

**Clause 13—New Sections:**

Mr. McDONALD: The object of the proposed new section is to prevent employers from demanding a premium from a worker. In other words, an employer must not say to a hard-up man, "I will take you on at the ordinary wages, but you have to pay me £10 for the job." With that objective I am in sympathy, but the proposed new section might be sufficient to debar the activities of employment brokers, who are people that receive reward in connection with the engagement of an employee by an employer. I have accordingly drawn up a proposal which I think carries out the intention of the Minister. I move an amendment—

That Subsections 1 and 2 of proposed new Section 174B be struck out with a view to inserting other subsections.

The MINISTER FOR LABOUR: I do not oppose the amendment, although I desire the subsequent amendment by the member for West Perth to be altered slightly.

Amendment (to strike out words) put and passed.

Mr. McDONALD: I move an amendment—

That the following subsections be inserted in lieu of those struck out:—(1) No employer or worker or person acting on behalf of an employer or worker shall ask, demand or receive or pay or provide or offer to pay or provide any premium, payment or reward for or in respect of the employment or engagement of any worker in any industry which is the subject of an award or industrial agreement, or to which the provisions of the Factories and Shops Act, 1920-1939, are applicable, provided that nothing in this subsection contained shall apply to an employment or engagement through the agency of an employment broker acting in the ordinary course of his business under the Employment Brokers Act, 1909-1918.

(2) No person shall accept for publication or publish in a newspaper, periodical or otherwise any advertisement of an offer to accept or receive any premium, payment or reward of the kind referred to in the preceding subsection.

The MINISTER FOR LABOUR: Some doubt exists whether we can in the Industrial Arbitration Act provide what shall be done under the Factories and Shops Act. In any event, that Act contains a provision similar to the one it is desired to include in the Industrial Arbitration Act. That provision definitely prevents any employer or worker, or person acting on his behalf, from

asking, demanding, receiving or paying or providing any premium in respect of employment or engagement for employment. I suggest to the member for West Perth that he should strike out from his amendment the words "or to which the provisions of the Factories and Shops Act, 1920-1939, are applicable." I move—

That the amendment be amended by striking out in lines 8 to 10 of proposed new Subsection 1 the words "or to which the provisions of the Factories and Shops Act, 1920-1939, are applicable."

Mr. McDONALD: I am agreeable to the Minister's amendment.

Amendment on amendment put and passed.

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

Clauses 14, 15, Title—agreed to.

Bill reported with amendments.

*House adjourned at 11.22 p.m.*

## Legislative Council.

*Tuesday, 21st October, 1941.*

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

### ASSENT TO BILLS.

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

- 1, Collie Recreation and Park Lands Act Amendment.
- 2, Water Boards Act Amendment (No. 2).

# **BILL—DISTRESS FOR RENT ABOLITION ACT AMEND- MENT.**

*Assembly's Message.*

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

# **BILL—SUPPLY (No. 2) £1,200,000.**

*First Reading.*

Received from the Assembly and read a first time.

*Standing Orders Suspension.*

On motion by the Chief Secretary, resolved:

That so much of the Standing Orders be suspended as is necessary to enable the Supply Bill to be read a second time at this sitting.

# **BILL—WILLS (SOLDIERS, SAILORS AND AIRMEN).**

Received from the Assembly and, on motion by Hon. L. Craig, read a first time.

# **BILL—DEATH PENALTY ABOLITION.**

Received from the Assembly.

*First Reading—Defeated.*

**HON. E. M. HEENAN** (North-East) [4.39]: I move—

That the Bill be now read a first time.

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

Ayes	..	..	..	12
Noes	..	..	..	13
				—
Majority against	..	..	..	1
				—

## **AYES.**

Hon. C. F. Baxter  
Hon. L. B. Bolton  
Hon. J. A. Dimmitt  
Hon. J. M. Drew  
Hon. G. Fraser  
Hon. E. H. Gray

Hon. E. H. H. Hall  
Hon. E. M. Heenan  
Hon. W. H. Kitson  
Hon. W. J. Mann  
Hon. T. Moore  
Hon. W. R. Hall  
(Teller.)

## **NOES.**

Hon. Sir Hal Colebatch  
Hon. J. Cornell  
Hon. L. Craig  
Hon. V. Hamersley  
Hon. J. J. Holmes  
Hon. G. W. Miles  
Hon. H. S. W. Parker

Hon. H. V. Plesse  
Hon. H. Tuckey  
Hon. F. R. Walsh  
Hon. C. B. Williams  
Hon. G. B. Wood  
Hon. J. M. Macfarlane  
(Teller.)

Question thus negatived.  
Bill defeated.

# **BILL—GOVERNMENT STOCK SALEYARDS.**

*Assembly's Message.*

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

# **BILL—PROFITEERING PREVENTION ACT AMENDMENT.**

*Assembly's Message.*

Message from the Assembly received and read notifying that it had agreed to the Council's amendment subject to an amendment.

# **QUESTION—GOVERNMENT MOTOR VEHICLES.**

Hon. G. W. MILES asked the Chief Secretary: In order to reduce the deficit and save petrol, will the Government adopt the scheme of the Perth City Council, as published in the "West Australian" of Tuesday, the 14th October, by insisting that all Government motor vehicles be garaged over week-ends and holidays?

The CHIEF SECRETARY replied: This matter has already been fully considered and applied as far as practicable.

# **BILL—EMPLOYMENT BROKERS ACT AMENDMENT.**

Introduced by the Honorary Minister and read a first time.

# **PAPERS—FARMERS' DEBTS ADJUSTMENT ACT.**

*Misappropriation of Funds.*

**HON. E. H. H. HALL** (Central) [4.48]: I move—

That all papers in connection with the misappropriation of £290 5s. 5d. by W. C. Burns whilst acting as receiver under the Farmers' Debts Adjustment Act for R. H. McClintock be laid on the Table of the House.

During the year 1940 there was an unfortunate occurrence involving an Agricultural Bank official at Geraldton who had been appointed a receiver under the Farmers' Debts Adjustment Act on behalf of several

farmers in the Geraldton district. This man continued to act as an officer of the bank and as receiver for the farmers until the time came for him to retire from the service, and he then entered upon the usual six months' leave before finally severing his connection with the bank. In the case of Mr. McClintock, at any rate, Burns continued to act as receiver. After he had ceased active duty with the bank, another officer took over the duties and, as is customary, checked the work Burns had been doing and discovered that things were not as they should be. He reported to the manager of the bank accordingly. Action was taken to probe the matter, and it was found that unfortunately Burns had been misappropriating funds which had come into his possession, or were passing through his hands on behalf of at least four farmers. My information is that he misappropriated £55 from funds held on account of A. E. Maley, and similarly £290 5s. 5d. respecting R. H. McClintock; £89 7s. 6d. respecting J. M. Prendergast; and £97 12s. 2d. respecting A. J. Ruddaway. These misappropriations, I repeat, did not come to light until Burns had vacated his position with the bank and it had been filled by another officer. The question that many have put to themselves is, just how long would these misappropriations have continued had it not been for the fact that Burns, after leaving his position, was relieved permanently by another official?

Mr. McClintock, who lives near Yuna, about 40 or 50 miles from Geraldton, thought he had such an excellent case that he consulted a lawyer. He was surprised to find, however, that owing to some provision in either or both the Farmers' Debts Adjustment Act or the Agricultural Bank Act, two King's Counsel had advised that he would have no chance of success in a legal action against the Government. Because of that advice Mr. McClintock consulted me. I was astounded to think that the Government would not do what I think I am right in saying every private employer is forced to do. A private employer is responsible for the acts of his employees. Thinking the matter was too serious to write about, I had an interview with the member for Geraldton (Hon. J. C. Willecock), the present Premier and Treasurer, and told him that apparently these farmers—the others, with the exception of Mr. Ruddaway, who subsequently came to me, have not sought my assistance

—had no legal redress against the Government, but that I thought the Premier would not insist on the Government's legal rights in a matter of this kind. I said, "These men are up against it; they have been defrauded by a man who was a Government official." The Premier very properly said to me, "I have no doubt that what you say is correct, but, of course, I cannot act on an oral statement. You will have to give me a written account of the matter and I will inquire into it." I said I quite understood that. I submitted the case in writing to the Premier just at the close of last session. I said to him, "It is not my desire to worry Parliament with this matter, because I think if it is explained to you, you will agree there is only one thing to be done and that is to reimburse these farmers the amounts of which they have been defrauded."

On the 25th February of this year, some two or three months afterwards, the Premier, over his own signature, wrote to Mr. McClintock as follows:—

In reply to your letter of the 6th instant relative to the defalcations by an officer of the Agricultural Bank while he was acting as receiver for certain estates under the control of the Farmers' Debts Adjustment scheme, I have to advise you that after having had an investigation made I have approved of a refund of the moneys misappropriated by this officer while acting as receiver. Early steps will be taken by the Treasury to forward you the amount due to you.

I have read the letter slowly so that there may be no mistake about it. I repeat these words—

I have approved of a refund of the moneys misappropriated by this officer while acting as receiver.

On the 25th May, 1941, Mr. McClintock received the following letter from the Under-Treasurer, Mr. A. J. Reid:—

The personal representations made by you to the Assistant Under Treasurer in regard to the payment of an additional amount of approximately £90 for defalcations by W. C. Burns whilst acting as your receiver have been given further consideration by the Hon. the Treasurer. The Government, in paying out the amount of the defalcations by Mr. Burns whilst officially acting as receiver for certain farmers, considers it has done a fair thing to the farmers concerned. During the period that the defalcation of the £90 occurred Mr. Burns was not officially acting as receiver on behalf of the Government, as you had received your discharge prior to this time, and the management by Mr. Burns of your affairs was purely a pri-

vate arrangement between yourself and Mr. Burns. It is regretted, therefore, that no further compensation can be granted you by this Department.

One other letter and I have finished. On the 16th September Mr. McClintock wrote to me as follows:—

Yours of the 11th to hand. The Government evidently intends to stick to the £90 if possible. I am still sure that the Premier has not been made conversant of the facts. He has only listened to the Agricultural Bank and the Treasury side of the whole thing. Mr. Byfield read the Crown Solicitor's version to me, and if my memory serves me right he wrote that while they were not legally bound to pay, he thought that morally they were. The bank acted as my receiver long after I got my discharge from the Rural Relief. Burns was then in their employ. Burns never said anything then about my discharge from the Rural Relief. When he was going on long service leave (this was some time after my getting my discharge) he said he was taking my affairs, along with a lot of others, with him, as he would be staying in Geraldton. I was never asked. I presumed that it was done in agreement with the Agricultural Bank. I learned that Mr. Smith of the Rural Relief refused to grant him doing this when he asked if he may do it. Why did not the Agricultural Bank forbid him to do it? I am at your call whenever you wish to see me re this, so just let me know so as I can get in by rail and I will be there. Thanks again for all your trouble, and trust you are O.K.

Mr. McClintock said to me—I would like to get the papers to verify his statement—that the official who is now the head of the Rural Relief scheme said that when an officer of the Agricultural Bank ceased to be actively associated with the bank, his appointment as receiver was determined. Why that was not done I do not know. This man's record is very good. Everybody in the Victoria district who knows him has nothing but a very high regard for him. He has been defrauded by a man who was appointed by the Government to handle his affairs and who, until he entered upon long service leave, was a Government official. After giving the matter some months' consideration, the Premier gave the victim of the fraud an assurance that he had approved of a refund of the money misappropriated by this officer while acting as a receiver. Members should be in a position to inquire why the fraud went on for so long, why it was not detected earlier and how it was eventually discovered. In order that the full facts may be made available, I hope the motion will receive full support.

On motion by the Chief Secretary, debate adjourned.

## BILL—POTATO GROWERS LICENSING.

Received from the Assembly and read a first time.

## BILL—INCOME TAX.

### *Second Reading.*

Debate resumed from the 16th October.

**HON. G. W. MILES** (North) [5.5]: I wish to say only a few words in support of the Bill. I regret it has been necessary to continue the tax at the same level, as we shall have to meet increased taxation from the Federal Government. I am sorry also that the Government has not made provision for a balanced budget. I do not agree with all the remarks made by Mr. Baxter who, in criticising the Government, said it had much more money to spend than formerly. The Government must be given credit for the fact that it is spending a considerable amount out of revenue that used to be expended from loan funds. Consequently more revenue is necessary than in 1933, when so much money now spent out of revenue was expended from loan funds.

Another of Mr. Baxter's statements to which I take exception was his criticism of Sir George Pearce when he was a Minister in the Federal Cabinet. I consider Sir George Pearce to have been one of the best Federal Ministers the Commonwealth has had. He was an Australian; in fact, he was a Western Australian. He submitted the case for Western Australia to the Federal authorities and when he failed to persuade his colleagues to agree with him, he could not very well come into the open and criticise the decisions of the Cabinet of which he was a member.

Hon. C. F. Baxter: Nobody asked him to do that.

Hon. G. W. MILES: The hon. member criticised Sir George Pearce very severely, but I consider him to have been one of the best Federal Ministers this State ever produced. It was regrettable that he was defeated at an election. I support the second reading.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [5.9]: Mr. Baxter's criticism of the Bill was much the same as that which he voiced last session. I do not think he was altogether happy when making his remarks.

Hon. C. F. Baxter: Never happier!

The CHIEF SECRETARY: I cannot help but think that he has more knowledge than his remarks would lead one to suppose. His reference to the fact that the expenditure of the Government is keeping pace with the revenue, was only to be expected. It has been remarked on many occasions in this Chamber that our fixed charges are increasing year after year and on numerous occasions Mr. Baxter himself has pointed out the inevitability of that fact. Members will also recall, I think, the many occasions on which Mr. Holmes has drawn attention to the circumstance and asked: "When is this going to cease?" All I have to say on that aspect of Mr. Baxter's speech is that if the revenue of the Government was even larger, there are many very desirable avenues in which it would be spent, thus saving expenditure from loan funds, as has been referred to by Mr. Miles. That, however, does not mean to say that the Government is not exercising all possible economy.

If I remember rightly, on quite a number of occasions I have drawn the attention of the House to the fact that the proportion of expenditure in any given year in respect of which it is possible for any Government to economise, is comparatively small. I propose for the benefit of the hon. member and of the House generally to repeat what the position is in that regard. The expenditure for 1940-41, was £11,420,957. The following items of that expenditure were outside the control of the Treasurer:—

Interest and Sinking Fund ..	£4,057,143
Special Acts .. ..	£454,399
Exchange on remittances to London, which comprises, in the main, all interest .. ..	£503,482

Those amounts total £5,015,024, leaving a balance of £6,405,933. The expenditure which was met out of that amount on such public utilities as the railways and tramways, etc., to earn income, was £3,766,800, leaving a balance of £2,639,133. After allowing for that expenditure the under-mentioned amounts have to be expended by the various departments—

Education .. ..	£784,009
Police and Justice .. ..	£357,380
Mines .. ..	£129,846
Medical and Health—including Mental Hospitals and Homes	£210,409
Agriculture .. ..	£108,884
Public Works .. ..	£133,485

Those amounts total £1,724,013, leaving a balance of £915,120, out of which the

Forests, Chief Secretary's, North-West and Lands Departments, etc., have to be financed for the year. Thus it must be patent to the hon. member that the scope for economy that he speaks so much about is extremely limited. In all sincerity I can assert that every avenue of economy has been explored by the Government.

Another assertion by Mr. Baxter was that he could not see any avenues where economies had been effected and that it was up to the Government to appoint an officer whose duty it would be to scrutinise the disbursements of all departments and by that means to keep a check on what I assume he considered to be extravagant or unnecessary expenditure. The facts are that we have at least six Treasury officers who have been doing nothing else for a long time apart from scrutinising all items of expenditure. The remarks of the Honorary Minister when addressing himself to another Bill will be remembered by members, and his statement was perfectly true. Ministers may approve, and may make all possible representations, but they cannot secure Treasury approval for expenditure until the matters concerned have been very closely investigated.

I know of no previous period during the time I have been a member of the Government when it has been harder to secure Treasury approval for the expenditure of public funds than it is at present. That is in accordance with the undertaking the Government gave to the Commonwealth Government at the outbreak of war, and we have honoured the undertaking all through. I think the record of the Government, if examined impartially, will bear out my claim that it has gone as far as it is possible for any Government to go in a strict endeavour to prevent unnecessary expenditure and, if possible, to balance the State Budget. Last year a small surplus was recorded. Mr. Baxter criticised the smallness of that surplus on account of the increase in revenue. On the other hand, he must also take into consideration the other side of the picture, and realise that increases in expenditure over which the Government has no control counterbalance the increase in revenue. I claim that last year's achievement was very fine in view of all the circumstances.

Another item that exercised Mr. Baxter's mind and respecting which he has spoken on several occasions in this Chamber, concerned the use of Government motor cars. It seems to me that the hon. member is not prepared to accept the word of responsible Ministers on matters of this kind, because he has been assured from time to time that all practical steps to deal with the situation are being taken. In a further endeavour to reassure that hon. member, and to set at rest the mind of any other member who may be thinking along the same lines, I again advise that for some considerable time past a running check has been exercised in connection with every car used for Government purposes. That is done irrespective of whether the car is owned by the Government or by a public servant but used on Government business from time to time. Under the scheme now in operation it is necessary for detailed records to be kept by each department of the cost of running all such vehicles and a monthly summary has to be prepared showing—

- (a) Mileage travelled;
- (b) Gallons consumed;
- (c) Miles per gallon;
- (d) Costs under headings—
  - (1) Petrol, oil and grease,
  - (2) Repairs and renewals;
  - (3) Tyres and tubes;
  - (4) Other expenses;
  - (5) Depreciation;
  - (6) Cost per mile, excluding depreciation;
  - (7) Cost per mile, including depreciation.

This system of checking applies also to vehicles owned privately when used on Government business.

Hon. C. F. Baxter: For how long has that system been in operation?

The CHIEF SECRETARY: It has been in operation in connection with the largest Government department for over 12 months, and quite recently—possibly helped to an extent by the petrol rationing now in vogue—has been extended throughout the Government service. As a matter of fact, there is a system operating now whereby officers of most departments cannot secure their ration tickets except through the plant engineer. That has helped considerably. Therefore, while one can understand Mr. Baxter advocating this procedure every time he has the opportunity, I think he should be prepared

to accept statements made from time to time by myself as a responsible Minister, when discussing matters of this description.

Hon. C. F. Baxter: I had to keep hammering away until you did something, you know!

The CHIEF SECRETARY: I do not wish to enter into an argument with the hon. member, but I am afraid I cannot give him all the credit for the action taken.

Hon. C. F. Baxter: I do not want all the credit.

The CHIEF SECRETARY: The hon. member said he had had to hammer away.

Hon. T. Moore: Did he do anything like he suggests when he was in office?

Hon. C. F. Baxter: You have admitted that the scheme has been in operation for only 12 months.

The CHIEF SECRETARY: I am speaking of the present methods that have been in operation for a long time. The hon. member knows as well as I do that my remarks regarding expenditure have applied for years past to disbursements of the type referred to by him.

Hon. C. F. Baxter: No, you could not furnish me with a return.

The CHIEF SECRETARY: The hon. member knows how impracticable it was at one time to secure the information to which I have referred, but under the system now in operation whereby all vehicles, whether owned by the Government or by public servants and used on Government business from time to time, are covered, the position is different.

Hon. C. F. Baxter: That is a very good move.

The CHIEF SECRETARY: The hon. member featured in his remarks the fact that Government expenditure on unemployment relief is not now as great as formerly. I am pleased to say that that statement is perfectly true.

Hon. C. F. Baxter: That is so.

The CHIEF SECRETARY: Nevertheless, the Government still has the responsibility of providing for approximately 2,430 men. Members will recollect that only about 12 months ago the number to be dealt with ranged between 6,000 and 7,000, speaking subject to correction. However, I have indicated the position today. There has been, as the hon. member suggested, a reduction in the expenditure of other departments such

as the Child Welfare Department. I trust that the decrease will continue because, while such expenditure declines, that fact can be regarded as a clear indication that the position of the State generally is improving, more particularly from the point of view of unemployment. In that regard, while a considerable number of men and women are now in employment as a result of the defence orders that have been secured for this State, on the other hand there is the fact that a large number of men, many of them formerly earning large salaries annually, have enlisted with the fighting forces and have gone oversea, while many others are now in camp. Those men are sacrificing considerable sums of money and much revenue that the Government customarily derived from that source is now denied to it. Members will see that there are many aspects of the question that must be taken into consideration. Members know, for instance, that the Commonwealth payroll tax now in operation represents tremendously increased expenditure for the State Government. Mr. Baxter knows, and has referred to the fact, that the reclassification of salaries of State school teachers is involving the Government in an expenditure of between £85,000 and £90,000 this year. While on that point, may I emphasise that I was somewhat surprised to hear Mr. Baxter's remarks. I shall not quote what he said, but in essence it was that he never had agreed that public servants or teachers should be brought within the provisions of the Industrial Arbitration Act, that those officers in taking that step made a mistake in their own interests and, further, that he had some objection to the automatic adjustment of salaries corresponding to the alterations in the basic wage.

Hon. C. F. Baxter: For those receiving over £600 a year.

The CHIEF SECRETARY: I am afraid the views of Mr. Baxter expressed would not meet with the approval of the officers concerned. Legislation to amend the Act was before this House. I think it is perfectly true that Mr. Baxter did voice objections to the proposals embodied in that measure, but nevertheless it was passed and became an Act of Parliament, and, as such, its provisions have to be carried out by the Government. Mr. Baxter inferred with regard to the school teachers that on this oc-

casión the Government had agreed to a reclassification of their salaries at the present time—when an election is approaching.

Hon. C. F. Baxter: Instead of securing it at the same time as did the public servants.

The CHIEF SECRETARY: The hon. member asked the question: Why at this time? He asked why the Government promised this reclassification, which he said he had been informed the teachers were to receive. The answer to that query is perfectly simple. The teachers were due for reclassification on the 1st July of this year. They are entitled to a reclassification of their salaries every five years, and during the preceding five years they did not receive the benefit of the automatic adjustment of their salaries in accordance with the alterations in the basic wage, whereas during the whole of that period those automatic increases were enjoyed by the civil servants, who received very considerable increases in their salaries. Those increases were—

1936	..	..	..	£5
1937	..	..	..	£10
1938	..	..	..	£25
1939	..	..	..	£30
1940	..	..	..	£40
1941	..	..	..	£45

Thus, in those years the public servants have received the benefit of automatic adjustments that have graduated from £5 in 1936 to £45 in 1941. Throughout that period teachers received no salary increases whatever. True, the Teachers' Union applied to the Appeal Board on this subject a year or perhaps two years ago, and the Appeal Board notified the union that it could not do anything for the teachers and that the time to deal with the matter was when reclassification took place. Accordingly in this reclassification the salaries are not altered. The teachers are placed simply in the same position as public servants, being granted allowances, but not salary increases as such. They are granted allowances placing them in the same position as public servants, taking 1926 as the basis.

Hon G. W. Miles: Do not teachers' salaries decrease if the cost of living declines?

The CHIEF SECRETARY: Yes. The position is that if a teacher received, say, £400 in 1926, he will under this reclassification receive the same salary as a public servant who was being paid at the rate of

£400 in 1926. The big difference is that during the last five years the public servant has received the automatic increases which I have mentioned, whilst the teacher has received none. Therefore it cannot be argued that the Government has been too generous to the teachers. Certainly the Government's action is not open to the imputation that it has been taken in view of the general elections next year. I did not like that reference, because I consider the Government has endeavoured to be fair to all sections of workers, whether they be teachers or public servants or such as are governed by Arbitration Court awards. In view of the fact that teachers are entitled to reclassification as from the 1st July, and more especially in view of the fact that I had given the Teachers' Union an undertaking that so far as I was concerned there would be no undue delay in making the reclassification, I do not see how the Government could have acted differently from what it has done. The allowances made to the teachers are subject to alteration in accordance with fluctuations in the basic wage. When an alteration in the basic wage occurs, the formula is applied and the allowances are varied accordingly. If the basic wage declines, allowances decrease.

Hon. C. F. Baxter: The teachers' allowances should last for the five years of the present classification, in order to balance what they have lost.

The CHIEF SECRETARY: It is not a question of balancing what the teachers have lost. They can never get anything of that.

Hon. C. F. Baxter: The one scale operated for five years, and this should operate for five years.

The CHIEF SECRETARY: This reclassification is for the next five years, and during those five years any alteration in the basic wage will be reflected in the allowances. I hope I have made the position clear. So far as I am concerned, the teachers have not received anything more than they are justly entitled to.

One other important matter was raised by Mr. Baxter, the question of taxation. On a previous occasion this session I went to much trouble to explain, to the best of my ability, how the new combined tax was operating. I say again that when the

change-over took place the position was, in my opinion, explained very clearly. The Government made it plain that the amount of money obtained by means of income tax and financial emergency tax would still be required, and that with the abolition of the financial emergency tax as such it would be necessary to increase very considerably the rates in the pound for income tax. Members will recollect the long discussion we had in this Chamber as to whether 9d. in the pound would be a satisfactory start. There was some apprehension here as to whether the Government might not find it necessary to make the figure 1s., and one member even suggested 1s. 3d. might be necessary. It was made especially clear that under the income tax thousands of persons with responsibilities would find their taxation reduced but that taxpayers without such responsibilities, particularly those on the higher incomes, would be called upon to pay more taxation. And that is all that happened, except that in order to get on a uniform basis we had to take as the measure for taxation the income of the previous year for all taxpayers. That is a brief explanation of the position. If it were possible for the Government to reduce taxation and still meet fixed commitments and the items to which I have already referred, the Government would be only too pleased to do so.

Hon. G. W. Miles: Can you explain how any taxpayer pays the financial emergency tax twice in one year? That was insinuated.

The CHIEF SECRETARY: That was the insinuation, but the Government gets quite a number of insinuations. I have just now explained what did happen. It was explained at the time the change-over took place. The same amount of money, it was stated, would be required for this year as for the previous year, and therefore if some people were to be relieved of the obligation to pay portion of their tax, then some other people must pay more. We made no secret of that, and I think it was realised by members of this Chamber.

Hon. J. Cornell: The Minister has not explained how some taxpayers get it both ways—get it in the pocket and get it in the neck!

The CHIEF SECRETARY: The hon. member's colloquial expressions are highly interesting.



Hon. J. Cornell: It is a simple explanation.

The CHIEF SECRETARY: Then the hon. member shall have an opportunity to give that simple explanation. I have given my explanation. If it were possible for this Government to reduce taxation, we would be only too pleased to do so. There is, however, no need for me to explain to the House what the present position is from either a State or a Commonwealth point of view. We recognise that more money will be required by the Commonwealth Government. If this war continues for the length of time the present indications suggest, the increase that will be required will prove far beyond anything hon. members have contemplated in the past. It is necessary, at the same time, that the State Government shall continue to function; and the State Government cannot function unless it has the necessary funds with which to operate.

I consider that the figures I have given the House this afternoon show clearly how impossible it is for this State Government to reduce expenditure as Mr. Baxter suggested it ought to do. Three items—increase in the basic wage, teachers' re-classification and pay-roll tax—roughly amount to about £500,000 that has to be found this year but had not to be found last year. With all those difficulties confronting him, the Treasurer naturally does not find it easy to arrange finance for the year; but from my knowledge of the position generally I do believe that in his Budget he has given the true facts and that there is a slight possibility of our getting through the financial year with what I would like to describe as a comparatively small deficit in view of all the circumstances. Therefore, while I can understand members raising objections to particular items, I feel sure they will agree that the Government must have the money which this taxing measure provides, and will pass the Bill as introduced.

Question put and passed.

Bill read a second time.

#### *In Committee.*

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

Clauses 1 to 5—agreed to.

Clause 6—Levy of income tax:

Hon. C. F. BAXTER: I shall not move an amendment, but am not clear yet about the position of school teachers. They have

waited for five years, and in the meantime have suffered. Those on the lower salaries will still suffer through decreases in the basic wage. Is a fall in the basic wage automatically reflected in teachers' allowances?

The CHAIRMAN: Order! The hon. member should raise that point on third reading. It has nothing to do with the clause. However, he can raise it now.

Hon. C. F. BAXTER: In reply to the remarks of Mr. Moore—

The CHAIRMAN: Order! The hon. member is making a second reading speech in reply to the Minister.

Hon. C. F. BAXTER: Not necessarily.

The CHAIRMAN: Yes. The hon. member can do that on the third reading, but not in Committee.

The CHIEF SECRETARY: The position is that from now on there will be an automatic adjustment of allowances granted to teachers in the reclassification. When the cost of living increases the allowances will be increased and—

Hon. J. J. Holmes: You are repeating yourself.

The CHAIRMAN: The Minister has already said that.

Clause put and passed.

Schedule:

Hon. E. H. H. HALL: The schedule provides that in the case of income tax payable by a life assurance company, the rate shall be 2s. 3d. per £1 on the taxable income. Many poor people, including widows, have endeavoured to do something for their old age by taking out small life assurance policies, and the like. We also know that there are many other people who take no thought of the morrow and make no effort to help themselves in their old age. A great deal of my time is taken up in the endeavour to obtain pensions for people who have not thought about the future.

The CHAIRMAN: To what part of the schedule is the hon. member taking exception?

Hon. E. H. H. HALL: To that part which relates to the payment of 2s. 3d. in the £1 on taxable incomes in connection with life assurance.

The CHAIRMAN: Is the hon. member leading up to an amendment?

Hon. E. H. H. HALL: No, but I wish to voice my protest that a Labour Government should tax mutual life assurance companies in the way proposed in the schedule.

Schedule put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

## BILL—SUPPLY (No. 2), £1,200,000.

### Second Reading.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [5.48] in moving the second reading said: The purpose of this Bill is to grant supply for £1,200,000 pending the passage of the Estimates and the Appropriation Bill. This is the second Supply Bill introduced this session. The Supply Act (No. 1) provided as follows:—

Consolidated Revenue Fund ..	£1,850,000
General Loan Fund .. ..	£350,000
Advance to Treasurer .. ..	£300,000

The expenditure for the first three months of this financial year out of Supply granted was:—

Consolidated Revenue Fund ..	£1,781,674
General Loan Fund .. ..	£183,891

The balance of the first Supply as at the 30th September, 1941, was:—

Consolidated Revenue Fund ..	£68,326
General Loan Fund .. ..	£166,109

The expenditure from the Consolidated Revenue Fund for the first three months of this financial year was £60,715 in excess of the expenditure for the same period of last year, namely:—

Special Acts .. ..	£19,759
Governmental .. ..	16,274
Public Utilities .. ..	24,682
	<hr/>
	£60,715

The expenditure under Special Acts represents permanent appropriations from Consolidated Revenue Fund and is not covered by Supply. The increase under Special Acts, £19,759, is mainly accounted for by payments under the Superannuation and Family Benefits Act and interest and sinking fund payments. For the first three months of this year, £15,669 was paid under the Superannuation and Family Benefits Act, whereas, for the first three months of the last financial year, £7,961 was paid. The

interest and sinking fund payments have increased for the same period, compared with last year, by £8,837. The main increases under the heading of "Governmental" are:—

Expenditure as may be necessary, owing to war conditions ..	£14,148
(Includes special constables, superannuation payments, soldiers' concessions, fares, etc.)	
Education provision for reclassification increases .. ..	£21,000

Pay roll tax has also been paid this year as from the 1st July last. Unemployment relief showed a reduction of £12,867. Outdoor relief disclosed a reduction of £5,441.

The main increase in Public Utilities' expenditure comes under the heading of railways £14,490, and tramways, £10,507. The revenue for the first three months, compared with the same period of last year, increased by £209,598, from £2,511,849 to £2,721,447. The main increase was £166,844 in Public Utilities, of which £133,431 was on account of railways; £16,115 metropolitan water supply; £14,961 tramways, and £15,657 electricity supply, while the State batteries' revenue was less by £9,595.

Summarised the position of Revenue for the three months ended the 30th September is as follows:—

	1940-41.	1941-42.	Increase.	Decrease.
	£	£	£	£
Taxation .. ..	594,641	610,570	15,929	....
Territorial .. ..	92,200	87,965	....	4,235
Commonwealth Grants and Interest .. ..	267,109	280,850	13,750	....
Public Utilities .. ..	1,339,124	1,505,968	166,844	....
Other .. ..	218,775	236,085	17,310	....
	<hr/>	<hr/>	<hr/>	<hr/>
	£2,511,849	£2,721,447	£218,833	£4,235
Net Increase .. ..	....	....	£209,598	....

That is information to which I think the House is entitled. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

### In Committee.

Bill passed through Committee without debate and reported without amendment.

### As to Remaining Stages.

The DEPUTY PRESIDENT: The President has been called away, and has asked me to act on his behalf. If my memory serves me aright the Chief Secretary moved

—I think unwittingly—that so much of the Standing Orders be suspended as to permit of this Bill being read a second time. The Clerk confirms that view, and that is the situation according to the minutes. I do not, however, think that was the intention of the Chief Secretary. I rather think he intended that so much of the Standing Orders be suspended as to permit of this Supply Bill being taken through all stages at the one sitting.

The Chief Secretary: I would prefer it that way, Mr. Deputy President.

The DEPUTY PRESIDENT: Does the Chief Secretary intend to move in that direction? It is desirable that the present misunderstanding should be cleared up.

The Chief Secretary: I absolve the Clerk. I asked him to do that which he did.

The DEPUTY PRESIDENT: What did the Minister ask him to do?

The Chief Secretary: To prepare the motion as I submitted it.

The DEPUTY PRESIDENT: In which way did the Chief Secretary submit it?

The Chief Secretary: To provide that the second reading should be passed at this stage.

The DEPUTY PRESIDENT: Then the House should not have gone into Committee.

Hon. J. J. Holmes: When a Bill has been read a second time, do we not automatically go into Committee unless there is a motion to the contrary?

The DEPUTY PRESIDENT: No!

The Chief Secretary: I would like to put the matter in order. It was my intention originally that the Bill be put through all stages at the one sitting.

The DEPUTY PRESIDENT: If that is the intention it is evident there has been some misunderstanding. A correction will be made in the original motion, which was that so much of the Standing Orders be suspended as to permit of the passing of the Bill through the second reading stage. Is it the wish of the House that the motion, the terms of which I have just indicated, should be altered to permit of the Bill being taken through all stages at the one sitting? As no objection has been raised to that course being followed, leave is granted.

Report of Committee adopted.

*Third Reading.*

Bill read a third time and *passed*.

## BILL—PUBLIC TRUSTEE.

Debate resumed from the 15th October.

HON. J. J. HOLMES (North) [6.2]: Because of the position I occupy in the trustee business, I propose only to take this opportunity to speak on this measure. I do not anticipate entering into the discussion later. It is my duty to tell the House where the proposal contained in the Bill is likely to lead. The measure abolishes the office of Curator of Intestate Estates and the existing Official Trustee. The Bill states that the Governor-in-Council may, subject to the Public Service Act, appoint such officers, clerks and persons as he thinks fit to assist the public trustee in his duty. We have heard a good deal this afternoon of Government expenditure and of increased salaries. We will see where this measure is likely to lead. I say candidly and conscientiously that there is no necessity for this Bill at the present time. The business of the State is limited. Western Australia consists of a mere handful of people of whom very few are rich. It is admitted by the sponsors of this Bill that the two existing companies have done a good job.

Hon. G. B. Wood: Who said so?

Hon. J. J. HOLMES: The sponsors of the Bill. The trustee companies acting to-day are the W.A. Trustee Company which received its charter 48 years ago, and the Perpetual Trustee Company which received its charter 18 years ago. Maximum charges were fixed in those days and have never been altered. They are fixed in this Bill. Where any advantage will accrue from this Bill I do not know. The charges are fixed as follows: Corpus commission, 2½ per cent.; commission on revenue five per cent. Since those commissions were fixed, all sorts of impositions have been imposed on the companies, namely, increases in the way of Federal and State land taxes, Federal and State income taxes, hospital tax, salaries and wages, workers' compensation insurance, child endowment, and many other charges. Apart from the companies having to pay these additional charges out of the commissions they receive, the business connected with every estate has to be carried on at the same rates as heretofore, and all the records and returns have to be kept and furnished to the proper authorities in the requisite manner.

The existing companies receive an income that the public trustee will not have. They have their own premises which produce substantial rentals; and they act as agents for absentees. I do not think these absentees would give their business to a Government controlled concern. The companies concerned are well managed. That has been admitted. Theirs is a very difficult business to control and carry on, and requires a competent staff. There is no question of short cuts because some of the business and wills handled continue to the third and fourth generation. These companies have an exceptionally highly paid staff; and with all these favourable conditions they have had a hard battle to pay a dividend of five per cent.

An advantage the companies enjoy which the public trustee will not have, is that they have directors, and I think, with the possible exception of myself, they have selected them wisely. They have a body of men who know something of almost every business coming under their control. They have a pastoral representative and an agricultural representative on their directorates, and men who have established their worth and proved that they know how to conduct any business with which they have been associated. Despite all this, the Government butts in. It is another step in the nationalisation policy about which we hear so much. Nationalisation, as I understand it, is to take over profitable businesses and handle them in such a way that the State deficit is increased. I ask again the question, referred to by the Chief Secretary this afternoon: Where is all this going to lead? We heard this afternoon where it is leading.

A misleading statement has been made, and it should be corrected. It was stated by the Minister in control of the Bill in another place that the Perpetual Trustee Co. had purchased the building on the corner of St. George's-terrace and Howard-street out of profits. The Minister had no right to make such a statement unless the stage has been reached when Ministers read what someone else puts up. Ministers are responsible for what they read. That property was not purchased out of profits. It was purchased by myself and three others before Parliament passed the Act under which the company functions. The

property was held in escrow until the Act was passed, and was then handed over to the shareholders at the original purchase price. Nobody made any profit out of the transaction. It was paid for with share capital.

I am not advocating one company against the other, but I propose to tell this House what the companies have done. Long before this Bill was mentioned, both companies agreed that they would handle the estates of sailors, soldiers, and members of the air force, up to £1,000, on the basis of 1¼ per cent. per capita, and 2½ per cent. on income. That means this: If a soldier's widow is left a house valued at £500 and one of the companies takes it over and handles the business, proving probate, arranging the transfer of land and everything else, it receives about £5 on the transaction. If it is a house rented at 15s. or £1 a week, the company would receive about 6d. a week from the transaction.

From what I know of this business, I again raise the query: What is the necessity for the Bill? Especially do I put that question as the measure provides for the employment of more highly paid public servants. Clause 6 provides that the Governor-in-Council may, subject to the Public Service Act, appoint such officers, clerks and persons as he thinks fit to assist the public trustee in his duties. This, undoubtedly, will create another army of public servants, and highly paid ones, because the ramifications of the trustee business are such that it embraces all sorts of businesses and conditions that have to be investigated, and highly paid, intelligent officers are required to see that that is done. The public trustee will only be working on the same maximum commission as that received by the companies at present. I ask the House, in view of the experience of the Government's dabbling in private enterprise, if a public trustee could possibly handle this business as well as the existing companies?

*Sitting suspended from 6.15 to 7.30 p.m.*

Hon. J. J. HOLMES: I propose now to deal with several phases of the Bill. Clause 40 (1) begins—

Subject to this Act, all capital moneys, however arising, vested in the public trustee, shall unless directed to be otherwise invested, become one common fund (herein called "The

Public Trustee Common Fund") to be kept at the Treasury to be invested by the public trustee.

That is all right as far as it goes, but I do not know whether this will be a separate fund. I take it that money received from all sources is paid into the Treasury and distributed by the Treasury from time to time. Whether this money, owned by the various estates and lying in the Treasury, will be earning interest or not, the Bill does not make clear.

The Chief Secretary: The Bill provides for the investment of the funds.

Hon. J. J. HOLMES: Yes, but a hard-up Treasurer by some means or other might postpone the investment of the money in order to tide over a temporary difficulty. Clause 42 is another provision that requires investigation.

If the common fund is insufficient to meet the lawful claims thereon, the Treasurer shall, without further appropriation than this Act, pay such sums out of the Consolidated Revenue Fund as are necessary to meet the deficiency.

With my experience of handling trust funds, I cannot see how there could be a deficiency. Trustee companies do not carry on business in that way. If I allowed a trust fund to be overdrawn, I think Mr. Heenan would say it becomes an indictable offence. Yet this Bill provides that if the common fund is insufficient to meet the claims, the Treasurer shall make good the deficiency out of State revenue. If a trustee company makes a mistake, the company is legally responsible, and the directors are morally and legally responsible if they transact business that they have no right to undertake. Clause 49 sets out all the business that the public trustee may undertake, and to do this will, in my opinion, necessitate the employment of an army of public servants. Let me refer to only one of these activities contained in paragraph (h)—

carry on, so far as appears desirable, any trade, profession or business carried on prior to his appointment.

When it comes to carrying on business of this kind, that is where trustee companies have the advantage of directors. I have no hesitation in saying—I must not give names because we are sworn to secrecy—that both trustee companies are at present carrying on business in this State by which widows and children obtain an income that would otherwise not be available to them.

Hon. G. B. Wood: I know of mistakes made by one company.

Hon. J. J. HOLMES: I do not know whether there is any case to which the hon. member can refer, but if there is and he followed it up, he could make the directors of the company responsible for their misdeeds.

Hon. G. B. Wood: Suppose the estate did not pay?

Hon. C. B. Williams: Interjections are disorderly.

Hon. J. J. HOLMES: Clause 51 provides that no bond or other security shall be required from the public trustee in relation to his appointment to or acting in any office or capacity pursuant to this measure. Yet a trustee company has to put up a bond for £5,000! We are told that behind this measure will be the State's assets. Behind the private companies is a very substantial asset. The Acts under which they operate allow them to call up only two-fifths of the capital, that is, 8s. in the pound, and the balance of 12s. remains as an asset to be called up should the necessity for so doing ever arise. Clause 57 reads—

Neither the public trustee nor any officer or servant acting or bona fide assuming to act under any of the authorities contained in or conferred by this Act shall be personally liable for any act or thing done or omitted, unless the liability arises from actual fraud or crime.

That is a protection not given to the trustee companies. Yet, under this measure, if there is any loss arising from fraud, the State will have to pay. Clause 53 provides that the public trustee may, as hereinafter provided, employ such solicitors, counsel, bankers, accountants, brokers or other persons as he considers necessary. Members will realise that an army of public servants will be needed to do the work of rent-collecting and to carry out the hundred and one other things laid down in the Bill. I am pointing out these matters, not from any fear of competition, but because I can safely say that after our experience of Government-run concerns, we should not be asked to believe that a public trustee will be able to administer estates efficiently.

There is also the point to be considered that continual attacks are being made on people engaged in legitimate business in a legitimate way. Many years ago I made the statement—and I am more than ever convinced of its truth—that two crimes can be committed in this State. If one succeeds,

one is a scoundrel; if one fails, one is a fool. Every thing points to a nationalisation of all business, and we know from bitter experience how Government concerns are conducted. When companies make a profit, that profit is taxed; but under this measure, if the public trustee makes a loss, it will be paid out of Consolidated Revenue. Doubtless the Minister in reply will point to what has been done elsewhere, but I do not think that any of the other States or New Zealand has had the experience of being inflicted with non-paying trading concerns as we in Western Australia have been. Knowing something about this business, I considered it my duty to explain to the House just where the public trustee will get on and perhaps where he will get off. I do not propose to take any further action in the matter or to attempt to influence the House in any way.

**HON. H. V. PIESSE** (South-East) [7.43]: I have listened very carefully to the remarks of Mr. Holmes and, as one who has had quite a lot to do with trustee companies, I realise that they have given very good service in this State, notwithstanding the difficulties of their position. Nevertheless, I believe the time has arrived when the appointment of a public trustee deserves careful consideration. It is not always a good argument that because certain legislation has been passed in the Eastern States, we should adopt it in Western Australia. Our duty is to legislate for people in every walk of life. I take it that the appointment of a public trustee will be very helpful in the case of smaller estates, especially estates that will not bear the cost of being handed over to the trustee companies for administration. The Master of the Supreme Court has acted as the administrator of numerous estates. Some little time ago a man died in the province that I represent. He left a will by which he appointed a trustee company his executor. He had a fair number of stock on his farm and had been offered, shortly before his death, the sum of £400 for his property. He owed money to several merchants. By his will he bequeathed to his brother all his property, after payment of testamentary expenses. The trustee company appointed by the will renounced probate because it considered there were not sufficient assets in the estate to pay administration expenses. I point out that a trustee

company is a business concern using its shareholders' money and consequently has every right to refuse to accept unprofitable business. Nevertheless, I have known of estates administered by trustee companies that have, through no fault of the companies, resulted in a loss. Like every other executor appointed under a will, however, a trustee company should have the right to renounce probate.

**Hon. G. B. Wood**: Did the trustee company suffer the loss or did the estate?

**Hon. H. V. PIESSE**: The trustee company.

**Hon. G. B. Wood**: Did not the company get its cut out of the estate?

**Hon. H. V. PIESSE**: The company lost money. I am not speaking as an advocate for trustee companies, except that what I could say in respect to very many estates administered by them would be favourable. That is all I desire to say on that point. The Bill contains an important provision to the effect that the public trustee must administer an estate whether or not he receives remuneration for doing so or whether or not there are sufficient assets available to pay for the costs of administration. I have been giving careful consideration to the introduction of a Bill to amend the Administration Act. In my opinion, it should be possible to apply for administration in local courts in country centres. Today people living in the metropolitan area can apply, without cost, to the court for administration; but perhaps I may be able to secure an amendment to the Bill that will carry out my object. I feel very keenly that power should be given to apply for administration in local courts in country centres. The Master of the Supreme Court may, under the Administration Act, depute his powers to a clerk of courts in the country; but there is no recorded instance of the Master ever having done so.

**Hon. J. J. Holmes**: It would be a dangerous procedure.

**Hon. H. V. PIESSE**: That may be so. Nevertheless, the procedure might be followed in the country as regards small estates. As the hon. member has mentioned that my suggestion might prove dangerous, I should like to quote an instance. A man in the country who had been ill for many years purchased a small home. He recovered his health and worked for a couple of years afterwards, when unfort-

unately he died suddenly. He had not made a will. As he was an old friend of mine I called upon his widow and inquired if I could do anything to assist her. I found her in a very worried condition because people had told her of the large amount of probate duty that would have to be paid. I was able to assure her, however, that in her case no probate duty was payable. I valued the land and buildings for her, my valuation amounting to about £400. As the husband died intestate, his widow has to apply for letters of administration. What is the procedure in such cases? Unlike people living in the metropolitan area, she cannot approach the Supreme Court and have the necessary papers prepared for her there. She must go to a local solicitor, whose minimum fee is usually about 10 guineas, which no doubt he would earn. When he has prepared the necessary papers he must send them to another solicitor in Perth, whose fee would also be about 10 guineas.

The DEPUTY PRESIDENT: Order! The hon. member's remarks appear to me to be directed to something that has little to do with the Bill.

Hon. H. V. PIESSE: I am leading up to the cost of administration of estates.

The DEPUTY PRESIDENT: As long as the hon. member does not get too far astray in leading up to that point!

Hon. C. B. Williams: It is convenient at times to be deaf.

Hon. H. V. PIESSE: I got to the point where it was necessary to employ a Perth solicitor. The total cost would amount to about £26 or £27.

Hon. J. J. Holmes: Your advice was dangerous.

Hon. H. V. PIESSE: No doubt the lady could come to Perth. I am preparing the necessary papers for her and so it will cost her nothing.

Hon. C. B. Williams: Very cheap!

Hon. H. V. PIESSE: Members of Parliament are sometimes accused of being glorified agents for their electors; but, if we can do so, we ought to save our constituents expense. Perhaps the lady in question could have obtained advice from someone else; on the other hand, such other person may not have been aware of all the circumstances. My contention is that a country solicitor should be able to apply for administration to a local court. A fee

of 10 guineas for doing that work would not be excessive for an estate not exceeding in value £500, and the solicitor would complete the whole business. What do we find, however? An administration bond must be procured, although in some cases in the metropolitan area that condition is waived. Such a bond must be obtained by the widow before she can apply for letters of administration.

The DEPUTY PRESIDENT: If this Bill becomes law will that position be altered?

Hon. H. V. PIESSE: Yes. It will be altered to a considerable extent. First of all, the public trustee must administer any estate, whether it is solvent or not. That is the main point.

Hon. Sir Hal Colebatch: Where do you get that?

Hon. H. V. PIESSE: I read it in the debates in another place. The provision is also contained in the Bill.

The DEPUTY PRESIDENT: Order! The hon. member is infringing the Standing Orders in referring to debates in another place.

Hon. H. V. PIESSE: I have another instance to give with regard to administration bonds and this again leads up to the Bill. In my opinion, power should be given to waive administration bonds. It may be possible to secure an amendment to that end in this Bill. I shall endeavour to secure such an amendment.

Hon. L. Craig: Do not you think the other beneficiaries should be protected by a bond?

Hon. H. V. PIESSE: Yes. But when a widow inherits an estate under £500 in value, the hon. member must know she is the sole beneficiary. Nevertheless, she must provide an administration bond.

Hon. L. Craig: That would be so in the case of an intestate estate.

Hon. H. V. PIESSE: Yes.

Hon. L. Craig: You did not mention an intestate estate.

Hon. H. V. PIESSE: I did.

Hon. C. B. Williams: You assumed we understood.

Hon. H. V. PIESSE: It should not be necessary for a widow in such circumstances to provide an administration bond. It is absurd on the face of it.

Hon. J. J. Holmes: If anything happens to her, what becomes of the estate?

Hon. H. V. PIESSE: As her husband did not leave a will, she will apparently have gained knowledge and made a will.

Hon. C. B. Williams: In these days of motor cars there is not much time!

Hon. E. M. Heenan: In a case such as that which has been mentioned, the expense would not be as great as you quoted.

Hon. H. V. PIESSE: The hon. member must bear in mind that otherwise the widow would have to come to Perth and go through the whole procedure. Mr. Heenan, being a country solicitor, must realise that a country person cannot very well make application in Perth, because of the excessive expense, apart from probate duty, which impost frightens people in the position of the widow I mentioned. She was indeed relieved when I told her that no probate duty was payable. The Administration Act provides that any person may approach the Supreme Court in Perth and obtain assistance to prepare the papers necessary for an application for probate or for letters of administration. I do not intend to speak further on the Bill, except to say that I shall vote for the second reading. No doubt members will have a further opportunity for discussion in the Committee stage.

HON. H. S. W. PARKER (Metropolitan-Suburban) [7.58]: There seems to be some misunderstanding about the Bill. I was not present when the Chief Secretary moved the second reading, but I have had an opportunity to note the interesting figures he gave with regard to the other States as to the amount of money held by Public Trustees there. I notice, however, that the Chief Secretary neglected to say how much money was held by our Curator of Intestate Estates, the present Official Trustee in Western Australia, and the Supreme Court. Very large sums of money are invested in Western Australia through these agencies. That, of course, will always be so. It would be interesting to learn—although I fear it would be impossible to obtain the information—the amount of funds in the hands of the Public Trustees in the other States, and also the amount invested under orders of the Supreme Court before those trustees were appointed, as well as how much money was in the hands of the various Curators of Intestate Estates. I fully realise the advisability of the duties at present performed by the Official Trustee at the Supreme

Court and the Curator of Intestate Estates being put on a proper footing, but it would be impossible under the present Bill to achieve that end.

The Bill is nothing more nor less than an attempt to establish another State trading concern. In one sense this is a business that requires the most expert advice and the most expert and super-conscientious staff. In order that satisfaction may be given, it is also necessary that there should be some elasticity outside the law. Only recently, through a friend, I was asked to advise a widow to give a formal indemnity to a trustee company which had managed the estate of her husband extremely well—it was an intestate estate—and had permitted her to continue to live in the residence that she and her husband had formerly occupied. From an examination of the facts and figures it was ascertained that if the house were sold she would not be able to get nearly so good a home out of the net results of the sale. A trustee has no power to postpone a sale. The children were interested in this property but it was obviously to the benefit of the widow that a postponement should be effected. One can quite readily understand that in the circumstances it would be morally wrong to try to sell the residence, and therefore the trustee company said, "We entirely agree with that, but unfortunately as the law stands"—and this Bill will not alter that particular law—"we would perhaps be liable to pay up if we did not sell at the earliest opportunity and the property further depreciated. We therefore require from you a formal indemnity that you will not take action against us in the event of our subsequently making a bad sale through our leniency towards you in allowing you to occupy the house." The public trustee could not do that. He dare not do it.

There is another thing. Why on earth should a man on a Government salary go outside to look for trouble for himself? He would get no benefit or kudos from it. A public servant, however good he might be, could not manage an estate, owing to the red tape with which he would be bound, half as well as a private company or as an ordinary executor. We know that the danger regarding an executor is that should he embezzle the funds of an estate, the victim has nothing to fall back on. With the company, of course, there is a security. A person knows exactly how a company stands and the com-



pany has to deposit a bond with the Government to provide against the deficiency. I have never heard of any trustee company failing in its duty as an executor. If a company did so fail there would be two methods of redress. The mere fact of issuing a writ would be sufficient to damn the company, even if the writ were not rightly issued. Companies are easily open to blackmail. If an action is successful there are assets to fall back on. That is not so with an ordinary private executor.

From the tenor of his remarks I judged that Mr. Piesse seemed to have an idea that the cost of administration would be lessened as a result of the Bill. I venture to suggest that it will probably be more. The public trustee is not going to maintain a staff of clerks filling in probate forms and applications without charging for the work. The Bill says anyone may be employed. It definitely mentions that the public trustee may employ any solicitor he likes.

Hon. H. V. Piesse: Under the present system the court can be approached by the applicant.

Hon. H. S. W. PARKER: Of course. The idea now is that probates can be passed on to the public trustee immediately the Bill is passed. That can be done now in that it can be passed to another trustee. This is adding to the cost because there must be an application to the court. Under this measure one must make a further application to the court to allow the public trustee to take over from the private trustee in exactly the same way as if an administrator or an executor at the present time desires one of these companies to take over—there must be an application, a simple inexpensive application. The fact that under this Bill an application must be made to the court does not mean that there will be a reduction of costs. There is always an outcry regarding the cost of probate or administration. People do not appreciate the fact that first of all there is probate duty and again that an application must be made to the court. Furthermore, many affidavits have to be prepared and sworn to and there is a fee for swearing an affidavit because it has to be taken by commissioners, except in the country where it can be taken by justices of the peace. So people in the country do secure a little advantage.

Hon. H. V. Piesse: It is about the only one!

Hon. H. S. W. PARKER: It may be. I am greatly in favour of the local courts being branches of the Probate Office. That would be a very good thing indeed, but this Bill will not effect that. That is beside the question. The Bill will not in any way decrease the cost of administration. It could be said, and I have no doubt it will be, that the Government will fix fees less than the amount that Parliament permits companies to charge. My experience is that when the Government enters into competition with outside organisations, eventually all put their heads together and fix fees amongst themselves as in the case of the State Sawmills and other enterprises. So there will not be any alteration in the fees. If a person wants his estate to be administered cheaply all he has to do is to ask a friend to undertake the task as executor. That friend can apply to the court and get up to 5 per cent. if the judge likes to give it to him. Mr. Piesse quoted the case of a widow who was left everything. She could apply herself and there would be no expense. He mentioned there was no will. If a man does not leave a will it is questionable and difficult to know who is entitled to the estate, because it depends on the value as to who gets it.

This Bill simply permits another huge organisation to be formed within the Government service, a separate organisation altogether. We know the size of, and the number of persons employed by, the two trustee companies, irrespective entirely of the number of people outside the trustee companies who are executors and administrators of various wills and intestate estates. When a Government administers such a concern it is found that the business goes along in a happy way, each man doing sufficient just to maintain his job. I have had experience of public trustees in other States. On more than one occasion, people have come to me, in my private capacity, to know why an estate has not been wound up and why they have not been able to secure any answer at all from the trustee. I had an experience with regard to New South Wales. It was two months before I obtained a reply and a long time before I could get any statement of account. I am not suggesting for one moment there was anything wrong. The delay was due to the lackadaisical manner in which some public servants act. A number of public servants are excellent officers, but

the majority are merely keeping down a job. That is what will happen if this proposed department is inaugurated.

If this Bill is passed and a person asks me, in my private capacity, for advice as to appointing the public trustee as executor of a will, I shall be forced—in fact, I shall be in honour bound—to advise him not to take that step under any circumstances. I would have to point out that the trustee had no soul and no sentiment, that he was administering according to law, according to a routine established in the office, a routine that must be kept up because the auditor is always behind him, and according to Government regulations. In such circumstances the estate would take twice as long to be wound up as it would under any other form of administration. That has happened time and again. Money which should be invested under order of the court is in the hands of the official trustee. It is very difficult to get money out owing to the routine. There are many applications to the Supreme Court in respect of which money has to be paid. In regard to one very common application, £5 has to be paid as security for costs, and when one desires to have that money refunded subsequently he has to pay a shilling to get it back. I do not think that will be altered by the appointment of a public trustee. In all probability the costs generally will continue to increase. This department will be meant to pay its way, and it will have to pay its way and there will not be any cheaper administration through a public trustee than is the case at the present time. It will be more expensive.

If a client of mine wanted to appoint the public trustee I would have to advise him that in all wills there is power to sell and it is the duty of the executor to sell. At the same time there is power for a postponement of the sale at the executor's discretion. When the public trustee gets money from a sale into his hands, what is he going to do? He is likely to put the house up for public auction and he would be protected by law if he did so, because in that way, with proper advertising, he would get the best value for the property. The proceeds of the sale would then be put into a common fund and invested. Trust moneys must be invested as they are received unless Government bonds are bought with them, such bonds being always available. He may invest the money, as he is entitled to do, on trust securities. They include dwellings of brick,

leaving a margin of 40 per cent., 60 per cent. of the value of the property being advanced. Interest would be received averaging about six per cent. Assuming that the estate of "A" was fortunate enough to have its funds invested at six per cent., the estate would not get the advantage of that rate of interest. It has to be put into the common fund and, with other money, devoted to the purchase of Government bonds carrying interest at  $3\frac{1}{2}$  per cent. Estate "A" takes the risk of the loss of capital should a flood or storm destroy the house which represents the major part of that estate. Then again the house may be a jerry-built construction and may fall down. The estate would lose the capital but be deprived of the benefit of the extra interest. Naturally the best form of investment is represented by Government bonds, but the question arises: Can a widow live on the interest accruing from an investment in Government bonds?

To my mind it is only right that a trustee should exercise personal discretion and go to a little trouble, sometimes for the sake of advertisement and for the creation of goodwill in association with his company, to invest trust funds in the best possible avenue. The fact is outstanding that under the Bill there will be no inducement for the public trustee to invest trust funds in the best possible manner. That arises from the fact that the money has to go into a common fund from which the beneficiaries will share and share alike. Quite a lot of money may be involved for which there cannot be found any suitable investment for the time being. None may be available. The position may arise through carelessness or negligence; the funds may not have been invested when the opportunity arose. In that event, everyone interested in the fund operated on by the public trustee will suffer proportionately. Personally I would be bound to advise anyone who consulted me that in no circumstances should he allow the public trustee to have anything to do with his estate. I certainly think it is essential that adequate legislation should be framed to place both the Curator of Intestate Estates and the Official Trustee on a better footing, but I fear I cannot support the second reading of the Bill.

**HON. C. B. WILLIAMS** (South) [8.18]: I support the second reading of the Bill, but I want the Honorary Minister to explain

the application of Clause 37. For many years I have been dealing with workers' compensation claims and lump sum settlements in connection with the mining industry. Although not always satisfied, I have got on fairly well with the magistrates in the districts affected. For that reason I want the Minister to be very definite in his explanation to me. Clause 37 deals with the powers and duties of the public trustee with respect to persons under disabilities and others in certain cases. Subclause 3 sets out—

(a) All moneys ordered by a magistrate of the local court to be invested under the provisions of the Workers' Compensation Act 1912-1939 shall be paid to the public trustee and the receipt of the public trustee, or of anyone authorised by him in that behalf, shall be a complete discharge to the magistrate and all other persons concerned.

(b) The public trustee shall thereupon hold the said moneys for the person or persons entitled thereto.

Then I find the following, with the proviso to which I draw particular attention—

(4) Any such sum shall be disbursed by the public trustee in accordance with the order of the magistrate who shall determine the manner in which such sum shall be applied: Provided that the investment of any such sum shall be in the sole discretion of the public trustee.

My vote will go against the Bill if the Honorary Minister cannot explain Subclause 4, with its proviso, to my complete satisfaction. As I understand it, the subclause means that while the magistrate who may deal with an application at Kalgoorlie, Boulder, Norseman or some other mining town, decides the question on the basis of what he knows, a different course may follow. The magistrate in the mining district is on the spot and he knows the parties concerned. He deals with the application without cost and declares what shall be done. He may decide to allow the applicant to buy a property and to pay off the indebtedness at so much per week. As the Bill stands, the magistrate's decision can be reviewed by the public trustee who may over-ride it. Then again, when magistrates have dealt with applications under the Workers' Compensation Act and a change is desired, all that is involved is an application in Chambers and the magistrate will promptly alter his decision to meet the circumstances that may have arisen. He may increase the payment, or 12 months after the original decision he may allow

the applicant to buy a property. If the alteration I visualise is to be authorised by the present Labour Government I cannot agree to the proposal. It may represent additional cost to be borne by the poorest section of the community—those who have lost their breadwinners. I hope the Minister will go into this phase for in no circumstances will I support the provision that will have the effect I have suggested. I shall not agree to a magistrate's decision being upset by some civil servant in Perth, particularly seeing that, as Mr. Parker suggested, it frequently takes a long time to secure an answer from some Government departments. Then again I think that people in the country districts should have the same right to approach the trustee through a Government agent in any such district as have the people in Perth. I claim to be an authority in connection with workers' compensation cases I have referred to, in connection with which I have had a great deal of experience.

On motion by Hon. E. M. Heenan, debate adjourned.

#### **BILL—INCREASE OF RENT (WAR RESTRICTIONS) ACT AMENDMENT.**

*Assembly's Message.*

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

#### **BILL—TRAFFIC ACT AMENDMENT.**

*Assembly's Message.*

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

#### **BILL—WORKERS' COMPENSATION ACT AMENDMENT.**

*In Committee.*

Resumed from the 15th October. Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clause 2—Amendment of Section 4:

The CHAIRMAN: Progress was reported after the clause had been partly considered.

Hon. C. F. BAXTER: I move an amendment—

That paragraph (b) be struck out.

The Bill seeks to go further than we previously decided when we agreed to include workers in the timber industry. Now the Government seeks to extend the provision to cover all workers. The issue has been fully discussed and, despite what the Honorary Minister has stated, there is no doubt as to what the paragraph means.

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

Ayes	..	..	..	18
Noes	..	..	..	8
				—
Majority against	..	..		10
				—

AYES.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. L. B. Bolton	Hon. G. W. Miles
Hon. Sir Hal Colebatch	Hon. H. S. W. Parker
Hon. L. Craig	Hon. H. V. Plesse
Hon. J. A. Dimmitt	Hon. H. L. Roche
Hon. E. H. H. Hall	Hon. H. Tuckey
Hon. V. Hamersley	Hon. F. R. Welsh
Hon. J. J. Holmes	Hon. G. B. Wood
Hon. J. M. Macfarlane	Hon. A. Thomson

(Teller.)

NOES.

Hon. J. M. Drew	Hon. W. H. Kitson
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	Hon. C. B. Williams
Hon. E. M. Heenan	Hon. W. R. Hall

(Teller.)

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

Clause 3—New sections:

Hon. C. F. BAXTER: Proposed new Section 20A, referring to a medical register committee, is highly important. Members agree that something must be done to check abuses in connection with workers' compensation cases; but when we do move, let us be sure that we move in the right direction. The proposed new section will not have the desired results, but an adverse effect. Its passing would mean that many medical practitioners would turn aside altogether from workers' compensation cases. The cost of the existing Medical Board is a small matter compared with the cost of a board of specialists. Moreover, the number of boards already appointed in this State is legion. The Honorary Minister said the Medical Board had done nothing and had never approached the Government for adequate authority. I shall show that the board has rendered wonderful service and also has tried to put its house in order so that it could carry on successfully.

The CHAIRMAN: The principle of the medical register committee was practically agreed to by the passing of the second reading. Now there is a proposal to reopen that question in Committee. The Honorary Minister has on the notice paper an amendment relating to proposed new Section 20A.

Hon. C. F. BAXTER: I am quite prepared to let the Honorary Minister move his amendment first.

Hon. J. J. HOLMES: Do I understand, Mr. Chairman, your decision to be that when the House agrees to the second reading of a Bill, it agrees to everything contained therein?

The CHAIRMAN: No.

Hon. J. J. HOLMES: That is the impression I derived.

The CHAIRMAN: I said that the principle of the Bill was decided on the second reading. Details are dealt with in Committee.

The HONORARY MINISTER: My amendment is merely of a minor nature.

Hon. Sir HAL COLEBATCH: I move an amendment—

That in lines 1 and 2 of paragraph (a) of Subsection 1 of proposed new Section 20A the words "or magistrate of a local court" be struck out.

In a matter of this kind, the chairman should always be a judge of the Supreme Court. Personally I am opposed to the provision altogether. It is difficult to escape the conclusion that it is an attack on the medical profession.

Hon. C. B. Williams: On certain members of it.

Hon. Sir HAL COLEBATCH: We know that it is contrary to the wishes of the profession, as expressed through the British Medical Association. The present is an inappropriate time for the introduction of highly controversial legislation, and this is a peculiarly inappropriate time to do something contrary to the wishes of the medical profession when practically the whole of its members are, in consequence of the war, engaged on duties far in excess of those of normal times. The general tenor of the Bill is to improve the conditions of the aristocrats of labour. Those who by virtue of their employment are naturally sheltered or are engaged in artificially protected industries are able to obtain wages as high

as £12 per week. Combined with the conferring of these benefits upon a certain section of the community—

The CHAIRMAN: Order! The hon. member is speaking against the retention of the clause in the Bill.

Hon. Sir HAL COLEBATCH: I say it is necessary for the protection of the medical profession that only a Supreme Court judge should act as chairman in these matters.

The HONORARY MINISTER: I do not agree with Sir Hal Colebatch. The amendment would not improve the Bill. The medical register committee would sometimes have to deal with minor matters not calling for the services of a judge.

Hon. W. J. MANN: Are there any other reasons for the amendment besides the time being inopportune?

Hon. E. M. HEENAN: I see no virtue in the amendment, which would have the effect of increasing costs. There are only three Supreme Court judges now, and they have ample work in Perth to occupy their time. Our magistrates now are men possessing very high qualifications. Moreover, a magistrate who has jurisdiction in Geraldton or Kalgoorlie or some other important centre has a wide knowledge of the general conditions prevailing in the surrounding districts. I have in mind the magistrate at Kalgoorlie. He would be equally as capable, with all due respect, as any of the three judges if he were called upon to adjudicate on matters such as the proposed new section envisages. For this reason I oppose the amendment.

Hon. H. V. PIESSE: I oppose the amendment. The magistrates are trying many types of cases and have, perhaps, a greater experience of workers' compensation cases than the judges. They will carry out this job in the same honourable way as a judge.

Amendment put and negatived.

Hon. Sir HAL COLEBATCH: I move an amendment—

That at the end of line 2 of paragraph (c) of Subclause 1 of proposed new Section 20A the following words be added:—"and nominated by the British Medical Association."

The HONORARY MINISTER: I oppose the amendment. The hon. member is getting on dangerous ground when he hands over

the appointment of the personnel of the boards to a union. It takes the administration out of the hands of the Government.

Hon. C. B. WILLIAMS: I must ask the Minister to reconsider that. I believe in my trade union, and I am not going to cast a blind vote.

Amendment put and passed.

Hon. L. CRAIG: I wish to deal with an earlier part of the proposed new section.

The CHAIRMAN: The hon. member cannot do so. He will have to wait until tomorrow.

Hon. L. CRAIG: It is only the line before.

The CHAIRMAN: It is too late now.

Hon. SIR HAL COLEBATCH: I move an amendment—

That Subsection 2 of proposed new Section 20A be struck out and the following subsection inserted in lieu: "A quorum shall consist of the chairman and at least one representative nominated by the Governor-in-Council and one representative of the medical practitioners."

The CHAIRMAN: Does the hon. member desire to strike out the whole of Subsection 2?

Hon. Sir HAL COLEBATCH: Yes, the whole relating to the quorum.

Hon. G. Fraser: The first half of the provision.

Hon. Sir HAL COLEBATCH: No, all of it. As the proposed subsection stands, the quorum is too haphazard. There might be no chairman. If it is decided that the resident magistrate is a satisfactory chairman, I accept that. Under this provision there might be neither a judge of the Supreme Court nor a magistrate. There might be two representatives of the Government and one of the medical practitioners forming a quorum and proceeding with the business. That is not satisfactory for the consideration of such important matters. My amendment provides that there would have to be as chairman either a judge of the Supreme Court or a magistrate and that a quorum should not be constituted unless each of the other nominated parties was represented.

Hon. H. V. PIESSE: I support the amendment whole-heartedly. The judge or magistrate may be eliminated unless this provision is amended.

The HONORARY MINISTER: I oppose the amendment. The proposed subsection is quite safe as it stands. In the ab-

sence of the chairman, a chairman may be elected from the members present. I can see no advantage in the amendment. A provision such as this is generally found in similar cases.

Hon. C. B. WILLIAMS: The amendment means that there will be no board if the medical practitioners do not wish to come along.

Hon. J. J. Holmes: What if the judge or magistrate does not come along?

Hon. C. B. WILLIAMS: We can put the screw on either of them, because, after all, we employ them. They are employees of the State whether they are called judges or magistrates.

The CHAIRMAN: Under the Interpretation Act the Governor is the Governor-in-Council. All the amendment needs is "Governor."

Hon. Sir Hal Colebatch: Very well.

Hon. L. CRAIG: The medical profession is being treated far too much as a body not to be trusted. We should treat its members as honourable people who wish to deal with the very few members of their profession who are not playing the game. It has been suggested that the representative of the medical practitioners may not attend on this committee; as if that profession is out to flout or boycott this Bill! That is not their attitude at all. The doctors will do all they possibly can to keep the profession clean. No committee should be held without a doctor being present. The meetings of the committee will deal, first of all, with technical matters. The doctors will almost entirely decide whether the practitioner whose actions are in question has done right or wrong, and the laymen will only help to decide the penalty. The amendment insists that there shall be one doctor and one layman on the committee. That is reasonable. I support the amendment.

Hon. E. M. HEENAN: I support the amendment. I was a little frightened after hearing Mr. Williams, but I have sufficient confidence in the men who will be appointed to this committee to realise that the situation is not such as he fears. The virtue of this committee lies in the co-operation of all parties concerned. We should be perfectly fair to the medical profession.

Hon. H. L. ROCHE: While I am disposed to support the amendment, we should not lose sight of the point raised by Mr. Williams. I agree with Mr. Craig that we

should give credit to the medical profession in its desire to uphold its highest traditions. At the same time it has been described as one of the strongest trade unions in the world.

Hon. G. Fraser: Even better than the lumpers.

Hon. H. L. ROCHE: At times even trade unions forget the interests of the general public and seek to conserve solely the interests of the union members. That could possibly happen, but I do not say it will. Under the amendment absolute power is placed in the hands of the medical profession. There can be no quorum unless a representative nominated by the B.M.A. is present. Whilst I would support an amendment providing that a judge or magistrate shall be present to form a quorum, I cannot support the amendment in its present form because it stipulates that a medical practitioner must also be there. I see a very real danger.

Hon. C. F. BAXTER: The medical register committee will be dealing with the livelihood and professional status of men, and we cannot have a body of too high a standing for that duty. Yet Mr. Roche does not see any necessity for having a medical man on the committee.

Hon. H. L. Roche: I did not say that.

Hon. C. F. BAXTER: The hon. member did say it! The medical men will be the most important members of the committee. The amendment is sound, and the Honorary Minister would be well advised to accept it.

Hon. G. FRASER: I oppose the amendment. I am surprised at members inferring that Mr. Williams had cast a reflection on the doctors by saying they might not attend. He did not intend that they would deliberately absent themselves.

Hon. C. B. Williams: I am not bad-minded like that.

Hon. G. FRASER: The committee will be composed of three sections and the amendment insists upon 100 per cent. of the sections being represented.

Hon. Sir Hal Colebatch: No, you might have one doctor, two laymen and the chairman.

Hon. G. FRASER: To insist on the three sections being represented would be most unusual.

Hon. A. Thomson: It applies to the Arbitration Court.

Hon. G. FRASER: The provision in the Bill follows the ordinary procedure. Three sections are mentioned and three members out of five will form a quorum.

Hon. H. L. Roche: There is nothing to prevent the doctors being present also.

Hon. G. FRASER: If the amendment is accepted many meetings of the committee might prove futile. If the livelihood of a medical man is at stake, it is only natural to assume that the medical representatives will be in attendance.

Hon. L. Craig: Suppose a layman could not attend?

Hon. G. FRASER: Then, under the amendment, a meeting could not be held.

Hon. L. Craig: What about the Arbitration Court? Does it function without the employers or the employees being represented?

Hon. G. FRASER: The circumstances in this case are entirely different.

The CHAIRMAN: What would be the function of the committee?

Hon. G. FRASER: To deal with complaints.

The CHAIRMAN: *Against medical men?*

Hon. G. FRASER: That would be the position generally.

Hon. L. Craig: I cannot see the difference.

Hon. G. FRASER: There is a vast difference. Here there will be two laymen, two medical men and a chairman, and all the Bill asks is that three of the five shall be present. In the Arbitration Court there are only three members.

Hon. L. Craig: And all have to be present.

Hon. G. FRASER: In that case there is no alternative. The amendment will impose restrictions impossible of observance. On a board of directors an attendance of 50 per cent. would suffice.

Hon. L. Craig: A board of directors would not represent different interests.

Hon. G. FRASER: We should adopt the usual procedure.

Hon. J. A. DIMMITT: When members appreciate the functions of the committee, I think they will support the amendment. To make three laymen judges of matters that would probably be entirely technical would be quite wrong. Unless a doctor was present, the committee could not successfully

function because matters of medical importance must come before the committee. I am only sorry that this question cannot be postponed because, in a few weeks' time, we may have a medical practitioner in this Chamber.

Hon. G. Fraser: Oh no!

The CHAIRMAN: Order!

Hon. Sir HAL COLEBATCH: The Bill provides that a judge of the Supreme Court or a magistrate of a local court shall be chairman, but then that is later whittled down by a provision that the chairman may be a person without medical or legal knowledge. If the Committee accepts the first portion of my amendment and insists upon the chairman being a judge or magistrate, I then ask merely that each side shall be represented. I am not asking for equality of representation. The chairman and two laymen may be present with one doctor. Then there would be only one doctor against three laymen. Members should be content with that. To adopt the provision in the Bill would be contrary to all principles of justice.

Hon. G. B. WOOD: Listening to Mr. Fraser, one would conclude that there would be many cases to be dealt with. I think there would be only a few each year. If the doctors could not attend a meeting on a certain day, they could attend in the next week. I support the amendment.

Hon. W. J. MANN: I like the principle contained in the amendment. It is a pity we have not insisted upon the adoption of similar principles on other occasions. Where there are conflicting interests, we should be careful to ensure that they are safeguarded as far as possible. Such a committee would function very rarely. After it has once sat, it will probably command such respect that there will not be many lapses by people responsible for the trouble. If the doctors did not attend the meetings, I know what would happen to them. The proposal that the chairman shall be a judge or magistrate and that both sides shall be represented, particularly as the committee will meet so seldom, is an excellent one.

The HONORARY MINISTER: Generally speaking, the committee will deal only with minor cases.

Hon. Sir Hal Colebatch: Why minor cases?

The HONORARY MINISTER: If there is not a serious complaint, surely we need not insist upon a judge or magistrate being chairman. I think every member appointed to the committee will do his job. I have no wish to reflect on the doctors. I think their desire will be to ensure that the committee functions satisfactorily. These amendments should have been placed on the notice paper in order to give members an opportunity to consider them.

Hon. H. L. ROCHE: To make mandatory who shall be present at meetings of the committee would be most unsatisfactory. We should not nullify the intention of the Bill. Nobody will be shut out if we accept the first part of the amendment because doctors or laymen may attend and the business can be carried on. If we accept the latter part of the amendment and one section is not represented, no business can be transacted. It has been suggested that there will be only one meeting of the committee.

Hon. G. Fraser: Members have not read the proposed new Section 20D.

Hon. H. L. ROCHE: If the penalties are to be serious, doctors may be diffident about acting on the committee, unless the position is such that they must do so. We do not want to arrive at a situation where the doctors, by staying away, would be able to cancel any good the committee could do. At the same time, the laymen would be in a like position. If the amendment is carried and one of the representatives did not attend, the meeting of the committee would be a waste of time.

Hon. T. MOORE: This Bill is a Government measure, and in view of the many amendments that have been sprung on the Honorary Minister I think we should report progress.

Hon. L. B. Bolton: No.

Hon. T. MOORE: My desire is to save as much as possible of the Bill. The Minister is entitled to consult his colleagues. If he is given that opportunity, we could probably settle these points in a few minutes at our next sitting.

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

Ayes	..	..	..	18
Noes	..	..	..	8
				—
Majority for	.	..	10	—

## AYES.

Hon. L. B. Bolton	Hon. W. J. Mann
Hon. Sir Hal Colebatch	Hon. G. W. Miles
Hon. L. Craig	Hon. H. S. W. Parker
Hon. J. A. Dimmitt	Hon. H. V. Piesse
Hon. E. H. H. Hall	Hon. A. Thomson
Hon. V. Hamersley	Hon. H. Tuckey
Hon. E. M. Heenan	Hon. F. R. Welsh
Hon. J. J. Holmes	Hon. G. B. Wood
Hon. J. M. Macfarlane	Hon. C. F. Baxter

(Teller.)

## NOES.

Hon. J. M. Drew	Hon. W. H. Kitson
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	Hon. C. B. Williams
Hon. W. R. Hall	Hon. H. L. Roche

(Teller.)

Amendment thus passed.

Hon. J. J. HOLMES: I move an amendment—

That in line 1 of Subsection 4 of proposed new Section 20A the word "three" be struck out and the word "two" inserted in lieu.

The committee will be experimental and consequently I think a life of two years is sufficient.

Amendment put and passed.

Hon. L. CRAIG: I move an amendment—

That in lines 2 and 3 of proposed new Section 20D the words "or any near relative of the worker" be struck out.

The words are ambiguous. It is unfair that a near relative of a worker should cause an inquiry to be made into the behaviour of a doctor or the treatment ordered by him. This is a serious business for the doctors.

The CHAIRMAN: Have you read the definition of "near relative"?

Hon. L. CRAIG: Yes, but the Bill already provides that the Minister may authorise an inquiry. Near relatives may be actuated by spleen, spite or dissatisfaction. They should satisfy the Minister that they have just cause.

Hon. A. Thomson: Read the definition of "near relative."

Hon. L. CRAIG: I have done so.

Hon. A. Thomson: Suppose the worker is dead.

Hon. L. CRAIG: The Minister can still authorise an investigation.

Hon. H. V. Piesse: Surely the widow of a deceased worker should have the right to cause an inquiry to be made!

Hon. L. CRAIG: The widow ought to satisfy the Minister that an inquiry is necessary. This provision is probably more dangerous in the case of a widow, because she would be looking for someone to blame.



The HONORARY MINISTER: It would be unjust to accept the amendment. For instance, a father may be acting on behalf of his son or his daughter, either of whom may be a junior worker.

Hon. L. Craig: The father could approach the Minister.

The HONORARY MINISTER: The Bill proposes to give the near relative that right, and he should be entitled to exercise it.

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

Ayes	..	..	..	..	6
Noes	..	..	..	..	19
—					
Majority against	..	..	..	..	13
—					

# AYES.

Hon. L. Craig	Hon. J. M. Macfarlane
Hon. J. A. Dimmitt	Hon. H. S. W. Parker
Hon. V. Homersley	Hon. H. Tuckey
	(Teller.)

# NOES.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. Sir Hal Colebatch	Hon. T. Moore
Hon. J. M. Drew	Hon. H. V. Plesse
Hon. G. Fraser	Hon. H. L. Roche
Hon. E. H. Gray	Hon. A. Thomson
Hon. E. H. H. Hall	Hon. F. R. Welsh
Hon. W. R. Hall	Hon. C. B. Williams
Hon. E. M. Heenan	Hon. G. B. Wood
Hon. J. J. Holmes	Hon. L. B. Bolton
Hon. W. H. Kitson	(Teller.)

Amendment thus negatived.

On motions by the Honorary Minister, clause further amended by inserting in proposed new Section 20H after the word "approved" in line 6, the words "and all employers or groups of employers exempted by Order in Council"; by inserting after the word "office" in line 8 the words "exempted employer or group of employers"; by inserting after the word "proportion" in line 9 the words and parentheses "(in the case of each such approved insurance office)"; by inserting after the word "insurance" in line 11 the words "and (in the case of each such exempted employer or groups of employers) to the amount which would have been payable by each of them in the year as premiums for workers' compensation insurance if each of them had been insured with the State Insurance Office"; and by striking out of line 12 the words "under this section" and inserting the words "or exempted employer or groups of employers" in lieu.

The CHAIRMAN: The question is: That the clause, as amended, be agreed to.

Hon. C. F. BAXTER: By the application of this clause, abuses under the Workers' Compensation Act will not be successfully controlled, and a considerable cost will be entailed through premiums on workers' compensation being increased. I have explained the effect the provision will have on doctors. We have a Medical Act on the statute-book which, as I said in my second reading speech, is a dead letter, because it has never been amended. All the members of the Medical Board are men of integrity, who could be relied on to clean up abuses under the Workers' Compensation Act. Instead of importing into that Act a provision for the control of the medical profession, it would be better to amend the Medical Act and give the Medical Board that power. Under the Medical Act, no protection is afforded to the board in connection with any action it may take. The only power it has is to warn offending doctors, fine them £10, or deregister them. Time and again cases have been referred by the board to solicitors, who have advised the board not to take action because if it inflicted a fine or deregistered a doctor, it would run the risk of a libel action. Protection is afforded under the Bill, but instead of putting this legislation on the statute-book, why did the Government not accept amendments of the Medical Act that were submitted—26 of them—and which were practically taken from the New South Wales and Queensland legislation? Power is given under the Medical Act for any member of the board to be retired by Order in Council, and a board could be constituted on a reasonable basis, the same as is proposed under this amendment to the Workers' Compensation Act. The Medical Board has performed a wonderful service under a restricted Act. This clause should be rejected and the Medical Act amended. If the Government is not prepared to do it, I would be prepared to take some action. Why have two Acts dealing with the one matter?

Hon. T. Moore: On a point of order. Is Mr. Baxter entitled to bring into this discussion consideration of another Act which is not before us at all? It is wasting the time of the Committee.

The CHAIRMAN: Mr. Baxter is speaking against the question that the clause stand as amended. His argument is that

the clause should be rejected and that other legislation should be amended instead.

Hon. C. F. BAXTER: I do not desire that this should be rejected without making any suggestion to replace it. I wish to find a better way of achieving the object than is suggested here.

Hon. C. B. Williams: Let us vote on the clause!

Hon. C. F. BAXTER: I ask the Committee to reject the clause.

The HONORARY MINISTER: The Government has had no complaint with regard to the medical profession, except in connection with workers' compensation cases. Members have complained about wastage under the Workers' Compensation Act. Now is the time to remedy the position rather than to delay matters on the pretext of amending another measure.

Clause, as amended, put and a division taken with the following result:—

Ayes	..	..	..	16
Noes	..	..	..	10
Majority	..	..	..	6

#### AYES.

Hon. L. Craig	Hon. W. H. Kitchin
Hon. J. M. Drew	Hon. T. Moore
Hon. G. Fraser	Hon. H. V. Plesse
Hon. E. H. Gray	Hon. A. Thomson
Hon. E. H. H. Hall	Hon. F. R. Welsh
Hon. W. R. Hall	Hon. C. B. Williams
Hon. E. M. Heenan	Hon. G. B. Wood
Hon. J. J. Holmes	Hon. H. L. Roche

(Teller.)

#### NOES.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. L. E. Bolton	Hon. G. W. Miller
Hon. Sir Hal Colebatch	Hon. H. S. W. Parker
Hon. V. Hamersley	Hon. H. Tuckey
Hon. J. M. Macfarlane	Hon. J. A. Dimmitt

(Teller.)

Clause, as amended, thus passed.

Clause 4—Amendment of First Schedule.

HON. J. J. HOLMES: I move an amendment—

That after paragraph (d) the following new paragraph be inserted:—“(e) by deleting from paragraph (c) of the proviso to paragraph (b) of Clause 1 of the Schedule the words ‘one hundred’ in the third last line and substituting the word ‘fifty.’”

Most of the advantage taken by certain doctors of the provisions of the Workers' Compensation Act has been due to the inclusion of £100 for medical expenses. My amendment is to strike out the provision for £100 and substitute one for £50. That should serve to put in their proper place those doctors

who have been chasing the £100. When I moved a similar amendment 17 years ago it was defeated, the House dividing with nine in favour of the amendment and nine against it. Had there been the full attendance of members, the decision would have been different and industry would not have been forced to carry the extra £50 over the intervening period. From that time onwards every man and woman whose employment brought them under the provisions of the Workers' Compensation Act had to be covered for an additional £50, for which the insurance companies had to make available the necessary cover and industry had to pay the consequent cost. During the second reading debate I informed members of the position in the Eastern States. I understand that for many years the provision of £100 for medical expenses under the Western Australian Act has been a standing joke amongst medical students at the universities who, on completing their courses, made a bee line for Western Australia to take advantage of that provision.

Hon. G. Fraser: That is why there has been a shortage of doctors here for years.

Hon. H. S. W. Parker: Not of young doctors.

Hon. J. J. HOLMES: The amendment requires no further explanation except to point out that when it was a matter of the definition of “worker” the Minister asked us to follow the example of the Eastern States where workers receiving more than £400 were brought within the scope of such legislation. In this instance, when the odds are against him from that point of view, he does not ask us to follow the example of the Eastern States.

The HONORARY MINISTER: I am surprised that Mr. Holmes should move such an amendment, which would work an injustice to those employed in the North-West. I remember the discussion that took place on a similar proposal 17 years ago. One of the outstanding arguments at that time was that the provision of £100 for medical expenses would be in the interests of the out-back workers. It has proved to be so in past years and has enabled those suffering from serious injuries to be transported from the outer areas to the city quickly and safely. If members looked at the position squarely, they would admit there is now a marked improvement in the condition of workers who have been seriously injured.

We do not see men walking about with broken and deformed limbs, giving every evidence of inadequate medical attention. Mr. Holmes referred to the Eastern States and the position there. Victoria is a small State; Western Australia is very extensive. We should make provision for the workers out-back. In any event the amendment will certainly not stop the leakage. There are decidedly some unscrupulous doctors but the trouble that arose in the past will not be prevented if the medical expenses are limited to £50. That arises from the fact that the trouble is associated with minor accidents and ailments, not with serious troubles. If the amendment is carried, the objective Mr. Holmes has in view will not be realised.

Hon. J. J. Holmes: I would not mind giving the extra money to the workers but I do not want to give it to the doctors.

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

Ayes	..	..	..	..	12
Noes	..	..	..	..	12
<hr/>					
A tie	..	..	..	..	0
<hr/>					

## AYES.

Hon. C. F. Baxter  
Hon. L. B. Bolton  
Hon. Sir Hal Colebatch  
Hon. L. Craig  
Hon. J. A. Dimmitt  
Hon. J. J. Holmes

Hon. J. M. Macfarlane  
Hon. W. J. Mann  
Hon. G. W. Miles  
Hon. H. Tuckey  
Hon. F. R. Welsh  
Hon. V. Hamersley  
(Teller.)

## NOES.

Hon. J. M. Drew  
Hon. G. Fraser  
Hon. E. H. Gray  
Hon. W. R. Hall  
Hon. E. M. Heenan  
Hon. W. H. Kitson

Hon. T. Moore  
Hon. H. V. Plesse  
Hon. H. L. Roche  
Hon. A. Thomson  
Hon. G. B. Wood  
Hon. E. H. H. Hall  
(Teller.)

## PAIR.

AYE.  
Hon. H. S. W. Parker

NO.  
Hon. C. B. Williams

The CHAIRMAN: The voting being equal, the question passes in the negative.

Amendment thus negatived.

Hon. Sir HAL COLEBATCH: I move an amendment—

That at the end of sub-paragraph (e) of paragraph (e) the following words be added:—“provided that he presents himself for examination by the medical adviser nearest to the district in which he resides.”

We are dealing with the case of a worker who travels for treatment without being required or advised to do so and we are making the employer responsible for the necessary payments. That is all right but I think

the worker should be under an obligation to consult the medical adviser nearest to him and that he should not be in the position of saying that he wished to go Perth and thereby involve his employer in considerable expense, although a doctor was in practice at a centre much closer and to whom he could have gone.

Hon. E. M. HEENAN: The clause is quite clear. The worker has to prove that his travelling was necessary in the circumstances of the case.

Hon. Sir Hal Colebatch: But there should be an obligation on the worker to cut down his travelling as much as is reasonable.

Hon. E. M. HEENAN: He will do so. If he went to unreasonable expense, he would not be reimbursed for his outlay.

Hon. H. V. PIESSE: I support the amendment. If a man happens to be in the country when he meets with an accident, he should certainly consult the nearest medical practitioner. Otherwise he might come to the metropolitan area, or go anywhere else.

Hon. J. J. Holmes: Or come up for the races.

Hon. H. V. PIESSE: Yes.

Hon. E. M. HEENAN: The Committee would be unwise to accept the amendment. A man at a place like Leonora, almost equidistant between Kalgoorlie and Laverton, meeting with a serious accident, might find it advantageous to travel to a doctor who is fifty or a hundred miles further away. The paragraph gives ample protection.

Hon. T. MOORE: I see danger in the amendment. For an injured worker at Meekatharra the nearest doctor would be at Reedys, because Meekatharra, although a large district, has no doctor at all. When an accident occurs, the victim suffers physical pain. I think many members of this Chamber have never met with an accident; otherwise they would know that the first thing an injured man does is to get to a doctor. To speak of an injured man travelling in order to attend races is childish.

Hon. G. B. WOOD: There is a grave danger in the amendment. Take the case of a man injured at Corrigin, which has a refugee doctor who is a specialist. The injured man goes on to Brookton. He arrives there in the middle of the night and finds that he has to consult an aged doctor there. So he goes off to Perth. I could quote many similar cases in the country. Accordingly I hope the amendment will be defeated.

Amendment put and negatived.

Hon. C. F. BAXTER: Is the Committee prepared to let this clause go on the statute-book? It proposes to delete the first part of paragraph (b) of Clause 1 of the schedule down to the proviso thereto and substitute in lieu thereof the following:—

(b) When total or partial incapacity for work results from the injury, a weekly payment during the incapacity not exceeding—

(i) fifty per centum of the wages of the worker in the week immediately preceding the accident. If the worker has not been so long employed, his wages, for the purposes of the paragraph, shall be deemed to be a full working week's wages (exclusive of overtime) at the rate of pay for the work at which he was employed at the time of the accident, and the compensation is to be computed and assessed accordingly; or

(ii) fifty per centum of his average weekly earnings during the previous 12 months, if the worker has been so long employed, but if not, then for any less period during which he has been in the employment of the same employer,

whichever is the larger sum.

The CHAIRMAN: Is the hon. member referring to the whole clause as printed?

Hon. C. F. BAXTER: Yes.

The CHAIRMAN: As Clause 4 embraces a variety of amendments, I would suggest that Mr. Baxter, if not in accord with paragraph (a), could move to recommit the Bill for the purpose of further considering that paragraph.

Clause put and passed.

Clause 5, Title—agreed to.

Bill reported with amendments.

*House adjourned at 10.10 p.m.*

## Legislative Assembly.

*Tuesday, 21st October, 1911.*

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

### PRIVILEGE—"THE PRIMARY PRODUCER."

*Mr. Boyle and Mr. Speaker's Ruling.*

Mr. SPEAKER: My attention has been called to an article that appeared in the "Primary Producer" of the 9th October under the heading: "Speaker's Extraordinary Action." In this article, which I will not quote in full, appears the following statement which I deem to be a serious reflection on my impartiality as Speaker of the House:—

In the Legislative Assembly on Wednesday of last week, Mr. I. G. Boyle who had addressed a letter to the Speaker (Mr. J. B. Sleeman) notifying his intention to move the adjournment of the House, was refused permission to do so. Mr. Boyle desired to draw attention to the Government's failure to implement legislation by drafting necessary regulations to the Growers Charge Act (which came into operation on 1st March, 1911, but without which the Act cannot operate); and also to the fact that no regulations had been made under the Act to amend the Industries Assistance Act which was passed last session and which necessitated regulations to carry out farmers' drought relief.

When the House met, the Speaker said he had decided not to accede to the request made by the member for Avon for permission to move the adjournment of the House. Quoting from May's "Parliamentary Practice," Mr. Sleeman said that the matters indicated were not urgent, the letter was not definite, and opportunity would present itself to discuss the subject indicated under the Supply Bill then before the House.

Commenting on this matter to a representative of the "Primary Producer," Mr. Boyle said, "The Speaker's ruling can be termed extraordinary. A perusal of my letter to him