

event of the motion being lost, this would be all that is necessary.

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

Ayes—18	
Mr. Bickerton	Mr. J. Hegney
Mr. Bovell	Mr. W. Hegney
Mr. Brand	Mr. Hutchinson
Mr. Burt	Mr. Lewis
Mr. Cornell	Mr. Nalder
Mr. Court	Mr. O'Connor
Mr. Craig	Mr. O'Neill
Mr. Graham	Mr. Williams
Mr. Guthrie	Mr. Nimmo

(Teller)

Noes—26	
Mr. Brady	Mr. I. W. Manning
Mr. Crommellin	Mr. W. A. Manning
Mr. Davies	Mr. Marshall
Mr. Dunn	Mr. Mitchell
Mr. Durack	Mr. Moir
Mr. Elliott	Mr. Norton
Mr. Evans	Mr. Rhatigan
Mr. Gayfer	Mr. Runciman
Mr. Grayden	Mr. Rushton
Mr. Hall	Mr. Sewell
Mr. Hawke	Mr. Toms
Dr. Henn	Mr. Tonkin
Mr. Kelly	Mr. May

(Teller)

Question thus negatived.

Motion defeated.

(Applause from gallery.)

The SPEAKER: Order! There will be no demonstration of any kind from the gallery. There has been some mention tonight about people who endeavour to intimidate members of Parliament. It is an offence against the Criminal Code even to demonstrate, and it carries a three year penalty.

BILLS (2): RETURNED

1. Metropolitan Region Improvement Tax Act Amendment Bill.
2. Strata Titles Bill.

Bills returned from the Council without amendment.

House adjourned at 11.3 p.m.

Legislative Council

Thursday, the 20th October, 1966

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The PRESIDENT (The Hon. L. C. Diver) took the Chair at 2.30 p.m., and read prayers.

QUESTIONS (3): ON NOTICE

KNITTING MACHINES

Sale Contracts: Abrogation

1. The Hon. H. R. ROBINSON asked the Minister for Justice:

- (1) Is the Minister aware that approximately 300 women have purchased by cash or terms, knitting machines costing in the vicinity of \$200, and have signed contracts to supply knitted garments, with the Manchester Style Knitwear Co., or the Double Dee Knitting Co., that now refuse to supply wool or purchase goods in accordance with the contract?
- (2) If the answer to (1) is "Yes," will the Minister advise—
 - (a) has the C.I.B. investigated the complaints, and is any action proposed;
 - (b) are the companies concerned complying with all the requirements of the Companies Act, or any other legislation;
 - (c) is it considered a matter for private legal action against the companies concerned?

The Hon. A. F. GRIFFITH replied:

- (1) Evidence available suggests that machines purchased amount to a figure just in excess of 100. There is no evidence available to the police to suggest that the figure is approximately 300.
- (2) (a) Yes, and the matter is still under investigation. Action will be taken if and when investigations disclose evidence of a breach of criminal law. Thus far, no such evidence has been disclosed.
- (b) Manchester Style Knitwear Co. is registered under the Business Names Act 1962. It is not subject to the provisions of the Companies Act. John Peter Graham, the person registered as carrying on business in that name, may not have complied with the requirements of section 12(2) and 12(7) of the Business Names Act.
- (c) This is a matter upon which I cannot advise.

WORKERS' COMPENSATION

Van Gelderen, F. R.: Details of Case

2. The Hon. R. H. C. STUBBS asked the Minister for Mines:

- (1) With reference to Mr. Franc. Rob. Van Gelderen, of 23 Downing Street, Norseman, a workers' compensation case, will the Minister furnish complete details of this case as to—
 - (a) the hospitals in which he was a patient;

- (b) the period of hospitalisation at each;
 - (c) the period he was on compensation due to his injury;
 - (d) the disbursements of his medical and hospital payments from the allowable amounts under workers' compensation, after Commonwealth entitlements; and
 - (e) the total balance owing in hospital and medical expenses?
- (2) Is the Minister aware that the Hospital Medical Fund at Norseman will not take any responsibility for the payment of medical and hospital fees under workers' compensation after entitlements have been exhausted?
- (3) Is he further aware that a summons has been issued for \$44 against Mr. Van Gelderen?
- (4) Does he approve of this action when it involves fees resulting from an injury whilst at work, and, therefore, a State Government Insurance Office responsibility?

The Hon. A. F. GRIFFITH replied:

- (1) (a) Norseman District Hospital, Norseman and Royal Perth Hospital, Perth.
 - (b) Norseman District Hospital two days. Royal Perth Hospital 69 days.
 - (c) Sixteen weeks and two days.
 - (d) All medical accounts were paid in full as rendered together with an ambulance account of £117 18s., hospital expenses to the statutory limit of £425.
 - (e) There remained an unpaid difference of £31 11s. 6d. between hospital accounts as rendered and the Workers' Compensation Act entitlement.
- (2) Yes.
- (3) No.
- (4) As shown above in (1) (d) the State Government Insurance Office under its policy of indemnity issued to the employer has discharged in full all of its liability and therefore has no further responsibility.

CANCER PREVENTION

Suggestions of Dr. Emmerich von Haan

3. The Hon. G. E. D. BRAND asked the Minister for Health:

From the information given by prominent pathology professor, Dr. Emmerich von Haan, a world authority on cancer prevention, in *The West Australian* of Wednesday, the 19th October, 1966, will the Minister publicly and enthusiastically recommend the

suggestions of the physician to the people of Western Australia?

The Hon. A. F. GRIFFITH (for The Hon. G. C. MacKinnon) replied:

The education of the public in the prevention and early diagnosis of cancer and the organisation for the provision of screening tests are matters dealt with by the Cancer Council of Western Australia.

In these activities the council has my enthusiastic support.

SUPPLY BILL (No. 2)

Third Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [2.37 p.m.]: I move—

That the Bill be now read a third time.

THE HON. H. K. WATSON (Metropolitan) [2.38 p.m.]: I would like to detain the House for a few minutes in order to make the record straight on a couple of matters which arose during the debate on this Bill. Some of the remarks of Mr. Dolan, which were directed particularly at me, prompt me to remind him that there are some issues which transcend party politics, such as the great national questions on the Constitution relationship, including the financial relationship, between the Commonwealth and the States.

In making my earlier remarks, I endeavoured to keep my speech on that plane. I made no reference to the States of South Australia and Tasmania; their financial plight is just as bad as the financial plight of all the other States. However, I purposely refrained from mentioning those two States for the express purpose of not engendering any heat of a party-political nature, to which some members are prone. I repeat, I purposely refrained from mentioning South Australia and Tasmania for that reason.

I give Mr. Dolan no marks whatsoever for seizing provocatively upon that omission to peddle paltry party politics. For that I bear him no ill will. I recognise that he entered this House at an age when most men are thinking of retiring from it, and with my usual magnanimity I will ascribe his lapse either to his delayed maturity or premature senility. But I would remind Mr. Dolan that over the years, when standing side by side and shoulder to shoulder with the late Hon. Phillip Collier, and with The Hon. Frank Wise, when both of those men, as Premiers, were battling against the Commonwealth Government of the day to protect the best interests of Western Australia in an endeavour to get its finances on a sound basis, none of us, in any way, sacrificed our political beliefs.

On those occasions we also had with us the late Charles Farquharson Baxter, an

erstwhile Leader of this House, whose son yesterday regaled us with what was one of the most remarkable and confused speeches ever delivered in this House. Mr. Baxter spoke of the necessity to obtain overseas exchange, but it is beyond my comprehension, when we have great mining companies, with the very able assistance of the Minister for Mines and the Minister for Industrial Development, negotiating iron ore contracts calculated to increase our export wealth to the tune of over \$100,000,000 a year, how one can facilitate overseas exchange by having one of those contracts cancelled. I would say that our overseas exchange would be adversely affected instead of being facilitated by having an iron ore contract cancelled by what I persist in describing as unwarranted interference by a Federal Minister—

The Hon. N. E. Baxter: You are not entering into party politics now, of course!

The Hon. H. K. WATSON: —and just because that Minister happens to be Mr. McEwen cuts no ice with me. As for the interjection made by Mr. Baxter, I would reply that I am concerned with principles and not with persons. I care not who the person happens to be in any ministerial position, for the time being, but I would not go so far as Sir Norbert Keenan did when, in one of his irascible moods, he said that the only question on which he respected the opinion of the Country Party was the quality of manure.

However, I question most emphatically Mr. McEwen's rights, or the rights of any other Federal Minister to assume the role of arbiter on iron ore prices and contracts. Finally, I would remind Mr. Baxter, Mr. Dolan, myself, and every other member of this House that if this Parliament is to justify its continued existence; if it is not to be said that all members of this Parliament are drawing their salaries under false pretences, it is the bounden duty of each and every member of the Parliament of Western Australia to ensure that the State's rights and powers under the Constitution are preserved inviolate from intrusion and attack, and from being undermined by any Commonwealth Minister, and that the finances of the State are in that condition of stability they were intended to be under the Constitution.

THE HON. J. DOLAN (South-East Metropolitan) [2.46 p.m.]: It ill behoves Mr. Watson to chide me for utterances which he terms party-political. I have a reasonably good memory and I think I possess my faculties, for my age, as well as the honourable member possesses his for his age. I think I have also retained my physical faculties to a higher degree than the honourable member, and it ill behoves him to chide me on those two points.

My memory is not so bad that I cannot forget the occasion last year when the

House was in session and I heard some remarks made about the honourable member. If they had been directed at me I would have been ashamed all my life, especially when the comments were made by no less an honourable member than Mr. Frank Wise.

I am conscious of the privileges I enjoy as a member of Parliament and I think that, apart from the honourable member who has just spoken, nobody would say that at any time I have abused, in any shape or form, the position I hold in this House. At all times I have tried to be fair, but I am not prepared, at any time, to remain seated whilst Mr. Watson—to give one example—belittles members of the Commonwealth service with a cheap sneer in the way he did yesterday. As long as I remain a member of this House, whether it is for two months, two years, or 10 years, I will always be conscious of the dignity of this House and I will always try to maintain it, irrespective of what the honourable member says about me. If at any time he wishes to attack me physically he is quite at liberty to do so on any occasion he meets me outside this Chamber; because I am prepared, physically, to uphold at any time the good name I hold in the community.

THE HON. N. E. BAXTER (Central) [2.48 p.m.]: I have listened with interest to the comments made by Mr. Watson in his reference to the fact that I spoke of the need for obtaining overseas exchange, but he overlooked the fact that I was quoting a paragraph from a summary of points that had been made on iron ore exports and agreements. I think members will agree with me that the speech which I made, far from being remarkable, was based on the extract I quoted from this summary. The final paragraph of this summary, which I quoted to the House yesterday, reads as follows:—

The Commonwealth Government cannot ignore the balance of payments position of Australia and the potential problems which this will create unless the level of prices obtained for major exports (and thanks to the initiative and drive of Western Australians, minerals are rapidly becoming a major export) are maintained at a satisfactory level.

In the portion of the summary which I read to the House, that was the only reference I made to foreign exchange. They were not my words, but the words contained in a summary of points on iron ore exports and agreements which had been prepared by a responsible and capable person. If that person did not know what he was talking about when he prepared the summary, then neither does Mr. Watson.

Question put and passed.

Bill read a third time and passed.

COMPANIES ACT AMENDMENT BILL*Third Reading*

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Justice), and passed.

FIREARMS AND GUNS ACT AMENDMENT BILL*Further Report*

Further report of Committee adopted.

FIRE BRIGADES ACT AMENDMENT BILL*Second Reading*

THE HON. L. A. LOGAN (Upper West—Minister for Local Government) [2.52 p.m.]: I move—

That the Bill be now read a second time.

The main purpose of this Bill is to provide a basis for apportioning contributions to the W.A. Fire Brigades Board. The 1963 amendment providing for the sharing of contributions to fire brigades—on a ratio of insurance companies 64 per cent., local authorities 20 per cent., and Government 16 per cent.—had a currency of three years and this necessitates review of the position during this session.

The 1963 ratio was based on a five-State average. There has been no change in contributions in any of the States used in the average during the intervening period and, consequently, an amendment to subsection (2) of section 37 of the Act is now sought to continue the existing scale of contributions.

Numbers of amendments contained in this measure are the result of suggestions made by the Crown Law Department and by the Auditor-General.

For instance, the board's accounting year is defined in section 4 of the Act as ending on the 30th September. This provision has operated quite satisfactorily, yet under present-day demands for closer budgeting, both by the board and by the various contributing parties, a suggestion has been made that a financial year ending on the 30th June would be mutually advantageous to all. The financial year, in respect of both central Government and local government authorities, ends on the 30th June. Insurance companies have no objection to the proposal in the Bill to change the board's accounting year to coincide, and the appropriate amendment to section 4 is supported by consequential amendments to sections 18, 28, 36, 37, and 39.

Paragraph (b) of section 15 provides for the disqualification of any local authority representative on the board who, being a councillor of a municipality at the time of his election, subsequently ceases to be a councillor of a municipality. As a consequence of normal delay in the filling of such a vacancy—and this can extend over a period in excess of three months—the

local authority representation on the board is diminished. The effect of the amendment sought to section 15 is, therefore, to permit the otherwise disqualified member to retain his seat until the vacancy caused by his disqualification has been filled by process of extraordinary election.

A statutory limit to the aggregate amount of fees which may be granted to the board members by the Minister is imposed under section 17. The Bill proposes amending section 17, and while retaining ministerial responsibility for the granting of fees the statutory limit is to be removed. This is being done in the light of the practice obtaining in regard to other statutory authorities, and bearing in mind that increases are granted only after a departmental review of levels of fees. It is suggested the procedure in respect of fee variations will be less cumbersome by removing the need for bringing the matter to Parliament periodically for amendment to the Act.

Under section 29 of the Act, the board is empowered to appoint officers and members of permanent fire brigades and such administrative employees as are deemed necessary. The operations of the board have become more complex over the years, as a result of which, it has been found that the word "administrative" is not inclusive of such employees as tradesmen and maintenance staff, which are necessary to the present organisation. The proposed amendment, by substituting the words "other employees" for "administrative employees," will enable all contingencies to be met and an anomaly removed. Amendments to sections 2 and 35 are consequential to this amendment.

The chief officer has power to inspect premises, and where he considers there is a potential danger to life or property may direct the owner or occupier to abate the danger within reasonable time. This provision is contained in section 33, and the penalty for noncompliance with any such direction has stood at the equivalent of \$100 for many years. In the community interest, where the actions of one party are interdependent with those of his neighbours for mutual safety, it is considered essential that penalties for disregard of communal responsibilities should be realistic. The amendment desired for this section leaves the base penalty at \$100 but provides a continuing penalty of \$4 for every day on which the offence continues after conviction.

The powers of the chief officer at fires, his duties, and their delegation to the officer in charge in his absence, are prescribed in the Act. Officer coverage in the metropolitan area is provided by shifts operating for 24 hours a day and seven days a week but, at times, occasioned by sickness, or in the event of an officer being on duty away from the station, or incapacitated on the fire ground, it can become necessary for a

fireman to be in charge of a crew until a relief officer becomes available. In some country towns with permanent and volunteer firemen working together, the permanent fireman is required to take charge of the volunteer crew. In other country towns manned solely by a volunteer brigade, the senior volunteer fireman at the fire takes charge.

The process of delegation of authority to the senior fire brigade member at fires is an essential and time-honoured practice, recognised by additional payments under industrial awards. In fulfilling the responsibilities committed to him, a fireman may find it necessary to exercise some of the powers at present granted only to the chief officer or, in his absence, the officer in charge. As the Act reads, however, he would be precluded from taking such steps which could be vital to the saving of life and property.

The early legislation certainly would not have intended to limit the powers of any person rightfully in charge of a fire crew, and the amendments sought to sections 34 and 60, therefore, are introduced to correct this anomaly, thus making provision for the best protection of the community from fire hazard at all times.

Section 35 is the regulation-making section and one of its express purposes is for the imposition of penalties up to a maximum of \$40 for breaches of the regulations. The Bill proposes lifting this limit to \$100, taking into account present-day money values as compared with those existing in the past.

There are set out in subsection (2) of section 36 provisions for the manner in which loan and sinking fund charges, incurred by the board, are to be apportioned between fire districts to establish the contributions payable by individual local authorities. Under the terms of a proviso, the Minister is required to determine the amount of loan moneys which may be spent in the City of Perth in the erection of executive offices for the board, and also the allocation of costs between the fire districts.

It is considered the provisions in this subsection are somewhat anomalous, because it is possible the board might desire to establish executive offices other than in the City of Perth. In such case, the principle enunciated in the section should still apply but an appropriate amendment seeks the deletion of the words, "in the City of Perth Municipal District."

Some years ago the board considered it prudent to establish replacement funds for the purchase, construction, renewal, and maintenance of land, buildings, machinery, and plant. These funds were established by regulations and have operated for the efficiency of the fire service. However, the Auditor-General is of the opinion that the power for the maintaining of these funds would be better based

if the provisions contained in the present regulation 59A were inserted as a section of the Act. The Bill, therefore, proposes this be done through the insertion of a new section 46A.

As with any other undertaking, the board is faced at the end of each financial year with the problem of expenditure incurred but not paid during the financial year, but there is no specific power under the Act to bring this outstanding expenditure into account. Such action is a normal business practice and the provisions now to be inserted as section 46B have been framed to empower the board to act accordingly.

The 1917 legislation, as affecting fire brigade demonstrations in this State, was modelled on a Victorian Statute which stipulated that no such demonstration should be held unless permission of the board was first obtained and published in the *Government Gazette*. Similar provisions still exist in section 53 of the Act. They have long since ceased to have significance and are out of context with present-day requirements. The Bill proposes this section be repealed.

In section 72 are to be found the general penalty provisions for failure to comply with the Act or the regulations. The penalty for non-compliance has remained at the equivalent of \$20 with a continuing daily penalty of \$2 for well over 20 years. The amendment which is now proposed to this section seeks to bring this penalty more into line with present-day values by substituting amounts of \$40 and \$4 respectively.

The Bill also contains several amendments which are consequential upon the change to decimal currency, and these affect sections 39, 40, 42, 43, 59, and 62, and also the third schedule to the Act.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

UNDERWATER BLASTING IN COCKBURN SOUND

Inquiry into Damage to Property: Motion

Debate resumed, from the 21st September, on the following motion by The Hon. R. Thompson:—

That in the opinion of this House, in view of the damage allegedly caused by underwater blasting operations in Cockburn Sound to private property and public buildings in the Naval Base-Medina-Calista area and, further, as the dredging company concerned denies liability for the damage, we consider that—

- (a) the Government should arrange for an independent and expert investigation to ascertain whether or not the damage is in fact due to this public works project; and

- (b) if the result of the investigation reveals that the damage is due to the blasting operations, the Government should provide compensation for such damage.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [3.2 p.m.]: Mr. Ron Thompson has moved the motion which stands in his name on the notice paper asking the Government to arrange for an independent and expert investigation to ascertain whether or not the damage referred to in his motion is, in fact, due to the public works project referred to; and if the result of the investigation reveals that the damage is due to the blasting operations, the Government should provide compensation for the damage.

The reply to a motion moved in these terms is not going to be a long and complicated one from my point of view. I think that the answer is, in fact, a simple one. In the first place Mr. Ron Thompson has suggested, in general terms, that he and the Kwinana Shire Council have found it difficult to obtain clear answers or decisions as to who was to be responsible for the damage alleged to have been caused by the underwater blasting.

All I can do, of course, is to refer Mr. Ron Thompson—and other members of the House—to the question he asked in relation to this matter, and the answer he received. I think it can be easily observed that the answer to the question was, in fact, straightforward.

I would refer members to a question asked by Mr. Ron Thompson on the 9th August, which can be found on page 158 of *Hansard*. It will be remembered that the replies I gave to Mr. Thompson on that occasion stated that the contracting company—Dredging Industries (Australia) Pty. Ltd.—had instructed that all claims be directed to it for its attention; that all claims would be dealt with by the company; that all claims had been referred to the company's legal advisers, and that the matter was now in their hands.

In further questioning me, Mr. Ron Thompson made reference to damage to State Housing Commission homes—or alleged damage. I gave him an answer in connection with the supervisor's investigation of that matter. If my memory serves me correctly, at some subsequent date I also cleared up an apparent misunderstanding which had occurred in relation to the local authority's building inspector.

In further explanation, it is pointed out that the Fremantle Port Authority has advised that the blasting work is the subject of a general contract between the Port Authority and B.H.P. Pty. Ltd., with Dredging Industries (Australia) Pty. Ltd. of New South Wales, who are the contractors for the deepening of the channels

to the B.H.P. site at Kwinana. As explained in the answers to the questions, the contractor is solely responsible for damage and accidents, both real and personal, subject, of course, to its being proved in the courts that action lies against the company.

I am sure it will be appreciated by members in this House, that this is not a place in which matters pertaining to the court can, in fact, be heard. I would go so far as to say it would be delicate and presumptuous for this House to endeavour to make decisions in relation to that sort of thing. Not that the honourable member's motion goes that far. He asks that the Government should appoint somebody to examine this situation.

At this point of time, or perhaps at any point of time, I cannot concede that this, in fact, is the responsibility of the Government I would point out that the dredging contract is continuing, and it may well be that any delay could have been the result of the fact that final inspection and assessment of the damage is still awaiting completion of the blasting, so that any further claims that may be presented to the company for alleged damage may be considered before contemplating any settlement. I am not in a position to say whether this is the case or not, but I am in the position to say that I believe the answers given to the honourable member were quite clear on the point.

I think it would be fair to say that the honourable member is doing his job as one of the members for the district. He told us that he introduced this motion to Parliament at the request of the Kwinana Shire Council and he took the opportunity of ventilating the matter in the House. I would suggest, with the greatest respect, that the honourable member has used the opportunity to ventilate the matter in the House, and I suppose this is his right. But whether this is the place for a proposed or possible action to be debated, I have very grave doubts. As a matter of fact, I do not think it is.

If action for damage lies against this company, or any other company in circumstances similar to these, this Parliament has no power over the result of that action. I think all we can do is wait and see the results of the investigation of these claims before any further determination can be made. However, at this point of time, I could not, on behalf of the Government, undertake to have an investigator appointed to pursue the matter along the lines indicated by the honourable member.

Perhaps Mr. Ron Thompson will regard this as being too short an explanation of the situation. Quite frankly, if I were to endeavour to lengthen my remarks it would simply be unnecessarily adding to what I have already said.

The Hon. R. Thompson: You would only go on but still say "No."

The Hon. A. F. GRIFFITH: That is so. I could only do, as I have already done—that is, explain the situation and say that I do not think the House should agree to the motion because the Government is not in a position to do what the motion asks it to do. Therefore, I must oppose it.

Debate adjourned, on motion by The Hon. F. R. H. Lavery.

MOTOR ACCIDENT VICTIMS: COMPENSATION

Inquiry by Select Committee: Motion

Debate resumed, from the 30th August, on the following motion by The Hon. E. M. Heenan:—

That in view of the pressing need to amend the law relating to the compensation of persons injured in motor vehicle accidents and also in view of the criticism by responsible bodies, which has been levelled against the Government's proposed Bill to amend the Motor Vehicle (Third Party Insurance) Act, this House is of the opinion that a Select Committee consisting of three members from each House be appointed to consider the overall position and to submit recommendations during the present session of Parliament.

THE HON. F. R. H. LAVERY (South Metropolitan) [3.12 p.m.]: I will not keep members very long with my speech on this motion, but I do support Mr. Heenan's request for the appointment of a Select Committee. I have had many approaches made to me for some amendments to the third party insurance legislation, including a good deal of documentary evidence, which I understand has been sent to all members of Parliament by the legal profession, dealing with the Government's proposals to alter the legislation.

While the spouse versus spouse provision does worry me a good deal, I am particularly concerned about the long wait there is between the time a person is injured and the time when a final settlement is made of any claims that may be lodged. In this regard I not only refer to the compensation received by a person who is injured in an accident, but also to the settlement of accounts from the medical profession and the hospitals. The medical profession and the hospitals have large sums of money outstanding with accounts in accident cases.

I would have thought the trust would welcome a wide discussion on this particular matter because, from session to session, we hear complaints in Parliament about the number of accidents and the charges for medical and hospital treatment. Last night I referred to the Royal Perth Hospital report, which shows the debts outstanding. I understand the figure is either \$2,000,000 or £2,000,000—I think it

is \$2,000,000. I know that the Fremantle Hospital is in much the same position and we all know that some of this money will never be repaid. It will be written off as bad debts because, in many cases, the people who incur debts such as these are either in a position where they cannot pay or they are able to dodge their responsibilities.

During the evening, when the Royal Perth Hospital Board annual meeting was being held, one of the senior officers of the Fremantle Hospital told me the reason why so many accounts are outstanding is because of accident cases and the long time it takes to reach finality in regard to the payment of compensation and hospital and medical expenses.

I wanted to speak to this motion because so many people come to members of Parliament with problems in this connection. They say they have insufficient money to pay for their hospital charges and they ask what they can do. In many instances these cases are three and four years old, and it takes that time before they are finalised in the courts. Previously the Minister who administers the Act told us of the amount of money the trust has to keep in hand to meet its commitments and to cover claims which are still undecided. These cases must be a great worry to the trust and to the Minister concerned. Therefore I think if a Select Committee were appointed it would be able to investigate all the anomalies that are arising from day to day, and such an investigation is necessary.

I know it can be said that the trust has its own research officers. That may be so, and probably the hospitals have their own research officers. But it must be remembered that with legislation of this kind the provisions must be brought up to date. During the short period I have been in Parliament—14 years—so many things have changed—the conditions under which we live, the way various departments work, and in many other ways. There are so many anomalies arising from time to time that the trust, the hospital authorities, and the medical profession, would undoubtedly welcome the appointment of a Select Committee to investigate the position and all the ramifications of third party insurance. As I have said, the legal profession is particularly concerned about the matter. I support the motion.

THE HON. W. F. WILLESEE (North-East Metropolitan)—Leader of the Opposition [3.19 p.m.]: As it is some time since the motion was last before the House I feel it might be of some benefit to read it. The motion moved by The Hon. E. M. Heenan reads as follows:—

That in view of the pressing need to amend the law relating to the compensation of persons injured in motor vehicle accidents and also in view of the criticism by responsible bodies,

which has been levelled against the Government's proposed Bill to amend the Motor Vehicle (Third Party Insurance) Act, this House is of the opinion that a Select Committee consisting of three members from each House be appointed to consider the overall position and to submit recommendations during the present session of Parliament.

If we take the last line first, and bear in mind how long this motion has been before the House it will surely be seen how little time it gives Mr. Heenan to submit recommendations during the present session of Parliament. I submit that without any difficulty whatever a reply could have been made to this motion many weeks before now. What would it have mattered to the Government had it acceded to or disagreed with the motion at the time? Why did not the Government come to grips with the motion when it was moved in this session of Parliament? Before any legislation was prepared or submitted the motion was on the notice paper.

But the Government took no action. It dallied and fiddled around, and kept the motion well down on the notice paper; and now brings it before us in the later stages of the session. The same thing happened with another motion which sought the appointment of a Select Committee. It was held back deliberately and with forethought, and finally the Government brought forward a document which it delivered to the mover and which it took the Minister 45 minutes to deal with when speaking to the motion. Could our man be expected to reply to that off the cuff? Of course not.

This motion applies to a very difficult problem. I have with me a series of cuttings from newspapers over the last two years. I will not read all of them, though I would like to read some of the headlines. On Saturday, the 27th February, 1965, under the heading, "Judge Favours Insurance to Cover Hurt People," we find the following:—

The Chief Justice, Sir Albert Wolff, held in the Supreme Court yesterday that a woman bus passenger had not been able to establish her case, though she was unfortunate because she had been injured through no fault of her own.

There was a long article setting out the case. The Select Committee proposed in the motion would have as its orbit the right to inquire into circumstances such as that. The Government should have faced the issue fairly and squarely at the time Mr. Heenan moved his motion. In the *Daily News* of the 18th October, 1965, there is the heading, "Q.C. Has Plan to Pay all Road Victims."

Is it not reasonable to ask that this situation should be inquired into by a Select Committee; that it should be con-

sidered impartially for the benefit of the community generally, rather than the matter be denied, set aside, and left to the whim of the Government to bring forward when it sees fit?

Somebody must accept the responsibility for problems that are getting out of hand, and it ill behoves the Government to take such a long time before it replies to a motion. On the 12th August, 1965, there was a leading article in *The West Australian* headed, "Review of Third-Party Vehicle Insurance" which stated—

Valuable information should be obtained by the royal commission which the government proposes to appoint to inquire into third-party motor-vehicle insurance in W.A.

From the same paper, dated the 22nd June, 1965, is a leading article headed, "Injury Compensation Review is Needed." There is a further article headed, "The Gap In Compensation" which asks—

Should all innocent victims of road accidents be eligible for compensation or only those who can identify the motorist and prove negligence against him in common law?

And so they go on. There is another article headed, "Legal Men Oppose Damages Tribunal." In *The West Australian* of the 9th July, 1966, there is a leading article headed, "Third-Party Reforms"; and on the 16th July there was a sub-leader entitled, "Lawyers Have a Point."

Surely it is up to this House to view this matter on an all-party basis, and, as a result of those deliberations, give the benefit of what knowledge can be obtained in the light of articles such as those to which I have referred.

I am disappointed that this issue has been kept down on the notice paper for so long. I think it is very important, and I feel sure there is need for a Select Committee along the lines envisaged by Mr. Heenan.

THE HON. L. A. LOGAN (Upper West—Minister for Local Government) [3.27 p.m.]: Part of the wording of Mr. Heenan's motion is—

That in view of the pressing need to amend the law relating to compensation of persons injured in motor vehicle accidents and also in view of the criticism . . .

During the course of his remarks Mr. Heenan did mention a Bill which was introduced into Parliament last session, and which was allowed to stand. The intention was to allow people to read and understand the Bill, and then to make any representations as to whether they liked the Bill or not; whether they felt it should be amended or not; or to refer to us any other aspect of third party insurance which they felt should be considered.

Except for the R.A.C., which met me in conference one afternoon for an hour, I have heard no further comment at all on the Bill. The only concern of the R.A.C. was the fact that premiums would be increased by allowing the principle of spouse versus spouse, and by lifting the liability limit for persons injured in a car where the driver was negligent. It was said that this would increase the premiums, and of course it would. But premiums will increase without that.

The Hon. H. C. Strickland: The Government increased the premiums.

The Hon. L. A. LOGAN: It is the Premiums Committee that increases the premiums. We must bear in mind that there is a trust involved, and that every 12 months there is a separate pool established, and that every pool must pay its way. It is not possible to pay out more than is received. This happens because some of the cases are not finalised for five or six years. Apart from the R.A.C., the only other body which has opposed parts of the legislation is the Law Society.

If members would study what they received from this society in conjunction with the Bill introduced last session, they will realise that the basis of the argument put forward was not very sound. It is my intention to reintroduce the third party legislation into Parliament this session.

The only arguments Mr. Heenan used in the course of his speech were that he agreed with the lifting of the liability, and also with the principle of spouse versus spouse. I am led to believe he may have favoured the setting up of a tribunal, but if he did not I will not argue the point.

He based most of his argument on total liability. We can have total liability provided Mr. Strickland and the rest are prepared to pay for it because, as members know, the premiums are likely to go up in the near future in view of the losses being sustained and the judgments being issued. If we look around the world and investigate the situation we will find that the only place that has total liability is Saskatchewan; and I do not think we want to introduce that system here at the moment. However, if members want it, I will be quite happy to let them have it. In Saskatchewan one pays as much as three times the premium we do, and this with a limited compensation. So it would be quite easy, without a Select Committee to say, "You can have total liability but you can pay three times as much with a limitation on the amount you can get." If that is what Mr. Heenan wants, we will approach it from that angle.

The Hon. H. C. Strickland: Examine the question.

The Hon. L. A. LOGAN: We have.

The Hon. W. F. Willesee: Let someone else examine the situation. I have not

much faith in you lately. What is the standard of living in Saskatchewan?

The Hon. L. A. LOGAN: It is probably the same as ours.

The Hon. R. Thompson: What is the accident rate?

The Hon. L. A. LOGAN: Probably the same as ours I should imagine. Third party insurance has been subjected to many inquiries. In Victoria, in 1963, there was a Royal Commission, the Royal Commissioner being Mr. Coppel, Q.C. His report has been made available. When I first became Minister in charge of the Motor Vehicle Insurance Trust I endeavoured to find out something about it. In addition, I asked the trust to give me the answers to some of the things I did not know and to be supplied with information on 14 different points.

These points were as follows:—

1. Spouse v. spouse.
2. Raising or abolishing present passenger limit.
3. Limitation of trust's liability.
4. Maximum limits for certain types of injuries.
5. Separate premiums for metropolitan and country vehicles.
6. Loading of premiums or drivers' licenses of persons convicted of traffic offences resulting in accidents.
7. Increased penalties for persons convicted of traffic offences resulting in accidents.
8. No claim bonuses for accident free drivers.
9. Premiums to be paid with drivers' licenses and not on vehicle licenses.
10. Legal fees.
11. Pension scheme in lieu of general damages.
12. Independent tribunal or permanent Judge to hear all cases.
13. Progress payments.
14. Delay in bringing claims to finality, therefore delays in payments.

In addition we had Mr. Coppel's report. I consider my department and the trust has done quite a deal of research as far as third party insurance in Western Australia is concerned. As a result of these investigations, some of the ideas will be incorporated in the Bill.

Going back to total liability, I am informed that at the moment there is reciprocity between all States, but if this State on its own undertakes total liability, reciprocity will not apply, and we will find ourselves in trouble.

The Hon. E. C. House: People would come over here to have their accidents.

The Hon. L. A. LOGAN: Any motorist coming over here would have to take out a fresh policy; and we would have to take out fresh policies over there.

The Hon. W. F. Willesee: You are anticipating the recommendations of the proposed Select Committee.

The Hon. L. A. LOGAN: It is a fact that there would not be reciprocity between States.

The Hon. C. E. Griffiths: Ours would still operate over there.

The Hon. L. A. LOGAN: If there were no reciprocity, all motorists coming here would have to take out a fresh license to cover the total liability, otherwise our trust would pay total liability without receiving one penny in premiums.

Mr. Lavery mentioned the matter of hospitals. I think if Mr. Lavery were to get the real story from the hospitals, he would find they are more than happy with the payments received from third party insurance. This is their main source of income and the trust pays a higher rate than anybody else. This is by agreement between the trust and the hospital authorities. If the trust paid the whole of the commitments up to date, hospitals would not be any better off, because they would go back to yearly revenue, which is in accordance with the accident rate. They would not be any better off.

People will not submit their claims until such time as they are satisfied that they are well enough to go back to work. This decision is made either on their own judgment, the judgment of their solicitor, or of someone else; and people will not finalise their claims for quite a period of time. So it is not possible to pay. We do not need a Select Committee to tell us these things. We know them; and if these people were prepared to submit their claims earlier, and finalise them, the hospitals could be paid earlier. However, I repeat: The hospitals are getting an annual revenue which is very large; and it would make no difference if everything were paid up to date and the hospitals were financed year by year.

The Hon. F. R. H. Lavery: Does the same apply to the medical profession?

The Hon. L. A. LOGAN: Yes.

The Hon. F. R. H. Lavery: Some have to issue a summons to get their money.

The Hon. L. A. LOGAN: Yes, on occasions because the trust is not always liable. It is the individual and not the trust who is liable. The trust pays out only where liability has been proved. What some people want is not third party motor vehicle insurance, but third party comprehensive insurance, which are two different things.

The Hon. F. R. H. Lavery: I do not follow you.

The Hon. L. A. LOGAN: That is what some of the people want; so that it would not matter where, how, or why they were hurt, they would be covered by insurance. This, in my opinion, is a national project and not a State one. If we want the

Federal Government to introduce a Commonwealth third party comprehensive insurance scheme, that is something which each and everyone of us would have to pay for. Today, people who have not paid a penny by way of third party premiums are receiving money from the trust. I do not think that is a good policy, but that is how the Act reads.

The trust has had something like 17 years' experience and it administers the Act which Parliament presented to it. As a result of the knowledge which the trust has acquired over those years, the amendments I wish to make to the Motor Vehicle (Third Party Insurance) Act will be incorporated in a Bill to be brought to the House as soon as possible.

I would advise members to support this legislation because it will cover some of the points raised. The Bill was introduced last year and members know what it contains. It provides for the establishment of a tribunal which could deal with weekly progress payments, and I think this will be an advantage to a number of people.

The total income of the trust in 1960-61 was \$2,168,134. The total expenditure at the moment is \$2,397,317 and therefore at present there is a deficit of \$229,183. This pool has not been completed, but already that is the loss because the expenditure is greater than the premiums received. That is the situation year after year.

It is handled by the Premiums Committee, set up by Act of Parliament. When the trust requests a review, the Premiums Committee thoroughly investigates the situation and makes recommendations. It is sitting at the present time.

The total income for 1961-62 was \$2,306,300, and already the expenditure is \$2,790,200, which is a deficit of \$483,960. Of course the deficit will be more than that because some payments have not been settled.

I could go on and give all the figures. We know all these problems. No-one needs to tell us. The only two surpluses experienced since the trust was set up were in 1959-60, when it was \$29,571, and in 1961-62 when it was \$206,653. Those are the only two payments which have been made to the insurance companies in the 17 years the trust has been in existence. It is a wonder that the insurance companies remain within the trust because of the liability year after year. If the trust were to be abolished, all the liability would have to be met by the insurance companies which are part and parcel of the trust.

I think it can be generally said that as far as the trust and I are concerned there is nothing very much that a Select Committee could tell us which we have not already investigated. If we knew of a way to overcome all the problems, we would adopt it. As I have said, the pre-

mium is fixed at the moment. Every 12 months there is a separate pool. Some of the cases are not finalised for five or six years and during that time the amounts of the judgments keep rising. All the outstanding claims are then deducted from the particular pool which applies.

We believe that the amendments in the Bill will overcome some of the problems, although not all of them. We cannot stop the individual getting his just rights. No-one wants to do that. However, we may be able to put the position on a better footing than it is on at the moment.

Dealing again with the motion before the House, I respect Mr. Heenan for the arguments he raised. He is not the only one who has raised these problems but those who usually do so are the top legal men or judges. They are the ones who make the recommendations, which is all right, but we must consider the 350,000 motorists who are paying for this insurance. They are the ones who have to pay for it; no-one else. Of those 350,000 motorists, between 4,000 and 5,000 are involved in accidents each year, and if that is worked out arithmetically something like 5 per cent. of the motorists are receiving benefits at the expense of the other 95 per cent. That is the situation.

Therefore, my recommendation is that members should wait until the Bill is introduced and then give it unqualified support, because I am sure it will overcome most of the problems they are worrying about. I must at this stage oppose the motion.

Sitting suspended from 3.45 to 4.3 p.m.

THE HON. H. C. STRICKLAND (North) [4.3 p.m.]: I intend to support Mr. Heenan's motion. I believe an inquiry by a Select Committee would do no harm in relation to a very vital and important question—third party motor vehicle insurance. Each day the insurance trust has more calls made upon it. The Minister drew attention to the fact that 5 per cent. of the insured are lodging claims each year and are virtually imposing on the other 95 per cent. That was how I interpreted the Minister's remarks. However, I cannot agree that is a very high figure. I know that claims and expenses are increasing each year but 5 per cent., in reality, is not a very large figure compared with the number of accidents which occur on the roads these days.

After all, insurance is a pool and I do not think the Minister has submitted a substantial argument in relation to that particular aspect—that is, the 95 per cent. paying for the other 5 per cent. Of course, if it were the other way around, and 95 per cent. were claiming, the other 5 per cent. would not be paying for the 95 per cent.—they would all be paying. I suggest that is a feature of insurance; the whole

of the contributors pay into a pool to compensate or protect those who are unfortunate enough to meet with some accident.

Also, I was rather surprised when the Minister told us that this pool is not profitable, and that the revenue of the pool is not as large as its expenditure. To my mind, that is an amazing suggestion—that the insurance companies have become benevolent and are prepared to pay out more than they receive.

The Hon. L. A. Logan: Those are the hard, cold facts.

The Hon. H. C. STRICKLAND: If that is a fact, I would suggest the insurance companies withdraw from the pool, that this class of insurance be discontinued or abandoned, and insurance be left to the State office, which is a non-profit-making instrumentality, to handle this matter, rather than increase the premiums. If the insurance companies are to remain operating, it is quite logical to imagine that they are remaining for the purpose of making a profit.

The Hon. L. A. Logan: How is this State going to pay for it?

The Hon. H. C. STRICKLAND: The State Insurance Office has never yet made a loss. The S.G.I.O.—as we know it—has funds of its own. It has still quite a reserve of funds and it has contributed very substantially to the Consolidated Revenue of the State—

The Hon. L. A. Logan: It certainly loses under this proposition.

The Hon. H. C. STRICKLAND: —over the years; and it does not have to pay dividends each year to any shareholder living in England, Ireland, or anywhere else for that matter. It is quite reasonable to anticipate the State Government Insurance Office would be able to conduct this type of insurance on a profitable basis, or at least on a basis which pays its way, and at a lower premium rate than the private companies.

The Hon. L. A. Logan: It must be on an increased premium; it could not be otherwise.

The Hon. H. C. STRICKLAND: One is rather hard pressed to take it for granted that this pool of private insurers, plus the Government insurance company, is losing money on this type of insurance. Indeed, it is rather difficult to understand. I recently had an occasion to approach the trust on behalf of a person who was involved in an accident in Wyndham. I do not know the correct title for the person in charge of the trust—whether it is manager or secretary. In any event, I saw the chief officer and he told me, "The person injured in the car will first have to prove negligence on the driver's part before he can claim any compensation."

There was a law case following the accident—the driver was charged with drunken

driving. In the evidence given in court it was stated that the passenger was very seriously knocked about and the passenger gave some evidence—or was supposed to have made a statement to the police—to the effect that he leant against the door and fell out. When I told this to the chief officer of the trust, I was told that that was the end of the appeal—no negligence on the driver's part had been proved and no payment could be made.

We are all accustomed to driving with our families in the car and we all believe that we are sufficiently covered should one of the children fall out of the car; but apparently we are not.

I feel there is ample scope for a thorough inquiry into this type of case. Mr. Heenan is the mover of the motion and he is quite competent to undertake that type of inquiry.

One other aspect of the Minister's reply intrigued me somewhat. The Minister told us that he had introduced a Bill for the purpose of allowing this matter to be studied and anyone who felt he had an objection could bring his objection forward. The Minister said the only approach he received was from the R.A.C.

The Hon. L. A. Logan: And the Law Society.

The Hon. H. C. STRICKLAND: I was going to say that I would have been surprised if the Minister had not heard from the Law Society. I did not understand the Minister to say this in his reply—I understood him to restrict it to the R.A.C. However, I stand corrected on this point. The Law Society is very concerned about this particular Bill, and one of its main objections is that the Act will be altered to set up a tribunal from which there would be no further appeal. Of course, that may seem all right to some people but I, personally, feel that our rules of justice—the British rules of justice, which we adopt—have always allowed an appeal from one authority to another, and consequently the opinion of one tribunal is not conclusive. One has the opportunity of approaching at least three tribunals under our law, which means that one opinion does not prevail. One has the opportunity to obtain two opinions out of three.

I consider that Mr. Heenan, who is a member of the Law Society, has every right to move for this Select Committee and that he would be a very competent person to conduct an inquiry along proper lines. This motion for a Select Committee is different from the motion I moved recently in the House, because my motion dealt with a Bill. The Minister's objection to my motion was based mainly on the fact that it might hinder the passage of the Bill, because there was not much time left in which to act.

This motion is entirely different—it is a separate motion and would not hold up any legislation which is before the House.

Members should give thorough consideration—and I imagine that most members have had some experience with accident cases in relation to third party insurance at some time or other—to the holding of this inquiry. We should be informed more thoroughly as to exactly what the legislation could be and what it could mean—in fact, the type of legislation we desire.

I was rather amazed at the Minister's statement that a person injured in one State is not covered in another.

The Hon. L. A. Logan: I only said that when the question of total liability was brought in there would not be any reciprocity.

The Hon. H. C. STRICKLAND: The Minister was not referring to the present situation?

The Hon. L. A. Logan: No.

The Hon. H. C. STRICKLAND: I see; the Minister was using a hypothetical case and I will not follow this point any further, because it has nothing to do with the motion. I again repeat that I hope members will give very careful thought to the proposition before them and make up their minds whether they are going to have a Select Committee or whether they are not. I hope members will be prepared to allow a Select Committee to examine the question.

Debate adjourned, on motion by The Hon. J. Dolan.

House adjourned at 4.15 p.m.

Legislative Assembly

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