

The CHIEF SECRETARY: Lots of discoveries, from a medical point of view, have been made in other parts of the world because they have been able to provide the money for the necessary research. Because of their investigations we have received benefits. I would not mind this Government spending money on research if someone would lead the way and show us how a scientific approach should be made to the problem.

Hon. J. G. Hislop: The whole of the research into silicosis lies in the Health Department today.

The CHIEF SECRETARY: That is one phase; I am dealing with the whole question of workers' compensation. I do not know of any country, where workers' compensation is recognised, that has any method which differs from ours.

Hon. J. G. Hislop: I thought we started it in this State.

The CHIEF SECRETARY: I do not think so. But at one time we had what was looked upon as the best Workers' Compensation Act in Australia. Unfortunately, from the workers' point of view, we have slipped from that high pedestal and today we are well behind most of the other States of Australia.

Hon. W. F. Willesee: That is true.

The CHIEF SECRETARY: It is, apart from the £3,000 that is paid to the widow. In either New South Wales or Victoria there is no ceiling for the amount that can be paid to the widow of a worker who is killed; although our statutory figure is the highest of the States which have the figure laid down. That is the only instance where we lead the rest of Australia. This Bill was to bring the Act up to date and more into line with what it should be. I hope, even at this late stage, that we can get sufficient support for the Bill to go on to the statute book.

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

Ayes	10
Noes	12
Majority against	2

Ayes.

Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. G. Fraser	Hon. W. F. Willesee
Hon. W. R. Hall	Hon. F. J. S. Wise
Hon. G. E. Jeffery	Hon. J. D. Teahan
	(Teller.)

Noes.

Hon. N. E. Baxter	Hon. R. C. Mattiske
Hon. L. C. Diver	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. J. M. Thomson
Hon. J. G. Hislop	Hon. H. K. Watson
Hon. Sir Chas. Latham	Hon. F. D. Willmott
Hon. G. MacKinnon	Hon. J. Murray
	(Teller.)

Pairs.

Ayes.	Noes.
Hon. R. F. Hutchison	Hon. A. R. Jones
Hon. J. J. Garrigan	Hon. L. A. Logan
Hon. E. M. Heenan	Hon. H. L. Roche

Question thus negatived.

Bill defeated.

BILL—METROPOLITAN (PERTH) PASSENGER TRANSPORT TRUST.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

BILL—RESERVES.

Second Reading.

THE MINISTER FOR RAILWAYS (Hon. H. C. Strickland—North) [1.1 a.m.] in moving the second reading said: This is one of the formal measures that are introduced each year to validate alterations to certain reserves. This Bill contains 14 alterations to various reserves throughout the State. Clause 2 of the Bill deals with reserve No. 12529 at Bullfinch.

Reserve Bullfinch Lot 253 of 9 acres 2 roods 16 perches was set apart in 1912 as Reserve No. 13529 for the purpose of recreation and was placed under the control of certain trustees as a board of control under the Parks and Reserves Act, 1895, and was classified as of Class "A." The reserve has not been used for recreation purposes for many years and the trustees are now deceased. The land has been selected as the most suitable site for a new hospital, as the reserve previously set apart for that purpose in 1953, comprising Bullfinch Lot 320 on the north-western side of the railway, was rejected by the Commissioner of Public Health. It is proposed to cancel the present Class "A" reserve for recreation and to later reserve Lot 253 for the purpose of a hospital site with the approval of the Governor in Executive Council.

Reserve No. A.11059 at Doodlakine: This reserve is set apart for the purpose of park lands and was classified as of Class "A" and originally contained 104 acres. An area of about 23 acres was excised in 1952 for quarry reserve 23722, leaving a balance of 81 acres. The Kellerberrin Road Board in which the reserve is vested wishes to utilise portion for camping purposes and has requested that a separate reserve be created to comprise about 15 acres 2 roods 36 perches. It is proposed that that area be excised from the reserve and be set apart as a new reserve for camping and vested in the Kellerberrin Road Board in trust for that purpose.

Reserve No. 22365 at East Fremantle: This class "A" reserve is set apart for the purposes of park and recreations and is vested in mayor and councillors of East Fremantle. The Commonwealth of Australia requires for the Department of the Army a site for a small crafts base and the most suitable site was located near the old jetty at Preston Point. The proposed site has been surveyed as Swan Location 6320 containing one acre 36 and 4-tenths perches and comprising the north-western portion of Reserve No. 22365 and a small portion of the contiguous road known as Wauhop-rd. Provision has been made in the Road Closure Bill for the closure of the portion of Wauhop-rd. It is intended Location 6320 be sold to the Commonwealth under the provisions of the Land Act, 1933.

Reserve No. 23855 at Korbel: This reserve comprises Avon Location 21066 of 257 acres 2 roods 10 perches which was set apart for the purpose of public utility and classified as of "A" class in 1953, the land having been reserved previously for railway water supply. The Merredin Road Board has requested that the purpose of the reserve be altered to recreation as it is desired to establish a golf course on the reserve. In due course consideration will be given to the question of vesting the reserve in the local authority in trust for the purpose of recreation if the recommended alteration is approved.

Reserve No. A.24435 at Lake King: This reserve was set apart for the purpose of conservation of flora to protect the Lake King township from prevailing westerly winds. The local authority, the Lake Grace Road Board, desires to establish a community sheep dip and has requested that an acre of land be made available for the purpose out of the south-western corner of the reserve which the road board considers would not affect the usefulness of the remaining reserve totalling 230 acres. It is intended to survey the proposed sheep dip reserve at Lake King Lot 37 which will have a road frontage of 2 chains. The sheep dip reserve would be vested in the Lake Grace Road Board.

Reserve No. 22236 at Midland Junction: This reserve comprising an area of 1 acre 1 rood 13.9 perches is set apart for the purpose of a children's playground and has been classified as of Class "A." The Municipality of Midland Junction has indicated that only a small portion of the existing reserve is required for a children's playground and wishes to utilise the balance of the reserve together with certain freehold land the property of the council for general recreation purposes. It is proposed to resurvey the portion to be retained for the children's playground and the council proposes to surrender to the crown its existing freehold land with the intention that a composite new reserve for recreation will be set apart by the Governor and proclaimed by him as a Class "A" reserve for recreation and vested in the Municipality of Midland Junction. In order to facilitate the amendment of the existing reserve when the survey has been completed, it is desired to cancel its classification as of Class "A" for the time being and when the boundaries have been amended the reserve will again be classified as of Class "A" and the proposed new reserve for recreation will also be classified.

Reserve No. 18324, situated on the western side of the Scaddan Pine Plantation at Mt. Lawley, was set apart in 1923 as a Class "A" Reserve for the purpose of recreation and vested in the Perth Road Board in trust for that purpose, and originally contained 75 acres. In 1952, parliamentary approval was given to the excision of 12 acres and 38 perches, of

which 11 acres and 16 perches was reserved for the Coolbinia school site, one acre for a children's playground and 22 perches for road widening, thus reducing the area of Reserve 18324 to 62 acres 3 roods 6 perches.

The Perth Diocesan Trustees are seeking a site for a Church of England building in this vicinity, and acquired certain freehold lots which were subject to covenants restricting the use of the land to residential requirements, and sought to exchange them for portion of the reserve, but the Crown has no use for the land offered in exchange, and the department preferred to deal with the proposal on a direct sale basis. The proposed church site has been surveyed as Swan Location 5906 to contain 1 acre and 23 and 6/10ths perches, and it is necessary to obtain Parliamentary approval to excision of this area from Reserve 18324, and to authorise its sale to the Perth Diocesan Trustees for the recommended price of £3,000. This is very valuable land immediately opposite a section of Mt. Lawley No. 3 Estate, between Armadale and Carnarvon Crescents where some of the finest homes in the metropolitan area have been erected.

A further reduction of Reserve 18324 is involved to provide a site for a spastic children's centre, and an area of 10 acres has been surveyed as Swan Location 6345, adjoining the proposed church site and the Coolbinia school site. Both areas which it is proposed shall be excised from the reserve are on high sloping land which would not be suitable for recreation purposes, and it is considered that the remaining portion of the reserve will be adequate for its dedicated purpose.

Reserve No. A. 20378 at Narembeen at present comprises Avon Location 23032 of 16 acres and 24 perches. It was set apart in 1930 for the purposes of park and children's playground, and vested in the Narembeen Road Board, the land having been previously resumed from Avon Location 18164 for the purpose of a water reserve. The road board acquired a further portion of Location 18164 south of Reserve 20378 for additions to the reserve, and in 1957 arranged to purchase from Mr. Arthur William Latham another portion of location 18164 on the northern side of the reserve, and this additional area has been surveyed as lot 3 on Land Titles Office Diagram No. 22529 to contain 12 acres 1 rood 39.4 perches which will be used by the board for recreation purposes.

The arrangement included a proposal that the triangular portion of the reserve now surveyed as Avon Location 27858 of 1 acre 1 rood 12 perches would be made available for sale to Mr. Latham if parliamentary approval is given to its excision from the reserve. After the adjustments have been made, the lot or area available to the board for park, children's playground and recreation will total 30 acres 1 rood 16.8 perches, the boundaries of which will be squared up by the excision of Location 27858.

Class "A" Reserve No. 7123—Central Government Buildings, Perth. It is proposed to make available to the Rural and Industries Bank of Western Australia a site for the erection of a new head office for the bank to comprise portion of the area reserved for central Government buildings. The proposed site will have a frontage of about 1 chain 25 links to Barrack-st., and will include the Hay-st. frontage on which the old State Savings Bank building is erected.

Building operations will be confined for the time being to the area fronting Barrack-st. and it is proposed to proceed immediately with the erection of the head office. To enable the land to be made available to the commissioners of the Rural and Industries Bank of Western Australia, it is necessary to obtain parliamentary approval to the adjustment of the reserve and to authorise the granting of the land for the use and requirements of the commissioners of the Rural and Industries Bank. The Barrack-st. frontage of the proposed site is part of a slightly larger area which was excised from Reserve A. 7123 by the authority of Act 6 of 1927, and was sold to the State Savings Bank.

This land is still registered in the name of the State Savings Bank of Western Australia, and is the subject of Certificate of Title Volume 1010 Folio 408, and it is first necessary to revest this area in Her Majesty as of Her former estate and reinclude it in the main reserve. The land to comprise the new site for the Rural and Industries Bank has been surveyed to comprise Perth Lot 792 containing about 1 rood 24 perches, and it is necessary to excise this area, subject to examination of survey, from Reserve A. 7123. Perth Lot 792 will then be reserved for the use and requirements of the Commissioner of the Rural and Industries Bank, and a Crown Grant will be issued in trust for those purposes.

Reserve No. 17615 Mounts Bay Road, Perth, is classified as of "A" class set apart for the purposes of park land and recreation, and is vested in the City of Perth. It comprises portion of the approach area to the new bridge across the Narrows which will be subject to much alteration when the bridge has been completed. To facilitate subsequent action to cancel or amend the reserve when providing new approach roads and intervening reserves for gardens or beautification, it is desirable that the classification of the reserve be altered to "C" class. This will enable the Governor to cancel or amend the reserve at the appropriate time under the provisions of the Land Act, 1933.

Reserve No. 23039 at South Perth was previously portion of Melville Parade, Como. It is set apart for the purpose of

recreation and is vested in the Municipality of South Perth. The Main Roads Department has requested its reclassification as of "C" class to facilitate its cancellation or amendment under the provisions of the Land Act, 1933, at the direction of the Governor when final recommendations are submitted in connection with the proposed main road along the river foreshore between Canning Bridge and Mill Point. The South Perth Yacht Club occupies portion of the reserve and may be called on to vacate the reserve in due course. The Municipality of South Perth has no objection to the reclassification of the reserve as of "C" class.

Reserves Nos. 17331 and 17375 at Crawley are next dealt with. The site selected for the proposed new teachers' training College at Crawley at present comprises portions of Class "A" reserves 17331 and 17375. Reserve No. 17331 is set apart for the purpose of the site for the main buildings of the University of Western Australia and has been leased to the University for a term of 999 years as from the 1st January, 1920, and is the subject of Crown Lease No. 1455/1921. Reserve No. 17375 is set apart for the purpose of recreation and is vested in the National Parks Board of Western Australia in trust for the purpose of the reserve under Section 33 of the Land Act.

The University agreed to cede to the Education Department an area of 3 acres, 3 roods, 23 perches from the south-eastern end of Reserve 17331 for inclusion in the proposed site for the new teachers' training college. The National Parks Board of Western Australia agreed to the excision from Reserve 17375 of an area of 5 acres, 1 rood, 39 perches for inclusion in the teachers' training college site and a further area of 2 acres, 2 roods, 5 perches for the deviation of Hackett Drive.

Provision has been made in Clause 13 for the amendment of Reserve No. 17331 and in Clause 14 for the amendment of Reserve No. 17375. To consolidate the portions excised from the two reserves which are situated on either side of portion of Hackett Drive which has a bituminised roadway it is proposed to close the intervening portion on a date to be fixed by proclamation as provided for in the Road Closure Bill.

The excisions from the two reserves and the land comprising the portion of Hackett Drive to be closed, have been surveyed at Swan Location 5518 containing a total area of 11 acres, 3 roods, 28 perches which it is proposed shall be reserved for the site for the teachers' trainning college. The survey of Swan location 5518 and the proposed new position of Hackett Drive are shown on Lands and Surveys original plan No. 6430.

Further excisions from Reserve No. 17375 are required to provide for the straightening of Hackett Drive to remove two curves, one just south of the Crawley tearooms and another between 10 and 20 chains further north in the vicinity of the tennis courts. Provision has been made in the Road Closure Bill for the closure of the two portions of Hackett Drive involved in the straightening and to authorise that the land contained in the closed portions be included in the main University Reserve No. A.17331. The various proposals herein are in accordance with arrangements made and agreed to between the Town Planning Board, the University of Western Australia, the National Parks Board of Western Australia, the Education Department and the City of Subiaco.

For the information of members I would point out that the Leader of the Opposition has been supplied with a copy of the file and of the maps containing the reserves I have just described. I move—

That the Bill be now read a second time.

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.

Bill read a third time and *passed.*

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. G. Fraser—West): I move—

That the House at its rising adjourn till 2.15 p.m., today.

Question put and passed.

House adjourned at 1.23 a.m. (Thursday).