concerned. If it were for the good of the country for me to vacate my seat tomorrow, I would do so.

The Minister for Mines: Leave that to the electors.

Mr. BERRY: I hope this matter will receive serious consideration, and that the intelligence displayed by certain members of Cabinet will be sufficient to induce the remainder, even though they include at least one who sits grinning like a Cheshire cat when a serious suggestion is advanced, to adopt the course indicated by the Premier.

Progress reported.

House adjourned at 10.56 p.m.

Legislative Council.

Tuesday, 7th October, 1941.

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

QUESTION—LIQUID FRUIT COMPANY.

Hon. C. F. BAXTER asked the Chief Secretary: 1, Has the Government made any monetary advances to the Liquid Fruit Company? 2, Has the Government made any promise to assist the company financially? 3, If any advance, guarantee, or financial assistance has been given, what is—(a) the value of such; (b) the reasons for assistance; (c) what protection has the Government got for any assistance rendered?

The CHIEF SECRETARY replied: 1, Yes. 2, See answer to No. 1. 3, (a) It is the policy of the Government to treat such matters as confidential; (b) It is the policy of the Department of Industrial Development to encourage secondary industries that provide an outlet for primary products. There are definite indications that if fruit juices are not produced locally, growing demand for them will be met by imports. Fruit juices from America are already being sold locally; (c) Security over land, buildings, and plant.

BILL—ROAD DISTRICTS ACT AMENDMENT (No. 2).

Received from the Assembly and read a first time.

BILLS (4)—THIRD READING.

1, Distress for Rent Abolition Act Amendment.

2, Government Stock Saleyards.

3, Increase of Rent (War Restrictions) Act Amendment.

Returned to the Assembly with amendments.

4, Inspection of Machinery Act Amendment.

Transmitted to the Assembly.

BILL—TRAFFIC ACT AMENDMENT.

Recommittal.

On motion by the Chief Secretary, Bill recommitted for the further consideration of Clause 11.

In Committee.

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

Clause 11—Amendment of Section 50:

The CHAIRMAN: The Chief Secretary's amendment appearing on the notice paper constitutes a new clause and if accepted in its present form would be a violation of the Standing Orders. The difficulty can easily be overcome by putting the amendment in stages.

The CHIEF SECRETARY: Perhaps I may be permitted to explain the reason for the amendment which I move as follows:—

That all the words after the word "is" in line 1 be struck out and the following inserted

in lieu: "repealed and a section is inserted in lieu thereof, as follows:—

Substitution of vehicle for vehicle whilst under repair.

50. Any license granted in respect of an omnibus, or passenger vehicle, or goods vehicle shall, during such time or times as such omnibus or vehicle is under repair, authorise the holder of such license, with the previous consent in writing of the Commissioner of Police or any officer acting for him, when the omnibus or passenger vehicle or goods vehicle is licensed within the metropolitan area or any outlying land, or with the previous consent in writing of the local authority in whose district the omnibus or passenger vehicle or goods vehicle is licensed, when such omnibus or passenger vehicle or goods vehicle is not licensed within the metropolitan area or any outlying land as aforesaid, to substitute another omnibus or vehicle for the bus or vehicle under repair, and to ply for hire therewith or otherwise use the same for profit without being required to pay a further license fee during only such period or periods as the first-mentioned omnibus or vehicle is under repair and not plying for hire or otherwise being used for profit."

Under the principal Act, where a license is granted for an omnibus or passenger vehicle, the right is given to the owner, should the vehicle be put out of commission perhaps on account of an accident, to substitute another vehicle for the period that the first one is out of action, provided he obtains the permission of the local authority or the Commissioner of Police, as the case may be. Representations have been made that this provision should apply also to goods vehicles used for profit. In order to give the owners of such vehicles the right enjoyed by omnibus owners this amendment is necessary. So as to avoid the large number of amendments which would be necessary under our Standing Orders the amendment was submitted in the form of a new clause. I realised that this was against the Standing Orders and consequently submitted the point to the Chairman, who has found a way out of the difficulty. If we agree to the large number of amendments that will be necessary, we shall achieve the result I have just explained to the Committee.

Hon. H. TUCKEY: The amendment will be a step in the right direction. The provision should not have been omitted from the parent Act.

Hon. L. B. BOLTON: Why should not the provision apply to private vehicles? A private motor car may be involved in an accident and be seized by the Traffic Department. I have known of instances where a private car has been thus held for weeks and during the whole of that time the owner has not had the use of the car. I appreciate the amendment, but is there any reason why private cars should not be included?

Hon. Sir HAL COLEBATCH: Ought not the amendment to provide that the substituted vehicle should be of a like kind and subject to the same fee as the one out of commission? The substituted vehicle might be much larger and subject to a heavier fee.

Hon. L. B. Bolton: The owner would have to substitute whatever he could get.

The CHIEF SECRETARY: I do not think any difficulty will arise in that way. The licensing authority is the authority which will determine whether the licensee is entitled to this privilege or not.

Hon. H. Tuckey: The licensing authorities will see to that.

The CHIEF SECRETARY: Yes. We can assume that the Commissioner of Police or the local authority will insist that the substituted vehicle is similar to the damaged one. One could hardly imagine a local authority agreeing to allow a substituted vehicle to be used for an extended period if it would ordinarily pay a much higher license fee. As regards Mr. Bolton's remarks, I suppose more accidents occur to private vehicles than to omnibuses or goods vehicles, but I doubt whether private owners would have another car as a substitute. I have not given thought to that aspect, but I cannot see that any real hardship will be suffered by owners of private cars because, as a rule, repairs to cars take only a few days or a week or two at the outside.

Hon. L. B. Bolton: Why not provide for it?

The CHIEF SECRETARY: I question whether it would be wise to do so. That matter should be left to the Commissioner of Police or the local authority to decide. It would be strange if an owner of a private car had another car, unlicensed, standing by.

Hon. L. B. Bolton: It is more likely to be so under present conditions.

The CHIEF SECRETARY: My experience is that not many private owners have more than one car. We would be wise to

restrict the provision to such vehicles as omnibuses.

Hon. L. B. BOLTON: Under present conditions when a large number of cars is not being licensed, that might happen. A firm might own a number of travellers' cars and one of them might meet with an accident and be laid up for two or three weeks, which would be very inconvenient for that firm. If it had the right to use the license in connection with one of its other cars, it would be saved that inconvenience. I have no desire to press the matter, but while the Bill is being amended in the direction indicated by the Chief Secretary, this might also be included.

Hon. H. TUCKEY: Omnibuses and trucks would be entitled to come under this amendment even if laid up for repairs, not necessarily as the result of an accident. That could hardly be made to apply to private cars. The whole scheme would be too involved in those circumstances.

Hon. G. W. MILES: It is not necessary to provide for private cars. I have had one or two accidents and have always been able to borrow a car from the people who did the repairs.

Hon. L. B. Bolton: From the people who repaired it!

The CHIEF SECRETARY: Perhaps I was not sufficiently explanatory when I referred to the question of accidents. The amendment covers a vehicle under repair, as indicated by Mr. Tuckey. Many firms own fleets of trucks, and so on. I see no reason why they should not have the same right as the omnibus proprietor and the proprietor of passenger vehicles. These conditions do not apply to the owner of a private motor car who, in most cases, only possesses one. When he puts his car in for an overhaul, he is only inconvenienced during the time the car is undergoing repair. We might well agree to the amendment and refrain from extending it to cover owners of private cars.

The CHAIRMAN: In order to comply with the Standing Orders I shall put the amendment in stages. The effect will be to redraft the section in the Act in the form in which it appears on the notice paper.

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

Bill again reported with a further amendment.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 1st October.

HON. C. F. BAXTER (East) [4.58]: The Act, as it stands at present, is most liberal in the benefits it confers on workers, and we do not need to appoint a select committee to tell us that. Yet, here we are, faced with important extensions of liability under this Bill, which will further add to the burdens of those who have to shoulder them. It will place industry in this State under further competitive disabilities compared with those operating in the Eastern States. Each session of Parliament the Government seeks further amendments to this legislation, all aimed at extending the already onerous burden upon industry—either by increasing the compensation or medical benefits, or bringing new classes of persons within the scope of the Act. A halt must be called to this ever increasing burden. There appears to be some misconception in the minds of hon. members regarding the present position as affecting the control of the actions of certain doctors respecting workers' compensation cases, particularly with regard to the British Medical Association and the medical committee that occasionally investigates complaints. The B.M.A. is associated with a committee of seven, having three representatives on that body who act together with three persons delegated by the insurance companies and one by the State Government Insurance Office. To that body a number of complaints have been referred but it has no authority whatever to handle such cases. Then there is the Medical Board which functions under the provisions of the Medical Act of 1894. I will deal with that position later on in my remarks.

I do not regard the establishment of the proposed medical register committee as of much importance. Only complaints of a rather serious character would be dealt with by that committee such as those involving the deregistration of a doctor against whom complaints had been lodged. I understand that nobody alleges that instances of serious misconduct on the part of doctors are at all rife. Such cases, if there are any, could be dealt with under the Medical Act. The Bill under discussion, if agreed to, will over-

ride the Medical Act of 1894 which has been, to a certain extent, a dead letter so far as workers' compensation cases are concerned, mainly because that legislation does not embody sufficient power to enable effective control to be exercised regarding improper conduct or abuses of the Act. I have been informed that the board has considered many cases but has been advised legally not to take action. Members will appreciate that if the board were to take action, the members of that body might be confronted with an action for libel, from the consequences of which they are not afforded any protection.

Another important and vital amendment embodied in the Bill is that which seeks to extend the definition of "worker" to include persons earning annually as much as £600, the increase being from £400 to £600. That proposal is serious from the standpoint of the Government as it would bring within the scope of the definition of "worker" the great majority of civil servants. If a person is earning over £400 per annum, surely the term "worker" as applied to him becomes a misnomer! The important phase to this House is that the extension of the definition will mean imposing heavy expense in the cost of the insurance of the additional Government employees affected. Those earning over £400 should be prepared to protect their own interests by taking out either a sickness and accident insurance policy, which is readily available from some insurance companies, or by an employers' liability policy, which could be dealt with by agreement with the employer concerned. The main point involved, as I see it, is the enormous expenditure of money that will be needed to cover the extra cost of insurance, and this will probably mean increased taxation.

Notwithstanding the heavy increase in taxation already imposed by the Government, the Treasurer has budgeted for a deficit of nearly £200,000 for the current financial year. A glance at statistics will show that during the regime of the Government from 1933 to the present time, the cost of administration has increased by £2,500,000 per annum. Obviously a small proportion of that amount has been due to increased interest charges, which had to be expected in view of existing circumstances, but the major proportion has resulted from irresponsible administration. To my mind it is shocking to think that a Government that has increased taxation threefold should now be budgeting for a deficit. In ten years State taxation has increased to the extent of three times the amount previously imposed. The extension of the definition of "worker" to cover those in receipt of £600 per annum will have an even worse effect in that it will place an additional heavy burden upon industry.

Already this State has been seriously handicapped as against the other States owing to the much higher costs incurred under our industrial legislation. Those costs are very much higher than are imposed in the Eastern States and, in addition, the legislation has resulted in the creation of more difficult industrial conditions. It is little wonder, therefore, that we have suffered adversely from the standpoint of receiving a share of defence contracts and in the establishment of secondary industries. The Minister for Industrial Development (Hon. A. R. G. Hawke) is responsible for the introduction of the Bill, and I ask, in view of his continual attempts in Parliament to increase the severity of the industrial legislation which reacts to the detriment of industry generally, what claims can he justifiably maintain that he is fostering local industries? His whole attitude is dominated by a desire to please those who are prominent in the Labour movement. Had his past efforts been wholly successful, industry would have received a decided setback and unemployment would have increased considerably, despite the fact that a shortage of transport and war conditions generally are conducive to greater industrial activity.

When he replies to the debate I ask the Honorary Minister to indicate what new industries have been established in Western Australia for which the costly Department of Industrial Development can claim credit. That department represents an innovation and was brought into being a few years back. All I have ever noticed as emanating from its activities have been visits to factories already in existence and the providing of funds or credits for the purpose of assisting various concerns, at least some of which should not have been so provided.

As I have already indicated, under Clause 2 (a) the Bill seeks to extend the definition of "worker" to include those in re-

ceipt of up to £600 per annum in lieu of £400 per annum as at present. In the event of that provision being agreed to, the effect must inevitably be to increase the cost of industry while at the same time swelling the premium income of insurance companies. It may well be contended that a person enjoying a wage or salary of over £400 per annum should be capable of making provision against accidents and sickness by taking out the necessary insurance policy on his own behalf. As I pointed out before, that can be done in one of two ways—either by taking out a sickness and accident insurance policy or by an employer's liability policy. Many employers of labour, particularly amongst primary producers, are today earning less than £400 per annum but nevertheless are required to make provision for themselves against sickness and accident. If this provision is to be agreed to, it will mean increased costs tending to continue the vicious circle to the detriment of the finances of the State. When dealing with this type of legislation, Parliament should bear that phase in mind.

One point that appears to have been overlooked is that when the income limit qualifying a worker to enjoy the benefits of the Workers' Compensation Act was first fixed, the amount must have borne some relation to the maximum weekly compensation payable under that legislation. The present maximum weekly payment is £3 10s. If the insurance companies are able to pay that maximum amount from the premiums collected on wages restricted to £400 per annum, obviously they would be placed in a most advantageous position in being able to levy premiums on wages up to £600 per year unless the rates are reduced—a contingency that will be generally regarded as unlikely.

The object of Clause 2 (b) is to extend the definition of "worker" to include any person working for another person for the purpose of the latter's trade or business under a contract for service, the remuneration of the person so working being, in substance, a return for manual labour by him upon the work on which he is engaged. In the parent Act the principle involved extends only to the timber industry, but the Government now desires that it shall apply to all industries. The Honorary Minister claimed that the effect of this provision would be to include as workers sub-contractors who employ no labour. If the Minister has been advised to that effect, then I contend he has been wrongly informed. The Clause, if agreed to, will apply not only to sub-contractors but also to working contractors, irrespective of whether or not they employ help in carrying out their respective contracts. That has been my opinion ever since the Minister introduced the Bill and my view has been confirmed by advice I have received from a well-known legal firm. When the statement was made by the Minister, I interjected that it would have the effect I indicated. I could not believe that I was wrong. Therefore, I decided to seek legal advice so that I could let members know the effect of the proposed amendment. I am quite sure that even if this House were prepared to agree to a clause having the restricted meaning attributed to it by the Minister, it would not entertain it when its wider application was appreciated.

Hon. J. J. Holmes: I presume you are referring to the matter I mentioned? My advice was that it had the effect I suggested.

Hon. C. F. BAXTER: The advice I received confirmed the opinion the hon. member expressed. However, I shall read the legal opinion I received from Stone James & Co. I think members will not hesitate to accept an opinion of that firm on a matter of this description. The opinion furnished by Stone James & Co. reads:—

> We do not agree with the Minister's remarks in the following respects. The words "sub-contractors" should read "contractors and sub-contractors," because the proposed amendment applies to both.

That is very definite.

> We do not agree with his view that a sub-contractor or contractor will be covered only if he himself, without the assistance of any other labour, carries out the contract. We think it might apply to persons employing labour, the determining factor being whether his remuneration is in substance a return for manual labour bestowed by him upon the work.
>
> In the circumstances submitted, we are of opinion that the principal "A" would be liable to pay compensation to both contractor "B" and sub-contractor "C" but would be entitled to an indemnity from "B" with respect to his liability to "C" under Section 11, Subsection 2.

There are very sound reasons why employers should not be required to insure persons carrying out work for them on a contract basis, even though such employers may employ no labour. Take the case of a

farmer, or even a pastoralist, who lets a contract for fencing at a specified rate per mile. Possibly it is a condition of the contract that the principal will supply the wire and that the contractor will find the posts and any plant required and do everything necessary to complete the erection of the fence. Such a contractor as the one described works usually without any supervision from the principal, and in a manner to his own inclination, so long as the contract is eventually completed to the satisfaction of the principal. The amount for which the contract is let, whilst representing substantially the earnings of the contractor, is nevertheless not all income, as some provision must necessarily be made for the proportionate cost of plant and so forth. Furthermore, such a contractor may decide as an afterthought to employ another person to assist him, quite unbeknown to the principal. If the contractor had to be included under the principal's workers' compensation policy, a nice question would arise as to what proportion of the contract price was to be regarded as wages for inclusion in his schedule supplied to the insurance company.

The clause is highly dangerous, and holds the possibility of repercussions which the Minister has either overlooked or ignored. To include "contractor" within the scope of the Workers' Compensation Act is to take a step beyond the province of this class of legislation. The Act should be confined to employees and not be extended to include contractors, who are not subject to the control of an employer as to the manner in which their work shall be performed. By merely calling an employee a contractor, an employer cannot evade liability to pay compensation if the facts and conditions of the employment are such that the employer retains the power to control the manner in which the work is to be performed. If the person performing the work is genuinely an independent contractor, he should not be brought within the scope of the Workers' Compensation Act.

Clause 3 provides for the setting-up of a medical register committee, whose functions will be to exercise control over charges made by doctors in the treatment of workers' compensation cases. I am in agreement with the Government that abuses do exist under the Workers' Compensation Act and that they should be remedied. It is only fair, however, to correct the impression given by the Minister that a substantial number of doctors are either dishonest or unskilful in their treatment of patients under that Act. There are approximately 250 practitioners in Western Australia engaged in compensation work, and of these we are informed that not more than six have been guilty of practices which would bring them under the powers of the proposed committee. Of these six instances, moreover, we are informed only two are of importance.

It will thus be seen that the Government is proposing to establish special and complicated machinery to deal with a very small number of offenders. We do not know what the proposed committee will cost. It is quite likely that it will cost industry more than the insurance companies are at present losing by reason of the unscrupulousness of a few doctors. It has been stated on behalf of the Government that medical expenses amounted to one-third of the total payments under the Workers' Compensation Act. This is not correct. The one-third includes not only doctors' fees but also railway fares for patients to and from Perth, ambulance fares, which sometimes amount to a substantial sum, board and lodging whilst in Perth for special treatment, hospital fees, and also massage expenses, which are substantial in compensation cases. Actually, doctors' fees amount to only some 16 per cent. of expenses under the Workers' Compensation Act. It is extremely unlikely that the dishonest activities of the few practitioners mentioned would be costing the community a very substantial sum.

The following statement, obtained from the State Government Insurance Office, for the financial year, 1939-40, if more widely known, would, I believe, do much to correct this erroneous impression:—

EXPERIENCE OF ALL OCCUPATIONS FOR PREMIUMS AND CLAIMS, YEAR 1939-40.

	£	Percentage of Total Claims.	Percentage of Premiums.
Amounts Paid to Workers—			
First Schedule	53,436		
Second Schedule	23,081		
Fatal	8,486		
	£85,003		
Medical Expenses—			
Doctors	19,274	16·09	10·50
Hospitals	9,101	7·60	4·93
Other (including keep, travelling, massage, chemists, etc.)	6,417	5·35	3·48
	£34,792	29·03	18·91
Total of Claims—			
As above	£119,795		
Premiums	£183,484		

These figures show that of premiums received only 10.5 per cent. was paid out for professional treatment in restoring the worker to health, and they definitely refute the statement made by the Minister for Labour that "one-third of the total cost of workers' compensation business in the State Government Insurance Office has gone to the medical practitioners of Western Australia."

Nevertheless I agree that an abuse exists which should be corrected. I maintain, however, that its correction is already at hand if the Government is prepared to make use of existing machinery. The Minister for Labour (Hon. A. R. G. Hawke) stated that the proposed committee would deal only with doctors who were dishonest or unskilful, or both, in their treatment of workers' compensation cases. There can be no doubt that dishonest or unskilful treatment of such a degree as to come within the ambit of the committee's operations would constitute infamous conduct in a professional respect. But let me ask how is "unskilful treatment" to be determined? Who is to determine it, and by what means? It will be something new to me if there exists an avenue by which one can determine what treatment is unskilful.

The present hospital allowance of 10s. 6d. per day should not be increased. It amounts to £3 13s. 6d. per week; and to increase it for the first 30 days' treatment to £4 7s. 6d. or £5 5s. per week, according to the location of the country hospital, would be to exceed all reasonable bounds when it is remembered that but for the Workers' Compensation Act many claimants would receive free treatment. The proposal represents costs to country residents much above those of the more fortunate ones in the metropolitan area.

The primary purpose of the Medical Act of 1894 is to protect the public from dishonest or unskilful persons who purport to practice the art of medicine. To this end a register is kept which includes the names of only such persons as are qualified to practise medicine. The keeping of this register and the general functioning of the Act are in the hands of a body known as the Medical Board. This at the present time consists of seven members, all of them medical practitioners, who are appointed by the Governor-in-Chief for a period of seven years. In view of the idea of creating a new committee and placing another Act on the statute-book when we have one all ready to use, it is worthwhile to state how the Medical Board is constituted and what powers it exercises. The constitution of the present board is—Dr. R. C. E. Atkinson, president, and Drs. T. L. Anderson, G. W. Barker, A. H. Gibson, H. B. Gill, D. M. McWhae, and D. D. Paton. Each and every one of the seven now constituting the board are professional men of ability and integrity, jealous of the reputation of their profession, and, given the full authority required, they could be relied upon to see that imposition and abuses under the Act ceased.

The Governor-in-Council nominates the president and has power to remove any member of the board at any time. A much easier way for the Government to achieve the objective of placing other men on the Medical Board would be to amend the Medical Act. Section 6 (1) of the Medical Act states that the board has power to make rules—

(d) For regulating the manner of making and the conduct of the proceedings in connection with complaints or charges against medical practitioners alleged to be guilty of infamous conduct in a professional respect.

(e) For generally carrying into effect the object of this Act.

Under Section 6 (2) the board may impose a fine on any person or persons subject to it, not exceeding £10. Under Section 9 the board has the power to require the attendance of any person or persons before it and to examine them on oath. It has also the power to require documents to be produced, similar to the powers of the Supreme Court in a civil action. Under Section 12, the name of any registered medical practitioner who, after due inquiry, is adjudged by the board to have been guilty, in its opinion, of infamous conduct in a professional respect, shall be erased from the register. The board's powers may be summarised, briefly, as follows:—

(a) To reprimand and warn offenders that a repetition of their offences will be further punished.

(b) To impose fines up to £10.

(c) To erase names of offenders from the Medical Register.

I want to ask how that is possible. They have had cases referred to them. I understand they have investigated them, but when they have sought to take action they have

been advised by the legal fraternity to drop the matter or they would land themselves in grave difficulties.

Hon. J. J. Holmes: They had no power.

Hon. C. F. BAXTER: Not only had they no power, but they might, in taking some action leading to de-registration or a fine, lay themselves open to a libel action. The Medical Board has no legal protection.

Hon. J. J. Holmes: The Medical Act is 47 years old.

Hon. C. F. BAXTER: Since 1894 there have been only two or three amendments, which do not affect the position at all. It is not beyond the province of Parliament to make amendments to give the board protection and an opportunity to take necessary action against offenders. If the Medical Board were given the requisite protection by means of an amendment of the Medical Act, we would soon find that the whole matter was cleaned up.

Hon. J. J. Holmes: The board works in an honorary capacity, does it not?

Hon. C. F. BAXTER: Yes.

Hon. H. V. Piesse: Does every medical man have to be a member of the B.M.A.?

Hon. C. F. BAXTER: I am not speaking about the B.M.A., but about the board constituted under the Medical Act. There is a difference between the committee of the B.M.A. and the board formed under the Medical Act. They are two separate bodies. The erasing of a practitioner's name from the medical register does not mean that he is permanently debarred from practising, as his name may be restored to the register and there is provision under Rule No. 9 of the board for such a procedure. The Medical Board could be given any additional powers considered necessary or desirable by the simple procedure of amending the Medical Act. Its present powers are not sufficient to meet the position. An extra Bill is much better than an extra board or committee. Our Medical Act is based on the English Medical Act and is out of date from the standpoint of meeting existing circumstances.

If the Bill is passed, a non-medical body will be created to control a portion of medical practice and it may ultimately usurp the functions of the Medical Board and make medical practice impossible. When cases of this kind are being dealt with, the body dealing with them must comprise medical practitioners. Otherwise how can a correct decision be reached with regard to charges or respecting any other procedure? The medical profession as a whole is sufficiently conscious of its prestige and dignity to resent any action enabling unskilled or dishonest practitioners to practise on the general public. There is an acute shortage of doctors at the present time and if we go to the length of appointing a committee of laymen of goodness knows what calibre to run the rule over doctors, a number of medical men will be frightened out of the State and the shortage will be accentuated. Let the powers of the Medical Board be extended as considered necessary, or its personnel altered and, if regarded as desirable, a judge or magistrate appointed as chairman. Then let the insurance companies and the State Insurance Office charge the offending practitioners before the board. If it is found that the abuse is continued, then will be time enough to satisfy the whim of a Minister who possesses a penchant for the creation of new boards. I warn members against agreeing to the appointment of so many boards. The present number of boards is legion. Over a long period of years powers have been delegated to boards which should be shouldered by Ministers. Every second person is a member of a board and all these boards cost money. Not a session passes without a crop of new boards being suggested to control something or other.

Hon. J. J. Holmes: Industry will have to pay for this proposed committee.

Hon. C. F. BAXTER: The pastoralists and agriculturists are the people who have to pay.

Hon. H. V. Piesse: Why?

Hon. C. F. BAXTER: Because any cost passed on to the insurance companies is by them added to the premiums and the impost proceeds in a vicious circle back to the primary producer.

Hon. H. V. Piesse: What about the city employer?

Hon. C. F. BAXTER: He passes it on, quick and lively too. The cost is added to the price of goods. There is only one end to costs of this kind. They must be placed on what is produced. No employer is philanthropic enough to pay an extra £500 by way of employer's liability out of his

own pocket. The amount is added to the cost of production.

Clause 4 proposes an alteration in the First Schedule of the Act to permit weekly compensation payments based either on the amount of wages received by the incapacitated worker during the week immediately preceding his incapacitation or on his average weekly earnings during the preceding 12 months, whichever is the larger. The proposed alternative basis of computing weekly compensation is another violent departure from accepted and time-honoured principles. Where the worker's present wages—including the addition of overtime—are in excess of his average weekly earnings, the compensation is to be computed on the higher basis and vice versa. Only when the employment has lasted for less than a week is overtime to be excluded. The average is the fairest and most equitable basis and should be preserved. In the Act the average weekly earnings during the previous 12 months is the basis used for determining the weekly compensation payment. The present provision of the Act is quite equitable and there is no justification for the proposed alteration which savours too much of the principle of "heads I win, tails you lose." If the earnings of an incapacitated worker during the week immediately preceding his incapacitation happen to be low, the employer—or the insurance company on his behalf—would be under the necessity of ascertaining the average weekly earnings of the worker during the preceding 12 months.

Hon. C. B. Williams: He would only get £3 10s. a week at the best!

Hon. C. F. BAXTER: It cannot, therefore, be claimed that the adoption of the clause in the Bill will simplify the present procedure and do away entirely with the necessity for investigation of the earnings of the worker during the previous year. In the case of a seasonal worker, such as a shearer, his earnings during the week prior to incapacitation may bear no relation to his average weekly earnings throughout the year.

Furthermore, in the case of a worker whose earnings during the previous year amounted to, say, £250, or an average of about £5 per week, but who, in the week previous to his sustaining an injury, because of some special circumstances was able to earn £8 for the week, the insurance company would be required to make compensation payments based on the higher rate.

Hon. C. B. Williams: Not if he had five children. What utter nonsense you are talking!

The PRESIDENT: Order!

Hon. C. B. Williams: It is utter nonsense!

The PRESIDENT: Order!

Hon. C. B. Williams: You do not know what you are talking about!

The PRESIDENT: Order! I must ask the hon. member to cease interjecting.

Hon. C. F. BAXTER: The insurance company would be required to provide compensation payments based on the higher rate, notwithstanding that the premiums were levied only on the worker's normal annual earnings of £250. The obvious result would be an increase in premium rates to cover the additional liability involved.

Hon. C. B. Williams: I repeat, you are talking utter nonsense!

The PRESIDENT: Order! The hon. member must not interject.

Hon. C. B. Williams: I cannot stand it, Sir. I will get out!

The PRESIDENT: Order!

Hon. C. B. Williams: It is utter nonsense!

Hon. C. F. BAXTER: I think that what I have said is very plain. The worker has been insured on the basis of £250 per annum. There can be no dispute about that. But in the week prior to the accident he has earned £8, £3 more per week, so that though he has been insured at £250, his compensation is assessed on £8 a week, which is £400 per annum. Obviously the result would be an increase in the premium rates to cover the additional liability involved. There is a liability for £400 because he earned £8 in the week preceding the accident. He is insured on the average wage of £5 a week but the week before he meets with his accident he has earned £8 a week.

Hon. G. W. Miles: That is right—under the new Bill.

Hon. C. F. BAXTER: That is what I mean. Thus there is another charge on industry. Where is it all going to finish? The Bill contains many objectionable features. Although some members have declared their intention to support it, from the standpoint of increased cost to the State—which is now the second highest taxed

State in the Commonwealth, whereas it used to be the lowest—and the increased cost to, and consequent heavy burden upon, industry, I intend to vote against the Bill.

On motion by Hon. V. Hamersley, debate adjourned.

BILL—CITY OF PERTH SCHEME FOR SUPERANNUATION (AMENDMENTS AUTHORISATION).

Second Reading.

Debate resumed from the 30th September.

HON. L. B. BOLTON (Metropolitan—in reply) [5.46]: It is not my desire to reply to the speeches that have been delivered on the second reading of this Bill, which I hope will shortly be passed through Committee.

Hon. J. J. Holmes: I thought you were going to tell us what additional cost would be incurred by the City Council.

Hon. L. B. BOLTON: That information can be given in Committee.

Hon. G. Fraser: The hon. member cannot give you that information. He has nothing to tell you.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; Hon. L. B. Bolton in charge of the Bill.

Clauses 1 to 3, First Schedule—agreed to.

Second Schedule:

Hon. G. FRASER: I move an amendment—

That at the end of Clause 14 the following further proviso be added:—Provided also that in any case in which the widow shall die after she has become entitled to a superannuation allowance and before she shall have received by way of such allowance an amount equal in the aggregate to the amount of contributions paid to the scheme by the contributor, the board shall, out of the superannuation fund, pay to her legal personal representative for the sole use of any children dependent upon her at the time of her death the difference between the total amount which such contributor or his widow has received by way of superannuation allowance and the aggregate amount of his contributions under the scheme, but without interest.

The amendment is simple. In framing it I had to follow the lines of the Bill as drafted. All that the amendment will do is to ensure that the dependent children of the person who is entitled to receive superannuation under the scheme shall receive the difference between the amount paid to himself or his wife or widow and the amount he has contributed. I am not asking that this shall be done in all cases, but only where there are dependent children. That is a fair thing to do. A man who has been dismissed for misconduct from the services of the council will have paid certain sums to the fund, and that money should be available to the dependent children. What I am asking now is that the amount which has not been drawn out by such a man shall go to the dependent children.

Hon. J. J. Holmes: This Bill affects only the Perth City Council?

Hon. G. FRASER: It does not matter whom it affects. If the Bill goes through it will affect the dependent children of the contributor, and I want to see that they get the money.

Hon. J. J. Holmes: Did not the member for Perth (Mr. Needham) sponsor the measure?

Hon. G. FRASER: That does not matter. We do not yet know how this proposal will affect the actuarial calculations. Mr. Bolton has not enlightened us.

Hon. L. B. BOLTON: I did not reply to Mr. Fraser because I desired to save time. His amendment is too dangerous. The whole scheme has been examined and passed by an actuary. Furthermore, the member for Perth, who brought the Bill down in another place, has the ear of the workers concerned. Mr. Fraser feels that those people would be detrimentally affected if the amendment were not carried. I point out there was no objection to the Bill when it was moved in another place. There is no reason, therefore, why any opposition should be shown to it in this Chamber. If a wage earner does not desire to participate in the scheme, there is no need for him to do so. The scheme is not compulsory in any way. Mr. Fraser's amendment would put too great a burden upon the board. The funds may have grown to considerable dimensions after the scheme has been in operation for some years, but the additional burden it is proposed to place upon it may be greater than they can stand. The actuary has not even considered the new proposal. To agree to it would be unwise. Mr. Holmes referred to the contributions made by the City Coun-

cil. They are made on a fifty-fifty basis as between the council and the employees. Contributions by the council for the last financial year amounted to £5,216 5s. 8d., of which £2,296 3s. came from the head office and £2,920 2s. 8d. from the Electricity and Gas Department. This is really a question of looking a gift horse in the mouth. In addition to what is provided under the scheme the council is providing pensions for widows.

Hon. J. J. Holmes: What additional cost will this Bill mean to the City Council?

Hon. L. B. BOLTON: In the event of the widows' benefit scheme coming into operation, the estimated additional cost to the council will be £773, and to the Electricity and Gas Department £1,073. Probably a certain percentage of the present employees will not desire to avail themselves of these benefits. In that event the estimate would be reduced accordingly. The total estimated additional cost, including female members of the staff, is £1,846. If the amendment were carried, it would possibly upset the whole scheme, according to a member of the board.

Hon. G. FRASER: Mr. Bolton has made merely a bald statement. I expected he would supply facts and figures in opposition to the amendment, but in place of that he has merely quoted an opinion of a member of the board, who has not even considered the amendment. At one stage the hon. member said the proposal would provide extra benefits for the widows and dependants. My amendment deals only with dependent children, and not many of those will be concerned. The only people likely to have dependent children are the few contributors who, through ill-health, have retired when only in middle age. The amendment cannot materially affect the actuarial calculations. The opinion of a member of the board is not enough to disprove the fairness of my proposal. I have moved the amendment at the request of representatives of the officers and wages employees.

Hon. W. J. Mann: They trust this Chamber.

Hon. G. FRASER: I am not aware of the reason. They first communicated with the member for Perth, who sponsored the Bill in another place, and he referred them to me. It is correct that present employees need not come under the scheme, but anyone joining the service in future must do so. Dependent children are as much entitled to a return of the contributions as is a man who has been dismissed from the council's service for misconduct.

Hon. T. MOORE: When an employee has paid his contributions to get the benefits under the scheme, it is only fair that they should be returned to dependants as stipulated in the amendment. The money will be that of the contributor and the City Council will not lose thereby.

Hon. W. J. MANN: This point appears to have been overlooked when the Bill was framed. I agree with Mr. Fraser. The proportion of dependent children would be small, though Mr. Bolton would have us believe that the proportion would be so great as to upset the scheme. I cannot believe that a scheme to which the ratepayers will contribute £39,000 over a period of 30 years will be upset by a small concession of this sort.

Hon. L. B. BOLTON: The facts I have given were supplied by the treasurer of the fund.

Hon. G. Fraser: But he has not put up a case in support of them; he has merely made a bald statement.

Hon. L. B. BOLTON: The measure has been carefully examined by the actuary and passed as being satisfactory. In the absence of the actuary from the city, it was impossible to get his opinion on the amendment. When this legislation was introduced in 1934, provision was made for superannuation for employees. These amendments are intended to provide for the widows of employees, but Mr. Fraser now asks for a concession for dependent children in the event of the widow dying. I ask that progress be reported in order that the actuary's opinion on the amendment may be obtained.

Progress reported.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [6.6]: I move—

That the House at its rising adjourn till Tuesday, the 14th October.

Question put and passed.

House adjourned at 6.7 p.m.