# Legislative Council.

Tuesday, 27th September, 1949.

CONTENTS.



The PRESIDENT took the Chair at 2.30 p.m., and read prayers.

## ASSENT TO BILLS.

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

1, Tuberculosis (Commonwealth and State Agreement).

2, Rural and Industries Bank Act Amendment.

3, Government Employees (Promotions Appeal Board) Act Amendment.

4, Farmers' Debts Adjustment Act Amendment (Continuance).

5, Acts Amendment (Increase in Number of Judges of the Supreme Court).

6, Guildford Old Cemetery (Lands Revestment).

7, Marketing of Eggs Act Amendment (No. 1).

## QUESTION.

### ELECTRICITY SUPPLY.

*As to Breakdown at East Perth Power House.*

Hon. A. THOMSON asked the Chief Secretary:

In view of the continual breaking-down of the plant at the East Perth power house, will the Government immediately appoint an expert electrical engineer to report and advise as to the cause?

The CHIEF SECRETARY replied:

The cause of the breakdown of No. 6 machine, and the other generating equipment at East Perth, is quite well understood. The condition of the machines is due to the fact that it has been impossible over recent years to shut them down for an annual overhaul. Mr. Oxley, Parsons' expert winder, will be present during repair operations.

## BILL—PEARLING ACT AMENDMENT.

*Second Reading.*

Debate resumed from the 22nd September.

**HON. G. W. MILES** (North) [2.39]: I wish to thank the Minister for having adjourned the debate on the Bill until today. Over the week-end I have had an opportunity to make inquiries and I now endorse everything the Minister has said. At the request of the Broome Shellers' Association, it brings the pearling industry into line with the activities in Darwin and other parts. I hope the House will agree to the measure without amendment.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Bill read a third time and transmitted to the Assembly.

## BILL—BUSH FIRES ACT AMENDMENT (No. 3).

*First Reading.*

Received from the Assembly and read a first time.

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. H. S. W. Parker—Metropolitan-Suburban) [2.44] in moving the second reading said: If, after I have moved the second reading, any member should desire an adjournment of the debate until the next sitting of the House, I shall offer no objection. This measure deals with two subjects which it is desired should operate for the forthcoming fire season. The main purpose is to re-insert

in the Act certain provisions that were deleted by amendments passed last year. When those amendments were originally under discussion, it was felt that the Act established a principle which it was not desirable to have in legislation.

I refer to the fact that, notwithstanding that a person complied with all the provisions laid down in the Act, he was still liable for a civil action for damages as a result of his action, even though he had acted within the law and had not been negligent. The common law—that is, the unwritten law followed by all countries in the British Commonwealth of Nations—recognises that if there is anything dangerous, it is the duty of the person in charge to look after it.

To illustrate the general principle, if a person took a caged tiger into a city and someone else let it out, the owner would be liable for any damage done. The case that settled the law was decided in England many years ago when a man put a reservoir on his property. Although there was no negligence on his part, the reservoir burst and caused damage, and on the principle that he had placed something of a dangerous nature on his property—the impounding of water can be a danger under certain conditions—he was liable.

Hence a man who lights a fire on his property, which is something dangerous, may not be negligent, but perhaps the wind changes suddenly and damage is caused. In those circumstances, he is liable for the damage done. Last year we amended the law to provide that a person who lit a fire and complied with the statute and was not negligent, should not be liable. However, it is the desire of people in the country that the statute should be restored to include the common law liability.

Some people have lighted fires and, while they have not actually been negligent, they have taken a sporting risk and the fires have got away. Under the amendment passed last year, they were not liable, because negligence could not be proved. The retention of the common law liability is a deterrent against persons lighting fires and taking risks. This deterrent—the liability for a claim for damages—having been removed, greater difficulty has been experienced in controlling the few irresponsible persons always to be found in any community.

The opportunity has also been taken to include in the Bill another small amendment. Changes were made last year in the provision relating to the burning of fire breaks on railway land. For this purpose the Minister has power to suspend the operation of the prohibited times to enable the Railway Department to carry out this essential protective burning later than the 24th December, which was fixed as the limit to which any extension under the section concerned could be granted. The date mentioned was selected because it had been the practice for many years not to burn after the 24th December for obvious reasons.

If the burning were undertaken between the 24th December and the 1st January, many people would be away on holidays and men might not be available in the event of a fire getting out of control. Therefore it is desired to give the Minister discretion to allow burning at a later period. Members will appreciate that in the South-West corner of the State, the 24th December may sometimes be too early to burn on account of the grass being too green and so we propose to give the Minister discretion to extend the time to the 15th January.

It is not likely that the Railway Department will burn off when there is any danger, but this gives it the power to do so without committing a breach of the Act. Up to the present it has not been possible to obtain a spark arrester completely efficient under all conditions, but that problem is receiving the attention of the Railway Department officials and we hope that something will eventually be done. Again there is the question of the proper blending of coal; and special efforts are being made this year to cut down the fire risks as far as possible.

If members desire any further information, I shall be only too pleased to supply it during the Committee stage, if possible. I commend the Bill for the two purposes it seeks to achieve—one, to make a person liable if he lights a bush fire and allows it to get away and burn his neighbour's property; and the other to protect the Railway Department when the department deems it advisable to continue burning fire-breaks up to the 15th January. I move—

That the Bill be now read a second time.

**HON. L. CRAIG** (South-West) [2.51]: As the Chief Secretary stated, the Bill has two provisions. With one of them I agree, but with the other I disagree. With the proposal that the Railway Department should be permitted to burn off up to the 15th January I entirely agree, because in parts of the South-West it is impossible to burn much before that time. The second amendment is more controversial. People who live in certain areas will perhaps agree with it, but people in other areas will disapprove.

Before one can light a fire during the prohibited period one has to obtain permission to do so. It is most difficult to secure that permission. One has to comply with certain conditions and have so many men available in the field it is proposed to burn. Breaks of a certain width have to be ploughed, and all one's neighbours must be given a certain notice that one has been granted permission to burn. Having done all those things, having taken all the precautions laid down in the Act—and they are very stringent—and having obtained permission to burn, then, in the past, if a fire got away, one was not liable.

Hon. G. Fraser: It is pretty harsh, is it not?

Hon. L. CRAIG: Pretty harsh! A man takes all these precautions and the fire gets away and he is to be made liable. There are people who do not take precautions, and the fires they light get out of control; but all that happens is that they too are liable. There is no difference in the two cases. That is a temptation for a farmer to say, "I will be liable in any case. I cannot get half a dozen men to help me and I cannot plough my ground in the summer time. So I am going to take a risk."

If I remember aright, it is only two years ago that farmers were relieved of responsibility if they had taken all precautions. It was thought then—and rightly so—that having complied with the Act—having notified one's neighbours and ploughed breaks and burnt them, and having got the requisite number of men to assist—people should be exempt from liability in order that they might be encouraged to comply with the conditions laid down. But now it is proposed to reimpose a liability on the farmer.

I consider that having encouraged people to take all the precautions it is possible to take, so that all risk has been practically eliminated, it is only right that they should be relieved of responsibility. Otherwise they will not go to so much trouble. They will light fires as in the past. They will adopt the attitude that since they are liable whether they take precautions or not, the best way to burn the country is to skip through it on a horse and drop a few matches.

Hon. E. H. Gray: People who argue like that should be in gaol.

Hon. L. CRAIG: It is not a question of what ought to be, but what is done. If a man finds it difficult to get anybody to help him comply with the conditions and realises that if he does observe the precautions he is still not relieved of responsibility, what is he tempted to do? He says, "It is a still day and there is not much risk. I will take a chance, because in any case I will be liable if my neighbour's property is burnt." I think it is an incentive to people to be careful if they are relieved of responsibility when lighting fires, provided they have obtained permission and have taken all the precautions necessary under the Act. In Committee I intend to oppose the clause dealing with this matter. I support the second reading.

On motion by Hon. G. Fraser, debate adjourned.

## BILL—FISHERIES ACT AMENDMENT.

*Second Reading.*

Debate resumed from the 21st September.

**HON. G. BENNETTS** (South) [2.56]: I have not had much time to look through the Bill. I intended to take it away with me last week but neglected to do so. Perhaps the Minister will be able to tell me whether a certain matter in which I am interested is covered by the measure. During the past week a petition was signed by 110 residents of Esperance requesting the prohibition of net fishing in the bay at that port. This petition has been forwarded to the Minister in charge of Fisheries. As is well known, a large number of visitors go to Esperance from the Goldfields and other parts of the State during the holiday season, and a good deal of line fishing takes place from the jetty. This, however, is being spoilt by net fishing. Perhaps the Minister could tell me whether that matter is dealt with by the Bill.

The Chief Secretary: The Bill does not affect that.

Hon. G. BENNETTS: That is all right, then. I support the second reading.

**HON. H. A. C. DAFFEN** (Central) [2.58]: I support the Bill. I placed it, and the remarks of the Minister when introducing it, in the hands of the secretary of the Geraldton Fishermen's Association and he declared himself as being quite satisfied with it. He said that the issuing of separate licenses to amateur and professional fishermen would be very welcome as such a provision had been sought by his association some time ago. One point to which he suggested the attention of the department might be drawn was the matter of increased license fees generally. He pointed out that in addition to increases in respect of boat licenses, fishermen at present pay a personal license of 10s. each. In the case of a small crew of three, the total fees would amount to 30s. and in the case of a larger boat with seven men, the cost would be £3 10s. He considers that that should be taken into consideration when fixing license fees for the larger boats.

The fishing industry in this State is growing rapidly and has an important role to play in providing a staple item of food for our people. From an Australia-wide point of view, it plays a still more important part in assisting to earn much-needed dollars. In the Geraldton area and, to a slightly lesser extent, in the sea surrounding Jurien Bay, large quantities of crayfish are taken, and about 1,250,000 lb. of crayfish tails will be exported to America this year, bringing into Australia about £A350,000 in dollars. For some years past the industry has been expanding in this State, but I think all members will realise that there is room for still greater expansion.

The industry has been built up largely as a result of research and supervision by the appropriate authorities and it seems only right that the fishermen should contribute something towards the cost involved in that direction. I do not think they would have any objection on that score, particularly as the research and supervision are to be continued, with the object of making the industry more payable and increasing the possibilities of larger quantities of fish being taken from greater areas of the ocean round our coast. The measure has the approval of the fishermen, and I am glad to support the second reading.

**HON. L. A. LOGAN** (Central) [3.2]: I would like some further information about Subclause (3) of Clause 9. It seems to me that the information required of the fishermen by that subclause would place an impossible burden on them, and the provision would be difficult to police. The average fisherman would need someone to compile his return for him. I feel that that subclause should be amended in such a way as to make it easier for the fishermen to comply with its requirements. The sooner this and other Governments take a stand to reduce instead of increasing costs generally, the better. If the Government can hold costs, even though it may not be able to reduce them, the whole of the State will benefit in the long run. Apart from the provision to which I have referred, I support the second reading.

**HON. G. FRASER** (West) [3.5]: Like Mr. Logan, I am concerned about the provisions of Clause 9. It will be almost impossible for many of those engaged in the fishing industry to supply the information required of them under Subclause (3). I have not checked that provision against the parent Act, but it appears to me that this subclause is to apply to both amateur and professional fishermen.

The Chief Secretary: No. It is to apply only to professionals.

Hon. G. FRASER: In earlier provisions in the Bill, there is mention of licenses for boats and fishermen, and the indication is that the provisions are to apply to fishermen of all types. If that is so, it is worse still. The great majority of fishermen in this State are foreigners. I have nothing against them on that account, and most of them are very good citizens, but many of them cannot speak our language very well and would find it impossible to supply all the information asked for.

Hon. A. Thomson: The provision is "may require."

Hon. G. FRASER: We all know that the parliamentary interpretation of "may" is "shall," and we are therefore asking the fishermen to provide all this informa-

tion. Subclause (3) of Clause 9 requires them to make out returns, including separate particulars of—

the weight, quantity, value or price of any one or more varieties or species of fish or parts of fish or fish products, specified in the notice or as to the locality in which any fish or any one or more varieties or species of fish specified in the notice were taken.

That is a rather large order, and I think it would take a lawyer to give all those particulars.

The Chief Secretary: Do you not think the fisherman has all that information now?

Hon. G. FRASER: If he has it now, why include it there?

The Chief Secretary: When the fisherman takes his fish to the market, he gets so much a pound for schnapper, and so on.

Hon. G. FRASER: No; very often the fish are put up in mixed lots. I can quite understand that the information could readily be given if the fisherman had only to furnish a return showing his aggregate catch, but it would be almost impossible for him to supply all these details. It must be remembered that here we are dealing with people many of whom do not understand our language very well. I venture to say that many of our own people would be unable to supply correctly all the information required by this subclause.

Hon. H. K. Watson: The fishermen would spend one week fishing and the next filling in the forms.

Hon. G. FRASER: They would be lucky to get through it in a week. I hope the Chief Secretary will agree to have the debate on this measure adjourned so that we may consider some alteration that can be made to this provision.

The Chief Secretary: We will adjourn the Committee stage, if you wish.

Hon. G. FRASER: No doubt it would be advantageous for the Fisheries Department to have all this information, but we should not, in our enthusiasm, place an impossible burden on those engaged in the industry. I come now to Clause 11. I realise the splendid work that has been done by the Trout Acclimatisation Society, but this clause lays down certain provisions that I think could well bear further examination. Paragraph (iii) prohibits all persons from taking any fish of any specific species by means of any specified capture or by any means of capture whatsoever. I would agree to that if it applied only to the species of fish with which the society is concerned, and I would like to be sure that the wording of that provision is in line with what is intended.

The Chief Secretary: It may be a food fish.

Hon. G. FRASER: The provision does not say so. I understand that trout fishing is done with what is known as a fly, and I do not know whether trout can be caught with the ordinary line and hook. This provision would give the society the right to prevent anyone fishing in a specified area for any type of fish at all.

Hon. L. A. Logan: Yes, in the area specified.

Hon. G. FRASER: A person might wish to fish for some species other than trout, and I think he should not be prohibited from doing so.

The Chief Secretary: The intention is to give the society power over the whole stream.

Hon. G. FRASER: Yes, irrespective of the type of fish that anyone might desire to catch. As at present worded, this paragraph gives the society power over all types of fish.

The Chief Secretary: Yes, in that particular area.

Hon. G. FRASER: I do not think that is right. I would be prepared to give the society that power over the fish in which they are particularly interested, but not over all species.

The Chief Secretary: If that were done, people might catch whatever species were trout-feed.

Hon. G. FRASER: Can one catch trout with ordinary fishing gear?

Hon. W. J. Mann: Yes.

Hon. G. FRASER: Then that makes a difference.

The Chief Secretary: You can "tickle" them and pull them out with your hands.

Hon. G. FRASER: I do not wish to see the society given more power than is intended, but if it is possible to catch trout by means of ordinary fishing gear, I can see the reason for this provision. If trout could

be caught only by special tackle, however, I would object strongly to such a wide provision. If that is not the case, I would have to waive my objection.

**HON. J. A. DIMMITT** (Metropolitan-Suburban) [3.15]: I have become interested in the Bill not from the professional angle at all but from that of the amateur fisherman. I received visits from some amateur anglers and also from the secretary of the Yacht Clubs Association. They were under the impression that a fee was to be charged to amateur fishermen. I thank the Chief Secretary for the very lucid statement he made regarding the intentions of the Government with respect to this legislation, and I have been able to assure these amateur fishermen that not only is no license fee to be collected from them but that a Fishermen's Advisory Committee had been established on which one of the most prominent of the amateur fishermen had a seat. In the circumstances, I have told them they can rest assured that their interests are not jeopardised.

The Government has acted very soundly in amending the Act by deleting the Second Schedule with a view to substituting a new schedule altogether. I compliment the Government on its action. There is great disparity in the use of the common names of fish caught along our coast compared with the names applied to similar fish in the Eastern States. The present Second Schedule is to be substituted by another which will include the common names of fish and their scientific names as well. That will enable the fishermen to identify fish caught here with similar fish that are found in the waters of the Eastern States but which are named differently there.

On motion by Hon. W. J. Mann, debate adjourned.

## BILLS (3)—FIRST READING.

1, Companies Act Amendment (No. 2).

2, Industrial Arbitration Act Amendment (No. 2).

3, Western Australian Transport Board (Validation).

Received from the Assembly.

## BILL—MARKETING OF EGGS ACT AMENDMENT (No. 2).

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. H. S. W. Parker—Metropolitan-Suburban) [3.19] in moving the second reading said: This is a very short Bill. It really follows upon a deputation that waited on the Honorary Minister for Agriculture from the Poultry Farmers' Association who requested that that body should be allowed to elect the majority of the producers' representatives on the Western Australian Egg Board.

That board consists of six members, two of whom are nominated by the Minister to represent the consumers, one is nominated by the Minister as a representative of the producers, two are elected by the producers themselves and the remaining member is an independent person who acts as chairman. The association's proposal was that there should be four producers' representatives, two consumers' representatives, and the chairman. The Honorary Minister was not able to agree to that request but he forwent his right to nominate one of the producers' representatives. This will allow the producers to elect three representatives instead of the Minister appointing one and the producers electing two. The suggestion is not to increase the number of the board at all.

Generally speaking, the Minister, when appointing a representative of the producers accepts the first name appearing in the panel submitted by the producers themselves. He need not do so but that is the course usually adopted. The producers might say that they would be prepared to trust the present Minister but might not be of that opinion with regard to his successor. Hence they ask that the right should be theirs to elect the three producers representatives. To that suggestion the Government agreed. The Bill provides that the changeover shall take place when the term of office of the producer-representative nominated by the Minister expires at the end of March, 1951. I move—

That the Bill be now read a second time.

On motion by Hon. G. Fraser, debate adjourned.

## BILL—WORKERS' COMPENSATION ACT AMENDMENT (No. 2).

*Second Reading.*

Debate resumed from the 21st September.

**HON. H. HEARN** (Metropolitan) [3.23]: It appears that in the very short time this Act has been in operation some anomalies have already manifested themselves. In an endeavour to make for the smoother working of the legislation and to express the intention of Parliament when it passed the existing Act, the Government now finds it necessary to effect some alterations to the statute.

As an employer, I object to the principle of retrospectivity, but on this occasion I am not pressing that point because the principle embodied in Clause 3 seeks to give effect to the original intention of the Act which, owing to unforeseen circumstances, was not proclaimed quite as early as anticipated. Again I wish to assure members that industry should, and most certainly will be co-operative in the working of this insurance Bill. When it is dealt with in Committee, it is my intention to move an amendment to Clause 5 to delete paragraph (a) and substitute the following:—

(a) by inserting after the word "Act" in line two of Subsection (11) the words "and employed in any process other than goldmining."

As I understand the discussion that took place in the Assembly, emphasis was on the fact that work in a goldmine might prejudice a man in his claim for compensation for industrial diseases, merely by virtue of the fact that he had not previously obtained a certificate from a medical referee.

The position of the quarrying industry was referred to and it was suggested that some provision should be included in the Bill to safeguard that activity. However, nothing was done and the matter appears to have been overlooked. The intention of my amendment with regard to Subsection (11) is to enable it to operate in respect of industries other than goldmining.

Hon. G. Fraser: That has been cut out!

Hon. H. HEARN: Members will agree it would be manifestly unfair if a worker from New South Wales, having been employed at Sandstone and suffering from silicosis, were later employed in a quarry in this State, in consequence of which his employer would be held wholly responsible for the disabilities from which the worker in question was found to be suffering, although his complaint had been contracted in another State. Turning to Clause 6, it is also my intention when the Bill is dealt with in Committee to move for the insertion of a new paragraph as follows:—

(b) inserting the word "gold" before the word "mining" in line six of Subsection (5), paragraph (a).

It is apparent that the intention of the Bill is to provide that the State Government Insurance Office is to be the only insurer of workers employed in goldmining operations; but the measure is not specific because it refers only to mining operations. Considerable argument has arisen in the courts of this and other States as to the meaning of the word "mining."

Under the Mines Regulation Act a mine could include a quarry, a gravel pit and, possibly, a sand pit. Let us be quite clear and specific in conveying our intentions so that the Act will be definite on this point. The intention is that the State Government Insurance Office shall be the only insurer in respect of the goldmining industry. That being so, I believe we should insert the word "gold" before the word "mining."

I notice that according to Clause 9, the intention is to appoint inspectors for the purpose of investigating wages sheets and the numbers of employees engaged in industries. While this may be necessary, regrettably, for a few isolated dishonest individuals, I think there is much doubt whether we are justified in submitting industry to another series of restrictions. While I shall not oppose the proposition on this occasion, I must again register my protest against any further increase in the already huge numbers of Government servants.

In these days of managed currency, particularly with the recent devaluation of sterling, the only possible way of improving the situation is by increasing production. It must be obvious to all that the more workers we take from industry and put on the administrative payroll of the Government and its departments, the fewer hands are available for the production of goods so seriously needed. Subject to the amendments standing in my name on the notice paper, to which I have already referred, it is my intention to support the second reading of the Bill.

**HON. G. FRASER** (West) [3.28]: I shall waste few words on the Bill because attempts are to be made to alter its provisions in Committee and we can debate matters then. I point out to Mr. Hearn, however, that the amendments of which he has given notice will be ineffective unless he does something about it. Obviously his notes were compiled before the Bill was dealt in Committee in another place. He will find that when the measure was considered in Committee, Subsection (11) was deleted so that his amendment affecting that subsection will be ineffective and quite useless. I think the better method would be to deal with it in some other way.

As to the rest of the Bill, the 8th April is to be the D.Day, as it were, for the alteration of payments. We are not very satisfied that a clear definition is provided in the Bill as it stands, so an amendment will be handed to hon. members in order to clarify that phase of the Bill. The only other point I wish to deal with is the clause which seeks to make the Bill apply to the goldmining industry. In my opinion, quite a number of persons engaged in that industry feel that the risks which the Bill should cover are not confined only to goldmining. The Bill should also apply to men engaged in the asbestos industry.

Hon. G. Bennetts: And in the manganese mines.

Hon. G. FRASER: Yes, and many others.

Hon. H. Hearn: Those men would be covered.

Hon. G. FRASER: Not if the word "gold" is inserted. I would suggest to the hon. member that he give consideration to the advisability of striking out the word "gold" and substituting "metalliferous." The general impression is that the correct word is "metalliferous." There are dangers in other types of mining as severe, if not more severe, than those encountered in the goldmining industry. I would not have spoken to the second reading except that I desired the hon. member to give some thought to the alteration I have suggested, so that when we reach the Committee stage we may save time. I support the second reading.

**HON. H. K. WATSON** (Metropolitan) [3.32]: At the risk of again incurring the wrath of the Chief Secretary, I desire to exercise the normal function of a member of this House and venture to make one or two observations on this Bill. I do not favour the clause which provides for the appointment of additional inspectors. It may be that in the past one or two dishonest employers have avoided paying insurance companies their just dues. But insurance companies have always had their remedy in the past, as they have at present.

Indeed, the Honorary Minister for Agriculture, in moving the second reading, explained that under the policies as they exist today, any insurance company has the right to send an inspector to the office of an insured person to inspect his payroll. The Honorary Minister gave us illustrations where, by the exercise of the rights as they exist today, substantial amounts were recovered from one or two dishonest insured persons. As I view it, we have to see that the Workers' Compensation Board does not become as big as the Housing Commission.

I do not see that there is any sense in appointing additional inspectors as full-time officers who, of necessity, will spend most of their time in annoying employers, 98 per cent. of whom are honest anyhow, simply for the sake of catching the odd two per cent. I suggest that the revenue of this fund will be protected just as amply in existing circumstances by omitting any power to appoint inspectors. If at any time it is desired to inspect the accounts of a particular person, any officer of the staff could be sent; but I do not see that it is desirable to have one, two, three, four or five inspectors doing nothing else but going around inspecting persons' accounts in the hope of discovering some error.

I also find it difficult to appreciate the reason for the proposal to re-constitute the the premium rates committee. It is only a few months since Parliament passed the parent Act under which the Workers' Compensation Board was appointed, as we were then informed, for the purpose of taking over duties previously discharged by a magistrate. It was explained to us that the board would be virtually a court of law, and I think its duties should be confined to those functions.

Hon. C. F. Baxter: The Act was proclaimed on the 16th April.

Hon. H. K. WATSON: The board was to consist of three members, one of whom should be the chairman, another a repre-

sentative of the employers and the third a representative of the employees. It was intended to confine the board, as I have said, to the hearing of appeals and such like matters. The Act was passed and proclaimed, as Mr. Baxter has reminded me, only a few months ago. There was also appointed a premiums committee which was charged with fixing the premium rates under the Act. The committee is declared by the Act, as it stands at the moment, to consist of the Auditor General, the manager of the State Insurance Office and two other members representing insurance companies, tariff and non-tariff, I understand.

It seems extraordinary to me that before the premium rates committee has got under way, the board is feeling its strength to such an extent that it wants to take over the duties which Parliament, in its wisdom, decided should be discharged by the premiums committee. It appears to me that the premiums rates committee, as at present constituted, is the proper body to deal with the fixing of premiums in the light of experience, which it has not yet had and which it cannot have for several months to come, or perhaps for a year or two to come. In the Eastern States, similar boards have no such power to fix rates and I do not see why the board in this State should have the power. If the Act is amended as this Bill proposes, it will be a reflection upon the Auditor General, the manager of the State Insurance Office and the other two members of the committee. I shall be disinclined to support that clause when the Bill is in Committee.

**HON. R. J. BOYLEN** (South) [3.38]: I intend to support the second reading of the Bill. It is pleasing to observe that it makes provision for those who were entitled to the benefits of the Act in the way of weekly payments prior to the 8th April, to enjoy the full benefits of the Act. There seemed to be some doubt on that point, but it has been resolved by this amending Bill. I do not think there is any chance of its provisions being misinterpreted. The benefits to be received under this Bill will become less as time goes on because of the gradual increase in wages and the increase in the cost of living. Therefore, the Act will have to be amended from time to time in order to meet such changing conditions.

At present, the maximum payment is £6 per week, which is inclusive of £1 per week payable to the injured worker's wife. When the parent Act was before Parliament some months ago the basic wage was £5 12s.; now it is £6 13s. 2d. The injured worker now receives two-thirds of £6 13s. 2d., or £4 8s. 9d. a week, and if he has a wife, £5 8s. 9d. If, in addition, he has one child, he will receive £5. 18s. 9d. Under the Commonwealth social service scheme two old people in receipt of the old-age pension receive £4 5s. per week and they are permitted to earn between them an additional £3 a week, making in all £7 5s. a week.

Surely people who are so unfortunate as to be compelled to claim the benefits of this Act should at least receive the same amount, as in many instances their responsibilities are much greater. Not only may the worker have a wife, as may be the case with an old-age pensioner, but possibly he has a large family to support. My opinion is that the minimum payment to an injured worker should be the amount of the basic wage. That applies particularly to workers who have contracted industrial diseases and are compelled to cease work. As the Act now stands, a worker suffering from an industrial disease is compensated on the basis of an assessment of disability.

But I point out that a person who has contracted silicosis is silicotic for the remainder of his life. If the disease is discovered in the early stages he will in some cases probably have a chance of leaving the industry and seeking other employment; but in many cases his financial circumstances do not permit him to do so and he has to remain in the industry until the time arrives when he is more or less seriously affected. Eventually, whatever compensation is awarded him comes to an end, but the fact remains that he is still a silicotic and must seek relief from some other source in order to be able to live. In the case of a comparatively young man, it is necessary for him to get other employment which in turn may be detrimental to his health.

I am pleased to see that it is proposed to strike out Subsection (11) of Section 8 of the parent Act. Many people did not understand that workers who were seeking employment in metalliferous trades not only had to submit themselves to examination at the Commonwealth laboratory, but

also had to furnish a certificate that they were free from industrial disease. This provision operated harshly in the case of workers seeking employment in the gold-mining industry who had come from the other States, apart from those who had come from oversea. They did not know they were jeopardising their right to claim the benefits of the Act by not complying with this provision.

As to the appointment of inspectors, I think they are essential. Inspectors are appointed under various Acts, such as the Weights and Measures Act, for instance, and their appointments have been fully justified. It is my opinion that inspectors appointed under this Act will be of advantage not only to the people who are to receive benefits under it, but also to those who are paying the premiums. Not only will they catch those who are deliberately avoiding their responsibilities, but they will also be able to check employers who make mistakes and by so doing deprive the insurance companies of their just dues. The appointment of inspectors will overcome that difficulty. I support the second reading.

**HON. J. M. A. CUNNINGHAM** (South) [3.43]: I would like to hear further debate on this Bill. I think that one or two things we were concerned about last year are being rectified by this amending Bill, but, like many other members, I feel some concern at the possible extra expenditure that will be incurred by industry if there is a further increase in the number of petty officials, such as inspectors, who, it appears to me, will be given a considerable amount of authority. I am afraid that they will assume a dictatorial attitude and abuse their authority. There must be an adequate system of safeguarding all interests under this legislation. Under the present set-up a person who receives an injury or contracts an industrial disease has to go through the hoop thoroughly. He has to see doctors, medical boards and so forth. I fail to see how there can be too much skullduggery. I cannot see why further inspectors are needed to safeguard the workers or the employer.

The Chief Secretary: The provision is to safeguard the insurance companies.

Hon. J. M. A. CUNNINGHAM: How do they feel about it?

The Chief Secretary: I am afraid the hon. member did not listen to my speech on the second reading in connection with the amounts of which they are being defrauded.

Hon. J. M. A. CUNNINGHAM: In spite of what the Chief Secretary says, I still think the protracted debate on the measure last year established pretty clearly the fact that we are not, generally speaking, in favour of a further team of inspectors, whether for the insurance companies or the workers. If the Government feels we should spend more money, it should be made available to the injured workers. The qualification for a silicotic has been lifted to 85 per cent. If a man goes out at 30 per cent. he is 30 per cent. silicotic for life. When he has received the full amount payable as a 30 per cent. silicotic, he is still in that condition of health, and he is an older man who has to earn a living.

As we all know, silicosis is not a progressive disease provided a man gets away from the job. But as we are aware, the average worker on the Goldfields is concerned about his family. While he is in good health he may be inclined to spend freely and perhaps carelessly, but if he finds he is 30 per cent. silicotic the reaction invariably is not one of panic to get out of the industry but to say, "What is going to happen to me in 10 years' time?" The man is rather inclined to hang on and sacrifice his future and shorten his life, to gain security for his family by qualifying as an 80 to 85 per cent. silicotic.

A man in the advanced stages of silicosis is a pathetic sight. A person who is 25 to 35 per cent. silicotic, can be rehabilitated and learn a new job, and so be a useful member of society, but the money he gets for a 30 per cent. disability is not sufficient to establish him in a business nor is it of any use to him to spend on doctor's bills, because his condition cannot be improved. A man in the early stages may be warned that he has flecks, specks or spots on the lung. Those flecks are not known definitely to be silicotic. They may be pneumoconiosis or plain pneumonic scales. A doctor could warn such a man to take 12 months off. On re-examination at the end of that time he might get a clear

ticket which would show that he was not in the first stages of silicosis, because the fleeks would still be there if he were.

Members should realise that a man with a 30 per cent. disability cannot improve himself. He can only get worse or get out of the industry. We have heard a lot about the aluminium therapy which it is intended to have installed on the mines and in other industries where silicosis is prevalent. We are inclined to look on that as some form of curative treatment, but it is not. It can only retard or prevent further infection. It cannot cure the infection that is already there. Those who understand, even broadly, the action of silicosis as distinct from T.B., will know that when there has been infection by silica whether from hard coal dust or the goldmines—

The Chief Secretary: There is no silica in the coal mines.

Hon. J. M. A. CUNNINGHAM: There is with hard coal.

The Chief Secretary: Not in Western Australia.

Hon. J. M. A. CUNNINGHAM: I did not mention Western Australia.

The Chief Secretary: I beg your pardon.

Hon. J. M. A. CUNNINGHAM: When a particle of silica lodges in the tissues of the lungs it sets up a chemical action, and the natural protective forces of the body in attempting to dissolve or get rid of that particle of silica, cause a chemical heat which sets up a fibrosis of some sort in the tissues, which become hardened, inoperative and useless.

There is another and new theory on silica and silicosis. It deals with the shape and form of the silica particle, and apparently will have a lot to do with the aluminium therapy that is at present under discussion. The information we have about the aluminimum therapy indicates that we can expect a 90 per cent. chance of success because the goldmining companies are prepared to go to a lot of expense to install it. That alone should indicate to us that their intentions are good, and that they will do all they can to prevent the spread and increase of this disease. That is an indication that the appointment of inspectors to police the Act for instances of dishonesty is not warranted. I support the Bill, but I would like to hear further discussion on the clause dealing with inspectors, because I do not agree with it.

**HON. C. F. BAXTER** (East) [3.54]: I am forbidden by my medical adviser to speak in the House, but this is such an important Bill that I cannot let it go by without having something to say on it. At the end of last year we passed a measure to amend the Workers' Compensation Act and it was not proclaimed until the 16th April last. Within three months of its being proclaimed, this Bill was drafted. On what basis was it drafted? What has been the experience ?

Take the premiums. Apparently the Government is not satisfied with the premium rates committee, which is composed of four members, two representing the State. Those representatives had it in their own hands to adjust the premiums if the board desired it, because one was the chairman and had the casting vote. On that committee, there were in addition to the Government appointees, one representative of the tariff companies and one of the non-tariff companies. The board has been operating for only a few months.

This legislation has been based on figures that were guesses, and nothing else. I defy any body of men to arrive at a proper premium rate with less than 12 months' experience. It ought to have two years'. It is now sought to have a committee of seven. It will be a monopolistic body. This is too ridiculous for words. What is the position in the other States? New South Wales has three on its premiums committee, and Victoria has one commissioner. The measure was taken from the Victorian Act. It did not suit the political position, I suppose.

It is ridiculous for anybody to say that premium rates should be so and so, and to direct a body appointed by Parliament to assess the premium rates on the figures given by the board. I wonder what is working underneath to bring this about. It is not that the board has been a failure; how could it be? When the measure was before us last year the Minister in another place assessed the amount of money required for administration at £8,000. This House generously allowed that amount. Later the point

arose as to the appointment of inspectors from the Shops and Factories Department to carry out the inspections. Different members here pointed out that that was not necessary, and we struck out that provision, which was agreed to by another place.

Now we go a step further. The Act makes provision for funds to pay inspectors, and then for their appointment. I have always thought we should see whether Parliament would agree to the inspectors before providing funds for them. Why are these inspectors needed? This means another band of officials to humbug business people. There is an army of them now. Businessmen are harassed every day by inspectors of different sorts. It would be a good thing if we all became civil servants.

Hon. R. M. Forrest: We will, shortly.

Hon. C. F. BAXTER: There are other matters in the Bill, but I do not feel well enough to deal with them. I do say, however, that this is one of the most ridiculous things I have known. It looks to me as if someone is pushing pretty hard from underneath. The House would stultify itself if it agreed to the amalgamation of the premium rates committee and the board. The board has enough to do to look after its own business, and we should not appoint inspectors to be a nuisance to business people generally. I hope the House will take the matter seriously because the contents of this Bill extend a long way beyond the provisions that apply in any other State of the Commonwealth. The Government was quite content to copy the Victorian Act but whereas that State has one commissioner, we have a board of three and now the Government desires to add another four members to make a body of seven to form a premium rates committee.

*Sitting suspended from 4.0 to 4.20 p.m.*

**HON. J. G. HISLOP** (Metropolitan) [4.20]: This Bill interests me considerably because of what I believe to be a complete alteration in the viewpoint of the functions of the board. If I remember rightly, when the Workers' Compensation Act Amendment Bill was before us last year the point made was that this board was to be a court and as such I took it that its main functions would be to adjudicate; also to keep an eye upon those factors which would lead to improvement in the standards of working conditions in order to prevent injuries to workers.

The Bill now before us seems to give the board a totally different function. It is intended that it will sit with those who decide what amounts shall be charged by insurance companies. I wonder whether it is in the board's best interests to play any part in the decisions as to the amount of premiums charged. I would prefer to see the board stand apart as an organisation which had two things in mind: Firstly, the adjudication of claims and, secondly, the prevention, where possible, of injuries. The board's function is altered to an even larger extent by this Bill because it is proposed to appoint inspectors.

If my view is correct, and the board is intended to be a court, it should not employ inspectors for the purpose of going out to see whether one party to the agreement is receiving its sufficient reward. Therefore, I shall be most interested, as the debate continues, to see what is in the minds of either the Government or the members of this House as to the future of this board, which I would prefer to see kept as one of a judicial nature with the power of introducing regulations for the prevention of injuries rather than to see it being a custodian in the way contemplated in the Bill now before us. I have pleasure in supporting the second reading.

**THE CHIEF SECRETARY** (Hon. H. S. W. Parker—Metropolitan-Suburban—in reply) [4.21]: I am afraid there has been rather a deal of misunderstanding regarding this Bill. Perhaps when my colleague introduced it, members did not appreciate what he was trying to convey. He outlined the position as to the appointment of inspectors, and I will mention it again. Under the terms of the policy, insurance companies have the right to inspect the books of employers. One insurer had the temerity to use that right, and in one case found that the wages of that employer had been understated to the extent of £72,000 over a period of six years, and an account was duly rendered for £1,400 in premiums.

Another client understated his wages by £13,500 over a period of three years, and the premium that had to be paid there amounted to £700. Further, the amount in

premiums that had to be paid by the owners of several small businesses amounted to £455 in the aggregate. Last month an inspector was sent out to the Goldfields woodline by the State Insurance Office, and he discovered that the amount of underpaid premiums was £2,000.

Insurance companies do not favour the idea of sending a man out to look at an employer's wages sheet. It may be that the insurer whose books are being inspected is a very good risk—he may have submitted no claims—and they do not want to offend him. He might be carrying on a well-conducted business where there are practically no accidents and the insurance company is loth to send an inspector to investigate his books with the risk of his saying, "I will change my insurance company." The desire is to appoint one man, and one only, and he will go around with the idea of seeing that the honest man does not pay the premium for the dishonest person. In other words, if everybody pays his fair and proper dues, then the premiums will become so much less.

As members can readily understand, from the instance I have quoted of £72,000 being understated in six years—£12,000 a year—that is a rather large sum to be found deficient in one case. It can be appreciated that if all that money had been paid and everybody was honest, the premiums would be reduced. I am rather surprised at members opposing this provision for the appointment of an inspector. The idea is not to have a policeman walking around with a cap on his head saying, "I am an inspector. Have you paid your wages?" After all, a record of wages is kept for various purposes, including the compilation of payroll and income taxes; therefore, there will not be any burden on the employer whatsoever. If members will look at the matter in that light it will be realised that it is quite proper. It is anticipated that one inspector will be quite sufficient.

The premium rates committee involves a strange set of circumstances. Members have not refreshed their memories as to the duties of the board. First of all, there is the premiums committee of which we have heard, and the Act provides that they shall fix the maximum premium rates to be charged on a basis formulated by the board from time to time. It then sets out all the various matters the board must take into consideration when it advises the premiums committee what it should do. The principal point is that the members of that committee shall take into consideration the loss ratio and all the payments. The main function of the board is to sit as a court to decide and determine the rights and allowances of claims, but it also has many other functions, one of which is to direct the premiums committee as to the fixing of premiums. Recently the board directed the premiums committee to reduce the premiums. The committee, which included three insurance representatives and the Auditor General, refused, and hence a deadlock occurred.

Hon. C. F. Baxter: The Government had a majority. The Auditor General had a casting vote as well as a deliberative vote.

The CHIEF SECRETARY: I am trying to explain the position. The board decided that the premiums should be reduced by 12½ per cent. and the premiums committee said "no." I should like to remind members of the constitution of the board—a lawyer, a representative of the employers and a representative of the employees. They went to the Minister and told him there was a deadlock.

Hon. H. Hearn: Was not that a unanimous decision by the premiums committee?

The CHIEF SECRETARY: I do not know. The Minister, by agreement with all parties, decided to balance things up. He said, "You have the Auditor General and three insurance representatives and now there will be three independent people and surely you can now take into consideration all the items specified in the Act and then fix the rate." I cannot see anything wrong with that. A majority will decide. If, as Mr. Baxter said, the Auditor General had a casting as well as a deliberative vote, he will have only one vote in future. I ask members whether that was not a right and proper compromise to make when the two bodies, which have to function under the Act, could not agree.

Hon. C. F. Baxter: How does the board arrive at the basis of the premiums?

The CHIEF SECRETARY: The hon. member should read Section 30 of the Act.

Hon. C. F. Baxter: But how does the board arrive at the basis? What ground has it for saying that the premiums shall be such and such?

The CHIEF SECRETARY: I take it that the members of the board have some knowledge and intelligence. I cannot imagine their taking a number willy nilly, doubling it and halving it and saying that shall be the figure. They are intelligent men and I assume that they act intelligently. Might I ask this pertinent question of myself, "How did the premiums committee manage to arrive at a figure after only three months' experience?" We have to assume that the members of the board considered all the conditions laid down for their guidance and decided upon a rate. Whether they were right or wrong in proposing a reduction of 12½ per cent., I cannot say.

Hon. C. F. Baxter: It was guesswork.

The CHIEF SECRETARY: Well, do not let us all be guessing; let us get at the facts. I am not in the confidence of members of the board, who apparently have told the hon. member what happened. There was a disagreement on the broad fact that the board proposed a reduction of 12½ per cent., and the committee declined. This amendment is proposed for the better working of the Act; nothing else. I cannot say that it will enable us to attain the object in view, but that is certainly the object.

Question put and passed.

Bill read a second time.

*In Committee.*

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

Clauses 1 and 2—agreed to.

Clause 3—Amendment of Section 4:

Hon. E. M. HEENAN: This is an important amendment to clear up an ambiguity in the Act as to whether workers who were receiving weekly payments for injury prior to the 8th April of this year should have the benefit of the new rate. I have submitted the proposed new section to a lawyer, who has specialised in workers' compensation, and he has expressed doubt whether in the amended form it will cover a worker suffering from Second Schedule injuries.

The words "shall as from that date be entitled to payments, whether weekly payments or otherwise" seem fairly clear, but I think other words are required to ensure that workers entitled to Second Schedule payments shall not be omitted. I have an amendment prepared, but shall await a statement by the Chief Secretary before moving it. The proposed amendment reads as follows:—

> Where a worker on or before the 8th day of April, 1949, was suffering from an injury mentioned in the First Column of the table set out in the Second Schedule to this Act and the compensation payable in respect of such an injury is or was not paid to such worker until after the said 8th day of April, 1949, such compensation shall be assessed and paid upon the basis of the amounts set out in the Second Column of such table as amended by the Workers' Compensation Act Amendment Act, 1948.

The CHIEF SECRETARY: The amendment to Section 4 was proposed because doubts were raised as to whether or not certain people who received injuries under the Second Schedule would come within its provisions. The intention is this: If a man is injured, he comes within the Second Schedule to the Act. If he was receiving weekly payments on the 8th April he would be entitled to receive the increased amount as provided in the 1948 measure. But if his weekly payments had ceased before the 8th April and he received his final lump sum payment after the 8th April, he would not come under the provision. It is all a question of the date and the line of demarcation.

Suppose a man received on the 1st January, an injury that is compensable under the Second Schedule. It is quite possible for him to continue to receive weekly payments pending a decision as to what he is really entitled to, assuming he cannot work and is off duty. If he continued to receive his weekly payment up to and including the 8th April, he would be fortunate in getting the increased amount. Suppose a man receives a similar injury on the 1st January and goes back to work on the 1st February, or his weekly payments correctly cease on the 1st February, but he has not actually been paid the balance due to him until the 20th April. That man would not get the increased amount because the weekly payments ceased prior to the 8th April.

The Act as it stands, makes the date the 8th April, but we wanted to make it clear. The suggestion in the hon. member's amendment is that if the man has not received his payment until after the 8th April, he shall receive the increased amount; that is if the

matter has not been completely finalised. Remember that we are dealing only with the Second Schedule in this matter. I do not know if the hon. member is aware whether any men will be affected in the way he suggests.

Hon. G. FRASER: I think the last few remarks of the Chief Secretary require some explanation. He said we were dealing only with the Second Schedule, but weekly payments are mentioned.

The Chief Secretary: I mean in this argument. There is no argument about the others.

Hon. G. FRASER: I want to clear that up. The Chief Secretary is inferring that there are no weekly payments in this argument.

The CHIEF SECRETARY: All people are paid at a higher rate if they are getting weekly payments on the 8th April. It is only in connection with the Second Schedule, where weekly payments cease and there is a gap before the final payment, that trouble arises if the 8th April comes in between.

Hon. G. FRASER: I would like to know whether Mr. Heenan is going to move his amendment. Something on those lines is considered necessary by quite a lot of people dealing with workers' compensation.

Hon. E. M. HEENAN: The point the Chief Secretary seemed to miss in his remarks was that this proposed new section 4 refers to workers who were receiving or entitled to receive weekly payments; but apparently under the Second Schedule workers are not entitled to receive weekly payments. I think that sometimes, as a matter of practice, they do receive them; but they are not entitled to. They get lump sum payments.

The Chief Secretary: They get them under the First Schedule and then the amount is deducted from the Second Schedule payment.

Hon. E. M. HEENAN: Yes. It is felt that by referring to workers who were receiving, or entitled to receive, weekly payments we will cut out Second Schedule workers who cannot be said to be receiving or entitled to receive weekly payments. That is the point behind the amendment.

THE CHIEF SECRETARY: I would point out that when a man receives an injury which eventually is compensable under the Second Schedule, he is usually disabled for a period—sometimes totally. During that period he gets weekly compensation. Suppose he is in hospital for an injury to the eye. He gets his weekly payment. When he leaves hospital he is told that he is fit, except for the injury, and he receives compensation under the Second Schedule for the loss of his eye, less the amount he has already received. There is no weekly payment under the Second Schedule but he is paid under the First Schedule, and that weekly payment is deducted from the amount the man subsequently gets under the Second Schedule. If he is on a weekly payment on the 8th April, he gets the higher amount.

Hon. E. M. HEENAN: In the light of the assurance given by the Chief Secretary I will not move my amendment. I think I have achieved my point. I know that in the case of Second Schedule injuries workers do receive weekly payments under the First Schedule, but they do not receive them as a right; it is a practice that the State Insurance Office adopts. The office may be satisfied that the practice has the force of bringing those men within the intention and scope of the Act. I know there will not be many affected. As a matter of fact, I think that the circumstances of only about two individuals were under consideration when this amendment was framed.

Hon. L. Craig: Do they not get weekly payments under the First Schedule and subsequently become eligible for Second Schedule benefits on account of the permanence of their injuries?

Hon. E. M. HEENAN: That is so. But the point about which there is concern is the effect of the words "was receiving or entitled to receive weekly payments." I am even inclined to think that should cover them, but I am giving voice to views of someone who knows more about workers' compensation than I do. However, in the light of the views expressed by the Chief Secretary, who has a good adviser at his side, I do not think I will press the amendment.

The CHIEF SECRETARY: I would like to correct a mistake I made when I said that the amount of the weekly payments is deducted from the compensation paid under the Second Schedule. That is only so if the amount exceeds £1,250.

Hon. G. FRASER: I was rising to correct the Chief Secretary on that point because it is only a few years ago that we amended the Act along those lines. I am surprised that Mr. Heenan is not pressing his amendment. The Chief Secretary has given information to the Committee, but there is nothing in the Bill about it. He has merely given us an assurance.

The Chief Secretary: It is supposed to be in the Bill.

Hon. G. FRASER: Yes; but the point that strikes me is that we are dealing with those who receive payments. Suppose a man suffers an eye injury, and obtains medical treatment. He is paid under the First Schedule. After some months have passed, it is discovered that there has been such deterioration that he will lose the sight of his eye. He then comes under the Second Schedule. There is no doubt as to the interpretation of the provision in that instance, because the words used are "became or becomes entitled to weekly payments." He became entitled to weekly payments immediately he was injured.

But the person who loses a finger or a hand is not entitled to any payments under the Second Schedule, because there are no weekly payments under that schedule; and the clause as it stands deals only with those who became or become entitled to weekly payments. I think some further clarification is needed. In view of the attitude of Mr. Heenan in not moving the amendment, I feel at a loss; and I have not the temerity to move it at this stage. But I would like the Chief Secretary and his adviser to consider that point. We want the clause to apply to a person who comes under the Second Schedule and was not entitled to weekly payments, whose accident occurred prior to the 8th April and whose claim had not been settled until after that date. The accident might have occurred on the 7th April and he did not become entitled to receive weekly payments—

The Chief Secretary: If he was off work, he would be entitled to a payment under the First Schedule.

Hon. G. FRASER: He might receive it but would not be entitled to it.

The Chief Secretary: Yes.

Hon. G. FRASER: If a man loses a finger he is not entitled to weekly payments.

The Chief Secretary: Yes, if he is off work.

Hon. G. FRASER: I do not know that there is anything in the Act to make weekly payments payable. The usual procedure is that when a man returns to work a certificate is forwarded and he is paid—

Hon. L. Craig: Suppose the finger is septic and he is in hospital for two months?

Hon. G. FRASER: I am dealing with a person who loses portion of a limb.

Hon. L. Craig: You do not know that he is going to.

Hon. G. FRASER: I am speaking of a case in which it is known from the start that a joint is lost, and the amount of compensation under the Second Schedule is known. The practice is that he receives the usual payment and the measure we passed last year will have to be interpreted by the Courts. We do not wish to cut out anyone who is entitled to the benefit. The consensus of opinion of those dealing with this matter requires clarification. The provision specially mentions the person covered under the Second Schedule.

Hon. E. M. HEENAN: The amendment I suggested would not do any harm, but would give effect to what is intended. Portion of the opinion that I have received reads—

> The whole catch about the Second Schedule is that it does not award weekly payments at all and although weekly payments can be super-added for a total incapacity resulting from the injury, they cannot be added for partial incapacity resulting from the injury even while that partial incapacity has not been compensated for by the payment of a lump sum.

The measure we passed last year did not fulfill our intentions and now we should clear the matter up. I hope the amendment which I shall move, will be agreed to.

The CHAIRMAN: I think the word "provided" should be inserted at the beginning of the amendment.

Hon. E. M. HEENAN: Yes, it should be a proviso. I move an amendment—

That the following proviso be added:—

"Provided that where a worker on or before the 8th day of April, 1949, was suffering from an injury mentioned in the First Column of the table set out in the Second Schedule to this Act and the compensation payable in respect of such injury is or was not paid to such worker until after the said 8th

day of April, 1949, such compensation shall be assessed and paid upon the basis of the amounts set out in the Second Column of such table as amended by the Workers' Compensation Act Amendment Act, 1948.

The CHIEF SECRETARY: I cannot accept the amendment. The provision in the Bill was included because the solicitor for certain insurance companies raised a query about the matter. The Crown Solicitor said there was no doubt that it applied as I have explained, but Mr. Fraser desires to make it abundantly clear. The amendment would mean that if the compensation had not been finalised and payment made before the 8th April, the increased sum would be paid only if the compensation was payable under the Second Schedule. A man with a heart or back injury might be off weekly payments though his percentage of incapacity had not been finalised and the payment would not be made until after the 8th of April. He would be debarred. Every worker who receives any compensation under the Act must at some time be on weekly payments, because he is put out of action for a time. If he lost the joint of a finger he would be away from work for at least a week and the position should therefore be clear.

Hon. G. FRASER: I agree that the proviso would apply only to the Second Schedule. It is something additional and does not wipe anything out.

The Chief Secretary: It is additional only to the Second Schedule.

Hon. G. FRASER: That is so, the proviso would apply only to the Second Schedule.

The Chief Secretary: Although the worker was not getting weekly payments?

Hon. G. FRASER: It will not matter whether or not he gets weekly payments. Some alteration could be made to clear the position up. No-one would want to include all cases under this provision, and I think the amendment requires clarification. If we made it read "Compensation payable in respect of such injury which was not assessed—" that would remove the objection raised by the Chief Secretay. The words, "not assessed until the 8th April" would provide a safeguard. The object is to make a clear line of demarcation, because there is a danger of some persons entitled to the higher scale of payment not receiving it.

Hon. J. G. HISLOP: I think we are butchering the King's English in an endeavour to accomplish a common desire. Surely we do not need 26 lines of the Bill to express a simple provision. A man injured and receiving weekly payments under the First Schedule might cease receiving payments on the 7th April. Another man, under the Second Schedule, might also cease receiving payments on the 7th April, but might not receive his payment in cash until the 9th Apil, and he would therefore receive the increased benefits.

Hon. E. M. Heenan: Is not that the intention?

Hon. J. G. HISLOP: I should say it is not, because the man who ceased receiving his compensation on the 7th April would have been paid entirely on the old basis. We would have two people ceasing to receive compensation on the same day, but one of them, receiving payment a day or two later under the Second Schedule, would receive an additional £500. I do not think anyone intends that. I believe the intention is that when a claim has not been assessed by the 8th April, no matter under which schedule it comes or what form the payment have taken, the person concerned should receive the increased benefit.

Hon. G. Fraser: That is it.

Hon. J. G. HISLOP: That could be expressed clearly in a few words. Perhaps the Chief Secretary could have the Bill recommitted later on this clause, in order to arrive at concise wording.

The Chief Secretary: Efforts have been made to reduce it.

Hon. J. G. HISLOP: It can be done by stating that any claim that has not been assessed by the 8th April, under either schedule, shall call for increased payment as laid down in the new Act.

The Chief Secretary: But we do not desire that.

Hon. J. G. HISLOP: That is what it says. It means that if a man is receiving continued compensation after the 8th April he will get the increased amount. If he was not assessed under either schedule before the 8th April, he should receive the increased benefit.

The Chief Secretary: That is not what we want.

Hon. J. G. HISLOP: The Chief Secretary cannot have it one way and not the other. If it is agreed that the person is still receiving compensation, he will surely receive it until the date of assessment, because he will not have finalised his claim. If it is finalised by the 8th April, he will not receive the increased amount. I cannot imagine why we require to take up 26 lines of a clause to cover the one point we have in mind.

The Chief Secretary: There are only 13 lines.

Hon. E. M. HEENAN: If Dr. Hislop can convey the intention in fewer words, we shall be pleased to have them from him. This is the most important part of the Bill. After listening to the Minister's speech and other second reading speeches, I gained the impression that we were anxious to extend the benefits of the amendment we passed last year to all workers whose claims had not been finalised prior to the 8th April.

Amendment put and negatived.

Clause put and passed.

Clauses 4 and 5—agreed to.

Clause 6—Amendment of Section 13:

Hon. H. HEARN: I move an amendment—

That a new paragraph be added as follows:—"(b) inserting the word 'metalliferous' before the word 'mining' in line 6 of Section 5, paragraph (a)."

I move the amendment for the purpose I outlined during my second reading speech.

The CHIEF SECRETARY: I do not think it really matters whether the word is included or not. Why should this not refer to all mining operations? Actually it is only in connection with metalliferous mining that silicosis and similar diseases occur. Is there any mining that is not metalliferous?

Hon. H. Hearn: What about coalmining?

The CHIEF SECRETARY: Silicosis does not occur among coalminers.

Hon. H. Hearn: But a man suffering from silicosis might secure work in a coalmine.

The CHIEF SECRETARY: That would not occur there.

Hon. J. M. A. Cunningham: What about asbestos mining?

The CHIEF SECRETARY: All men employed at Wittenoom Gorge have to secure a certificate from the Commonwealth laboratory before engagement. I do not think the amendment is necessary.

Hon. C. F. Baxter: What about quarrying?

The CHIEF SECRETARY: There is no known case of a man suffering from any one of these industrial diseases as a result of his work in a quarry. There was one instance of a man suffering from silicosis while working in a quarry, but he came from a goldmine.

Amendment put and negatived.

Clause put and passed.

Clause 7—*agreed to.*

Clause 8—Amendment of Section 27:

Hon. H. K. WATSON: I ask that consideration of the clause be postponed until after we have discussed Clause 9, seeing that the two deal with the same matter.

The CHIEF SECRETARY: I have no objection to that course being adopted and I move—

That consideration of the clause be postponed.

Motion put and passed; clause postponed.

Clause 9—Inspection of wage and salary declarations:

Hon. J. G. HISLOP: I believe the clause is ultra vires the power of the board as it should be constituted, considering the views expressed by members when the amending Act was before the House last year. I cannot see why, instead of the Government intervening with the appointment of an inspector, the insurance companies themselves should not combine and put their own house in order. There is no desire on their part for the inspector to be appointed, but there is nothing to prevent the companies themselves from taking some such action. If the Government is to appoint an inspector, soon there will be other inspectors and a large department will be built up. I think the clause should be deleted and thus the matter would be left to the insurance companies to deal with themselves.

Hon. C. F. BAXTER: The Committee will recall that only a comparatively few months ago we dealt with the same position. It was then proposed that inspectors appointed under the Factories and Shops Act should carry out inspectorial work under this Act, but the proposal was rejected. Are we to stultify ourselves by reversing a decision we reached 12 months ago?

Hon. L. Craig: The trouble is that false returns are put in.

Hon. C. F. BAXTER: Yes. Persons making false returns can be fined heavily, but the fact that a few unscrupulous employers falsify their returns is no reason why we should appoint inspectors. Inspectors become a nuisance; they hamper business and interfere with the office staff.

Hon. G. FRASER: I point out that we have created a board to do a certain job. Are we to stultify the board by refusing to give it certain powers which it should have? The clause merely gives the board power at its discretion to appoint inspectors.

The Chief Secretary: That is so.

Hon. G. FRASER: If everyone were playing the game there would be no necessity for inspectors. I am surprised at the objection to the clause, because its rejection would really be protecting those who wish to defeat the Act.

Hon. C. F. Baxter: Are there any such?

Hon. G. FRASER: Evidently so; otherwise this provision would not be in the Bill. The board would probably act on information which it received or if it had suspicions that some employers were not playing the game. Without this power, evidently the board would be unable to act in such circumstances.

Hon. H. K. Watson: Yes, it could.

Hon. G. FRASER: Let the hon. member tell me how it could. The fact that this power is asked for shows that the board has not the power at present.

The Chief Secretary: It will have under the Bill if passed in its present form.

Hon. G. FRASER: There is at present a deficiency somewhere. The clause protects the honest employer. We have heard much about industry being burdened with increased payments but the effect of this board would be to lighten the burden.

The CHIEF SECRETARY: It has been suggested that the board could prosecute employers who make false returns. But would any private insurance company take action against any of its big customers? If it did so, it would lose the business. The object of the provision is to ensure that all premiums shall be paid in full. The State Insurance Office can make the necessary inspection. I pointed out how one of the contractors on the woodline was short to the extent of £2,000 in one month. Would a private insurance company take action against that contractor? The private company would not take the risk of losing the business.

Hon. H. K. Watson: Who found it out?

The CHIEF SECRETARY: The inspector of the State Insurance Office.

Hon. G. Bennetts: What the Chief Secretary suggests would have the effect of the State Insurance Office losing its business to private companies.

The CHIEF SECRETARY: Possibly.

Hon. J. M. A. Cunningham: How large will be this team of inspectors?

The CHIEF SECRETARY: I am told there is only one inspector.

Hon. J. M. A. Cunningham: The Bill says "inspectors." There could be a dozen.

The CHIEF SECRETARY: Yes, but that is unlikely.

Hon. J. M. A. Cunningham: How many inspectors does the State Insurance Office employ now?

The CHIEF SECRETARY: One, part-time.

Hon. H. K. WATSON: I recall that the Honorary Minister said, when introducing the Bill, that probably one inspector only would be appointed first and that subsequent appointments would depend on the experience gained from his appointment.

The Chief Secretary: That is obvious.

Hon. E. M. HEENAN: I think the clause will be passed. None of us favours inspectors, but this Chamber is composed largely of business men, who are aware that they must have inspectors in their own businesses. What would be the position if the Taxation Department did not have inspectors? We would have people submitting false taxation returns. The figures quoted by the Chief Secretary provide ample reason for the retention of this provision. Some people are dishonest, others careless, others conveniently forgetful; and it is the honest employer who suffers in the long run. With the expansion of our gold-

mining industry and the undoubted increase that will take place in our secondary industries, the time will come when additional inspectors will be required.

Hon. H. Hearn: People will be out of business long before then.

Hon. E. M. HEENAN: I share the view of the ordinary person regarding inspectors; but in the circumstances I have mentioned they would more than justify the salaries paid to them.

Hon. H. HEARN: We must consider this matter from the standpoint of private enterprise. There was a move last year in the direction of increasing the expense which Parliament determined should be limited. I am glad to hear some of the reactions against the assumption that those engaged in private industry need policing. That is what the clause means.

The CHIEF SECRETARY: All that the inspectors would have to do would be to inspect wages books and payroll tax returns.

Hon. G. Fraser: And then only where there are suspicious circumstances.

The Chief Secretary: That is why there is no need for many inspectors.

Hon. J. G. HISLOP: There must be thousands of people paying into the workers' compensation fund. We are told that one inspector can do all the work. If he does 20 inspections a day, how long will it take him to go round the lot?

The Chief Secretary: He would not do that. What about the income tax inspectors?

Hon. J. G. HISLOP: If he does not go around the lot, we shall have some delinquents. Are we going to be any better off? We are reaching the glorious goal of a State which can do no wrong. To appoint one inspector for a huge area like Western Australia is ridiculous.

Hon. L. CRAIG: I am surprised at the trend of the speeches on this clause. I would have thought the big employers would welcome an inspector with a view to the reduction of their own compensation premiums. I can imagine the insurance companies raising considerable objection to policing this matter themselves because they would lose business. But here is a way out for them. I am surprised that any honest employer should object to this provision, because it will eventually save him a considerable sum of money.

Hon. H. Hearn: And cause him a lot of irritation.

Hon. L. CRAIG: I assume that the board will, from its experience, acquire an idea of the employers who are not sending in correct returns, and thereby fleecing their fellow employers. In those cases the inspector would be instructed to inspect the wages sheets. What is a policeman for? Do we say that to have a policeman walking around the streets is an insult to the citizens? The inspector suggested here will be no more nor less than a policeman to protect the honest people against those who are not so scrupulous.

Clause put and passed.

Clause 10—Amendment of Section 30:

Hon. H. K. WATSON: I hope the Committee will not agree to this clause. On the second reading of the debate several members made it clear that the existing premium rates committee should at least be given a trial. It is ridiculous to say it has not functioned, because the fact is that it has not had an opportunity to function. It should be allowed to continue until we can see how it operates. The Chief Secretary said that the board had suggested a reduction in premiums, but the premium rates committee had been disinclined to make the reduction. He asked himself the question, "On what did the premium rates committee base its ideas?" I suggest that neither the Workers' Compensation Board nor the premium rates committee then had adequate data on which to consider what variation, if any, should be made in the premiums, having regard to the existing benefits. The premiums committee took the sensible stand and said, "Let us have twelve months' operation of the existing rates, and then see what the position is." In Victoria the premiums were promptly increased by 50 per cent., and have since been raised by a further 25 per cent. The premium rates committee would look ridiculous if it agreed to a 10 per cent. or 12½ per cent. reduction and then found that, instead of reducing the rates, it should have increased them.

The CHIEF SECRETARY: I trust that members will agree to the clause. It has been suggested that the premiums committee would look ridiculous if it reduced the rate and then had to increase it. Well, why not allow the lot to look ridiculous—that is the board and the committee? Surely those who are closely in touch with the workings of the Act, and those who represent the insurers are in the best position to deal with this. There is a mistake in the Act, and it has been found, since the measure came into force, that it is not workable, and this clause is introduced to rectify the position.

Hon. L. A. LOGAN: I take it that when the premium rates committee decides what rates are to be paid, the board has to agree.

The Chief Secretary: No, on the contrary.

Hon. L. A. LOGAN: Why is it necessary to amend the Act?

The CHIEF SECRETARY: The Act specifies various things to which the board has to give consideration, and the premiums committee has to fix a rate on a basis to be formulated by the board from time to time. It is not a good procedure. These two bodies say, "This is all wrong. We cannot be at loggerheads. Let us combine and get the thing fixed."

Hon. C. F. BAXTER: This is all guesswork on the part of the board. The figures have been assessed by the different sections concerned, and the premiums based on an average of those assessments. The Chief Secretary says we are to have a premiums committee of seven. Why do not the other States have such a large body? We who are in such a small way financially must have large committees and staffs. It is not possible for any body to assess a reasonable premium on the basis of three months' trading. It is guessing on the business done in the past. The board has said, "If the premium rates committee will not carry out our dictation, we shall go to the Minister." The Minister should be ashamed that he has agreed to bring the Bill before Parliament after three months' operation of the Act. Why not let this stand for twelve months and, if a fault is found then, rectify it?

Clause put and passed.

Clauses 11 and 12, and postponed Clause 8, Title—agreed to.

Bill reported without amendment and the report adopted.

*Third Reading.*

Bill read a third time and *passed.*

## ADJOURNMENT—SPECIAL.

**THE CHIEF SECRETARY** (Hon. H. S. W. Parker—Metropolitan-Suburban): I move—

That the House at its rising adjourn till 2.30 p.m. tomorrow.

Question put and passed.

*House adjourned at 6.2 p.m.*