Legislative Assembly

Wednesday, 12th November, 1952.

CONTENTS.

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

QUESTIONS.

WOOROLOO SANATORIUM.

As to Admissions, Priority, etc.

Mr. LAWRENCE asked the Minister for Health:

(1) Would she explain what system is used in determining the priority of entry of patients into Wooroloo?

(2) Would she explain what the words "appropriate restraining action" used in answer to my question of Wednesday last, signify?

(3) Is the onus of carrying out the department's instructions for the prevention of tuberculosis purely a matter for the individual concerned?

The MINISTER replied:

(1) Priority of admission is given to urgently sick cases and to those most likely to infect others.

(2) and (3) The patient is warned of the danger of spreading the disease and is instructed by clinic doctors and visiting nurses on precautions to be taken. If these are ignored, the patient is brought into hospital.

CHEST HOSPITAL.

As to Commonwealth Grant for New Building.

Mr. LAWRENCE asked the Minister for Health:

(1) Have the funds required for the building of the new 200-bed chest hospital been received from the Commonwealth Government, and if so, what is the amount of the grant?

(2) If it has not been received, can she indicate when the funds will be made available?

(3) If the funds have been received, when is it intended to proceed with the building of the new hospital and what is the estimated time of construction?

The MINISTER replied:

(1) No.

(2) No. The cost will be recouped progressively as the work is performed.

(3) Commonwealth professional officers are considering the sketch plans. When approved by the Commonwealth, detailed plans, specifications and quantities will be required before tenders are called. This will occupy nine months or more.

TRANSPORT.

As to Controlling Authority and Union Representation.

Mr. NEEDHAM asked the Premier:

In view of his reply to a series of questions I asked him on the 6th March last relative to the appointment of one transport authority to control all land transport, when he said that the matter was under consideration, can he now inform the House—

(1) Is it the intention of the Government to appoint one transport authority to control all land transport?

(2) If so, what will be the composition of such authority?

(3) Will transport trade unions have representation?

The PREMIER replied:

(1) The questions asked by the hon. member are substantially the same as those asked on the 6th March last. The

Government has adopted the recommendation of a special transport committee to create a rationalised zoning scheme for the metropolitan area, and this scheme is in process of implementation. Details of this scheme have been published in the Press and were fully explained by the Minister for Transport in his reply to the debate on the Address-in-reply on the 2nd October last, *vide* pages 1240-41, Hansard. The Government considers that further considerations of future transport plans are linked with town planning and will be considered when the newly appointed Town Planning Commissioner takes up his duties. In the meantime, no further action is contemplated.

(2) and (3) Answered by No. (1).

PETROLEUM PRODUCTS.

As to Prices in Country Districts.

Mr. CORNELL asked the Premier:

(1) Has he received a request for the appointment of a Royal Commission to inquire into the prices being charged in the country districts for petroleum products?

(2) Does the Government propose to institute an inquiry into this matter?

The PREMIER replied:

(1) Yes.

(2) The request is receiving consideration.

MAIN ROADS FUNDS.

As to Allocation to Local Authorities.

Mr. CORNELL asked the Minister for Works:

(1) In the amount recently allocated by the Main Roads Department to country local authorities, what grant was approved for the Albany Road Board?

(2) If the grant was substantially more than average, what was the reason for the increase?

(3) Will he table a statement giving full details of the grants approved by the Main Roads Department for all local authorities in the State?

The MINISTER replied:

(1) £38,400.

(2) Substantial allocation for development of roads in the new settlement areas of the Albany zone.

(3) Yes. Statement herewith.

COALMINE WORKERS' PENSIONS.

As to Increasing.

Mr. MAY asked the Minister representing the Minister for Mines:

(1) Is he aware of the decision of the Government of New South Wales to increase coalmine workers' pensions, and if so—

(2) Does he propose to bring the pensions payable to coalmine workers and their dependants in this State into line with the increases proposed in New South Wales?

(3) Will such increases be made retrospective to the applicable date, as decided upon in New South Wales?

(4) If the decision is in the affirmative in respect of such pensioners in this State, will he take such action as will ensure payment to pensioners of these increases before the Christmas holidays?

The MINISTER FOR HOUSING replied:

(1) Yes; but the decision of the Government of New South Wales will require parliamentary approval.

(2) This matter will be considered in the light of the increased liability of the Coal Mine Workers' Pensions Fund and the additional revenue required to meet the increased charges involved.

(3) and (4) Answered by No. 2.

BRACKEN FERN.

As to Destruction.

Mr. KELLY asked the Minister representing the Minister for Agriculture:

(1) What has been accomplished by the Department of Agriculture in the matter of eradication of bracken fern?

(2) What advance has been made by the department in developing a hormone for the destruction of bracken fern?

The MINISTER FOR LANDS replied:

(1) The department has demonstrated methods of eradication. Leaflet No. 920 contains information regarding suitable methods.

(2) Many chemicals have been tried without obtaining a high degree of control at an economical cost. A number of chemicals, including sodium chlorate, and the 2, 4-D and 2, 4, 5-T hormone-like weedkillers have been tried in this State without significant success. The hormone-like weedkillers have also proved disappointing in other countries. Favourable references were recently made in literature to a substance the composition of which is not yet known and the department is endeavouring to obtain trial quantities for experimental purposes.

MINING.

As to "Nevoria" Leases.

Mr. KELLY asked the Minister representing the Minister for Mines:

(1) In what year were the gold mining leases known as "Nevoria" Gold Mines in the Marvel Loch area, granted to the present holders?

(2) What number of leases are held by this company, and what acreage is involved?

(3) How many times has exemption been granted?

(4) Has the employment of labour condition been complied with?

(5) At what periods has the company operated?

(6) What expenditure has resulted?

(7) What gold has been lodged since the company began operations?

The MINISTER FOR HOUSING replied:

(1) Eight leases in 1936; 17 leases in 1947; 23 leases in 1950.

(2) Forty-eight leases totalling 1,014 acres.

(3) Seventeen Wardens Court exemptions; 44 14-day periods. War-time exemption was also granted.

(4) When not under exemption, yes. During certain of the exemption periods, drilling bulk sampling and other operations were conducted.

(5) 1936-38—mining development work; portion 1948—bulk sampling; portions 1949-50—diamond drilling; portions 1951-52—diamond drilling. There are records also of expert geological and engineering examinations.

(6) According to evidence tendered in the Warden's Court from time to time—to the 29th February, 1940—£71,345 was expended on mining; during 1948—£22,000 was expended on bulk sampling; during 1949-50 — drilling expenditure (amount unstated); during 1951-52—approximately £30,000 expended on diamond drilling.

(7) Output reported to department totals—4,509 tons for 427 fine oz. gold.

PRICES CONTROL.

(a) As to Authority of Commissioner.

Hon. A. R. G. HAWKE (without notice) asked the Attorney General:

In answer to a question I asked the Attorney General in this House, on the 5th November, he said that the Prices Commissioner is empowered from time to time in his absolute discretion to fix and declare maximum prices with respect to declared goods and so on. Would the Attorney General obtain a written opinion from the Solicitor General and have that opinion laid on the Table of the House as to whether the granting of this absolute discretion to the Prices Commissioner is not a contravention of Section 4 of the Prices Control Act?

The ATTORNEY GENERAL replied:

Yes.

(b) As to Retail Prices at North-West Centres.

Mr. RODOREDA (without notice) asked the Attorney General:

In view of the unsatisfactory replies to my questions asking for the prices of petrol during the last month, one of which questions was postponed for a week, and the other which I have asked today also having been postponed, will he state whether the Prices Commissioner does not know the price of petrol at the places to which I have referred?

The ATTORNEY GENERAL replied:

That is virtually the question asked by the hon. member which has been postponed. I am obtaining the information for him and will let him have it tomorrow.

(c) As to Knowledge of Prices Branch.

Mr. RODOREDA: It is a simple question of the price of petrol. Does not the Prices Branch know whether the prices I have indicated are correct or not? The question should not require any postponement.

Mr. SPEAKER: Is the Minister going to reply?

The Attorney General: No.

BILL—STATE (WESTERN AUSTRALIAN) ALUNITE INDUSTRY ACT AMENDMENT.

Introduced by the Minister for Industrial Development and read a first time.

BILL—TRAFFIC ACT AMENDMENT (No. 1).

Read a third time and transmitted to the Council.

BILL—BROKEN HILL PROPRIETARY STEEL INDUSTRY AGREEMENT.

Third Reading.

THE MINISTER FOR INDUSTRIAL DEVELOPMENT (Hon. A. F. Watts—Stirlings) [4.43]: I move—

That the Bill be now read a third time.

HON. A. R. G. HAWKE (Northam) [4.44]: This is the last opportunity members will have of defeating the iniquitous agreement which is part and parcel of this Bill. In this morning's issue of "The West Australian" there is a heading to the effect that Labour members in this House yesterday stonewalled the Bill. If I remember rightly, only four Labour members spoke against the measure yesterday. There could have been many more speeches from members on this side if we had decided or desired to stonewall the Bill.

Evidently it is the opinion of many people that when the strong hand of B.H.P makes its appearance everybody, including members of Parliament, is expected to become a yes-man. If some have sufficient courage, politically and otherwise, to say no to this strong hand of B.H.P. they are evidently then expected to say no only once and afterwards to accept meekly and passively the giving to B.H.P.

of whatever its strong hand is seeking to grab. When the Minister for Industrial Development replied in this House yesterday to the debate on the motion for the adoption of the Committee's report in connection with the Bill, he was very careful to avoid the central issue upon which members on this side of the House had attacked the agreement, that central issue being the giving away by the Government to the company of the whole of the iron-ore deposits at Koolan Island.

In his speech, the Minister spent the greater part of his time in talking about the proposals in the Bill relating to Koolyanobbing and the quantity of iron-ore at Koolyanobbing, and the things that could be done with that ore in the future. By interjection yesterday afternoon, the Minister clearly said that Clause 4 of the Bill could override Clause 3. I questioned that at the time, also by interjection, and it was very significant that the Minister said nothing about that angle during his speech. I hope he has had time to look more closely into that matter following the interjection that he made yesterday, because it seems to me to be beyond question that Clause 4 certainly cannot be used to override Clause 3 and especially Subclause (2) of Clause 3. Therefore, if the Minister has anything at all to say in reply to the debate on the third reading, I hope he will make some information available to members on that question. So far as I am able to read and understand Subclause (2) of Clause 3, the next succeeding clause in the Bill could not possibly be used to override that subclause.

Yesterday the Minister referred to what he was pleased to describe as an allegation made by me in regard to the action which could be taken by the Mines Department and the Government when the Cockatoo Island leases fall due for renewal in 10 years' time, as most of them will. Although the Minister described my statement as an allegation, he admitted that what I had said was correct in every respect.

The Minister for Industrial Development: Legally—the procedure that would normally be expected to be followed.

Hon. A. R. G. HAWKE: Therefore the contention which I put forward strongly in regard to the possible renewal of the Cockatoo Island leases in ten years' time was well based. I know the attitude of mining companies when the time is drawing near for the leases which they already hold to be renewed. The representatives of such companies certainly get on their toes. They develop a considerable amount of worry if there is the slightest possibility of some objection being raised to the renewal of those leases. The representatives are anxious to do whatever is reasonable to have the leases renewed and I do not think there can be any doubt that the representatives of B.H.P.—if this agreement had not come to light—would in eight years time from now have agreed, without argument, to establish a steel rolling mill in Western Australia in return for an assurance or agreement respecting the renewal of the Cockatoo Island leases for a further 21 years 50 years, or whatever the period might have been.

I would go further and say that the company would have agreed at present, as it has in the agreement now before us, to establish a steel rolling mill in this State in return for a legal and written undertaking from the Government to extend the existing leases immediately for a further 50, 60 or 70 years. Let us leave that out of account for the moment. The Premier and the Minister for Industrial Development have been at great pains to tell us of the interest that B.H.P. has in this State and of its desire and anxiety to make a contribution to the industrial progress of Western Australia. If that be so, and if the interest of the company in this State is genuine, would it not be reasonable to suppose it would have agreed to establish a steel rolling mill as a contribution to this State's industrial progress and development without receiving a quid pro quo or a million quids pro quo?

I should say that any company which claims to be anxious to make a contribution to this State's industrial welfare would give proof of its anxiety by undertaking to do something of a practical nature without asking, or demanding from the State, that the State should do a thousand times more or a million times more for it than the company is undertaking to do for the State. When my time expired yesterday afternoon, I was putting forward the contention that if this agreement were to come into effect, no other company would think of establishing an iron and steel industry in this State. I believe the member for Roe dealt with that aspect in his speech on the second reading of the Bill. Fancy anyone coming to this State from England or America as the representative of an iron and steel industry in one of those countries and investigating the prospects of establishing such an industry in Western Australia! He would naturally want first to know where the iron-ore deposits were available in the State and would have to be told that B.H.P. controlled Koolan Island, Cockatoo Island and Irvine Island, beyond any shadow of legal or other doubt, forever. That representative would obviously give away any idea that he might previously have had of establishing the industry in our State.

Yesterday afternoon the Minister made quite a song about the iron-ore deposits at Koolyanobbing, but he knows as well as I do that B.H.P., with complete control of all the island or near coastal

deposits of iron-ore in the State, would be at a tremendous advantage, as regards the transport of such ore, compared with any competitor that might think of coming into the iron and steel production field in this State or in any other part of the Commonwealth. The Minister knows full well that sea transport is much cheaper than land transport, and that consequently no company contemplating entering upon the manufacture of iron and steel in Australia would come newly into the field as a competitor against B.H.P. with that great cost disadvantage to be faced.

Mr. Ackland: What was the Japanese offer to the previous administration for the same stuff?

Hon. A. R. G. HAWKE: They offered the previous administration nothing.

Mr. Ackland: But that Government was willing to give it to them.

Hon. A. R. G. HAWKE: It was not.

Hon. J. B. Sleeman: Read the debate that took place at that time and see how many on your side were agreeable to it.

Hon. A. R. G. HAWKE: The then Government was no more willing to do anything in that regard than was the present Premier or Minister for Industrial Development or any of the members who were in this House at that time, irrespective of what political party they belonged to. Briefly, if I might waste a few minutes on this point, I would explain that at the time which the member for Moore has in mind, the Koolan Island leases were controlled by a private company and naturally enough, under the laws of the land, it was at liberty to do what it liked with the ore. I understand that it had some orders from Japan and other countries which it desired to fulfil, and that subsequently the Commonwealth Government of that day placed an embargo on the export of iron-ore from Australia to Japan.

Mr. Bovell: A very wise precaution.

Hon. A. R. G. HAWKE: Irrespective of whether the company which wanted to export the iron-ore to Japan was taking it from Koolan Island or Iron Knob in South Australia, that embargo was placed upon the export. It was a general prohibition applied by the Commonwealth Government on the export of iron-ore from Western Australia to Japan, and I am not so sure that it was not an overall embargo against the export of iron-ore from Australia as a whole.

Mr. Ackland: A very wise one, too.

Hon. A. R. G. HAWKE: In the circumstances it probably was, but for the information of the member for Moore I would say that the Commonwealth Government gave to the State Government and the State Parliament at that time no reason whatsoever for the action that it took. If the member for Moore had looked closely into this matter he would have found that some time afterwards the Premier of the day, Mr. Willcock, introduced a motion into this House criticising the Commonwealth Government of the day for its action and the motion of the Premier at that time was supported, strangely enough, by the present Premier and the present Minister for Industrial Development and carried unanimously—

The Minister for Health: Not by me and it was not carried unanimously. I voted against it.

Hon. A. R. G. HAWKE: —with the exception of the present Minister for Health.

The Minister for Health: I made speeches and speeches against it.

Hon. J. B. Sleeman: The Minister for Health said that the mineral resources of the State should be nationalised.

Hon. A. R. G. HAWKE: I cannot believe that.

Hon. J. B. Sleeman: I will read her speech for you.

Hon. A. R. G. HAWKE: Very good.

The Premier: The member for Fremantle has read it once already.

Hon. A. R. G. HAWKE: I should be surprised if the Minister for Health advocated the nationalisation of our iron resources.

The Minister for Health: I said that they should belong to the people of Australia and they are going to belong to them under this Bill.

Hon. A. R. G. HAWKE: That is an interesting interjection because it shows that the Minister for Health considers B.H.P. to be greater than the people. Under the Bill the Minister is giving these iron-ore deposits not to the people of Australia, but to a private company.

Mr. Hill: Is not that company giving a lot to the people of Australia?

The Minister for Health: But the people of Australia are to get the benefit.

Mr. SPEAKER: Order!

Hon. A. R. G. HAWKE: The Minister for Industrial Development, in his speech yesterday afternoon, spent quite a lot of time trying to prove how extremely difficult it would be for anyone to establish an iron and steel industry in Western Australia; that is, anyone with the exception of B.H.P.

The Minister for Industrial Development: I think it is anyone that has enough money.

Hon. A. R. G. HAWKE: The Minister tried to show that such a huge sum of money would be required to establish successfully, and on an adequate scale, an iron and steel industry that only B.H.P. could do it.

The Minister for Industrial Development: I never mentioned that.

Hon. A. R. G. HAWKE: But that was the only logical interpretation that one could put upon what the Minister said.

The Minister for Industrial Development: I think that is an unfair interpretation of it.

Hon. A. R. G. HAWKE: The Minister argued strongly that the State either would not be able to do it in future or should not do it.

The Minister for Industrial Development: If it wanted to do it it would find it difficult, but in my opinion it could not do it.

Hon. A. R. G. HAWKE: Yes, and that puts the Government out. As I have argued previously and as other members have argued previously, it is almost impossible to expect another company to establish a branch industry in this State and enter into the production of iron and steel.

The Minister for Industrial Development: That remains to be proved.

Hon. A. R. G. HAWKE: It would suffer because of the happy position B.H.P. would be in. Therefore, we can, I think, agree with the Minister for Industrial Development that once this agreement becomes a legally established fact and becomes operative, no other concern will have any reasonable prospect of establishing an iron and steel industry in this State.

Mr. Bovell: Is it not desirable to have a positive proposal, rather than one that is negative?

Hon. A. R. G. HAWKE: I agree with the first part of the interjection by the member for Vasse, but the second part is hopelessly off the beam. If the reasoning of the Minister is right—and I think it is to a large extent—we reach the stage where we realise that only B.H.P. would be strong enough and be in a position advantageous enough to proceed with the establishment of an iron and steel industry in this State. What would have been the great bargaining weapon in the hands of the people and the Government of Western Australia in the future to prevail upon the company to establish such an industry? Obviously, there is only one answer to that. The weapon would have been the ownership by the State of the Koolan Island iron-ore deposits.

There would have come a time within the next few years when B.H.P. would have made voluntary approaches to the Government in this State for the purpose of trying to get control of Koolan Island and B.H.P.'s need for iron-ore would then have been ever so much more urgent, ever so much greater than it is at present, and consequently the Government of this State at that time in the future would have been in a position to use its tremendous bargaining power in the shape of the iron-ore deposits at Koolan Island for the purpose of getting the company either to undertake, by way of a legal agreement, to establish an iron and steel industry in this State or else to have gone away without having absolute unchallengeable possession of these valuable leases.

The Government, in this agreement, gives away a future bargaining power and, as I have argued previously, it gives it away for nothing, but I do not intend to argue on that point any further at this stage. Towards the end of his speech yesterday the Minister made a remarkable statement. In effect he said that obviously if the company is going to spend millions of pounds in Western Australia it would be quite hopeless to put to the proposition made by the Leader of the Opposition. My proposition, as you will know, Mr. Speaker, has been, firstly, that B.H.P. in fulfilment of its great anxiety to make a contribution to Western Australia's industrial development should have been called upon to establish a steel rolling mill, and if it wanted a quid pro quo in return for such action it could have been given a 50 years lease or a perpetual extension of the Cockatoo Island lease. Secondly, my proposition was and has been that B.H.P. should have been told and an agreement made to that effect.

If one agrees that the Koolan Island leases would have been retained in the name of the State for a guaranteed period of 10 years, and if during that period the company was able to reach a position where it would guarantee, in a legal agreement then to be made, that it would establish an iron and steel industry in this State on a large scale, the leases at Koolan Island could subsequently be made available to the company for 50 years or for whatever period was thought to be reasonable. That is the proposition that I have put up in this House on several occasions. It is one that no one has been able to fault; it is a proposition that is eminently fair; it is a proposition that would safeguard the future interests of this State; it is a proposition that the Premier has skated around and which the Minister for Industrial Development has deliberately avoided.

Mr. May: There is no answer to it; that is the trouble.

Hon. A. R. G. HAWKE: Fancy the Minister saying that obviously if the company is going to spend millions of pounds in Western Australia it would have been quite hopeless to put up to it the proposition of the Leader of the Opposition!

Mr. Ackland: Would it be unjust to come to the conclusion that if the State were not willing to let Japan have the iron-ore previously it still prefers to have it remain in Western Australia?

Hon. A. R. G. HAWKE: It would be unjust, but it is the sort of idea that would originate in the mind of the member for Moore.

Mr. Ackland: I suggest that no one else holds that opinion.

Hon. A. R. G. HAWKE: Anyone would have that opinion of the member for Moore because we have seen how his mind has worked previously.

The Premier: You are quite wrong.

Hon. A. R. G. HAWKE: The Premier had no respect for it in connection with the oat Bill if I remember rightly. With this agreement the Government has butchered, beyond any question, the best future interests of Western Australia. I consider the Government has sold out politically to this company and has given it fantastic gifts; gifts which, if held in the name of Western Australia, could have been used in a few years time as a bargaining weapon which B.H.P. would have been obliged to meet and which would have compelled the company, without any shadow of a doubt, to bind itself legally to establish an iron and steel industry in this State or without the valuable Koolan Island leases which this agreement proposes to hand over to it within one month after this Bill and this agreement are approved by Parliament.

This agreement is morally unjust and politically indefensible from whatever angle it is viewed. On behalf of members on this side I say, after very great consideration, quite calmly, and yet with complete earnestness, that if we at any time become the Government in Western Australia we will use every legitimate method; every legitimate means at our disposal to prevent the company exploiting the deposits at Koolan Island unless it first binds itself legally to establish an iron and steel industry within our State. I go further and say—

The Premier: In short, you do not trust it.

Hon. A. R. G. HAWKE: It is not a question of trusting the company; that does not come into it at all. The Premier knows as well as I do that this agreement is wide open in respect to the establishment of an iron and steel industry in this State. He knows the agreement leaves the company in the happy position of being able to please itself, irrespective of whether a suitable coking coal is obtained from Collie or otherwise.

Mr. Hill: What is the nationality of this company?

Hon. A. R. G. HAWKE: It might be doubtful, in the same way as is the nationality of the member for Albany.

Mr. Hill: Is it not an Australian company?

Hon. A. R. G. HAWKE: These deposits belong to Western Australia and they ought to be preserved for the benefit of Western Australia in the future.

Mr. Hill : Does it not belong to Australia as a whole?

Hon. A. R. G. HAWKE: The hon. member has on occasion shown that he does not belong to it. I would not be surprised if a few years ago he did not vote to break it up.

Point of Order.

Mr. Hill: I object to that remark, Mr. Speaker. It is most uncalled for and it is not the sort of remark an honourable man would make. I demand that it be withdrawn.

Mr. Speaker: The hon. member cannot demand that it be withdrawn. He can only request.

Hon. A. R. G. Hawke: If the member for Albany assures me that he did not vote for secession, I will withdraw it.

The Premier: He voted with a great majority of Australians.

Hon. A. R. G. Hawke: The member for Albany has forgotten whether he voted for secession or against it, so I think we can let the matter pass by.

The Premier: You got off on the wrong foot there; he voted with a great majority of Australians on that occasion.

Hon. A. R. G. Hawke: How is it possible for the Premier to know how he voted when the member for Albany himself does not know. It is useless the Premier trying to buttress his position. However, Mr. Speaker, I shall now return to the Bill.

The Premier: The Leader of the Opposition will be glad to get back to the Bill because he definitely got off on the wrong foot.

Hon. A. R. G. Hawke: I do not follow the Premier's argument.

The Premier: You accused the member for Albany of being disloyal because he voted for secession.

Hon. A. R. G. Hawke: The Premier is absolutely wrong. What I said was that I would not be surprised if on one occasion the member for Albany voted to break up Australia.

The Premier: He did so with a majority of other Australians.

Hon. A. R. G. Hawke: What difference does that make?

The Premier: You say they were disloyal.

Hon. A. R. G. Hawke: They could have been loyal to Western Australia and disloyal to the Commonwealth. What is the Premier's point? I did not say they were disloyal. What is wrong with members on the Government side? They do not seem to be able to think clearly today.

Members interjected.

Debate Resumed.

Hon. A. R. G. HAWKE: Surely the conscience of members on the other side with regard to this agreement has not at last stirred; surely they are not at long last waking up to what this agreement is going to do to Western Australia, and also to them, when they go before the people.

The Premier: We have heard those threats before.

Hon. A. R. G. HAWKE: They are not threats at all; I will make this cold statement of fact. The Labour Party in Western Australia will conduct the most powerful campaign possible against the Government in respect of this agreement. If Parliament approves the agreement, in every electorate represented by a Liberal Party member, where that member supports the agreement, we will carry through a campaign to put the sitting member last in the order of preference on the ballot paper.

The Premier: We will meet that challenge.

Mr. Bovell: Why do you not fight the election on this issue alone?

Mr. SPEAKER: Order!

Hon. A. R. G. HAWKE: We wish every member to know what our intentions are in this regard.

The Premier: You would have been equally violent in your opposition without this Bill.

Mr. J. Hegney: It will be interesting to see how it works out in Nedlands.

Hon. A. R. G. HAWKE: As a matter of fact, we have a very promising young fellow coming forward for the Greenough electorate.

The Minister for Works: He did not spring up because of this Bill.

Hon. A. R. G. HAWKE : He did, in fact.

The Minister for Works: Tell it to the marines!

Hon. A. R. G. HAWKE: I am strongly inclined to think that opponents will spring up for other Liberal Party sitting members who thought they were going to get away without any opposition; those opponents will spring up on this issue alone. That can also apply to the Premier.

The Premier: I am not worried about that.

Mr. Bovell: You are not issuing threats.

The Premier: Look out! Or you will get an opponent if you do not keep quiet.

Mr. Bovell: I am too sure of the personal regard in which I am held in my electorate.

Mr. SPEAKER: Order!

Hon. A. R. G. HAWKE: Then why is the hon. member getting so white about the gills? So in conclusion—

The Premier: About time, too.

Hon. A. R. G. HAWKE: If the Premier wishes me to conclude, I will do so. The Premier is most unhappy; one has only to watch him to see that he wriggles and squirms and colours up, and looks as worried as can be. I can understand the enthusiasm of the Premier when he felt I was about to conclude. But there is much more that can be said.

The Premier: I do not think so.

Hon. A. R. G. HAWKE: The Premier knows this agreement is politically crooked.

The Premier: I do not know anything of the kind.

Hon. A. R. G. HAWKE: He knows it is going to damage the future of Western Australia.

The Premier: Certainly not!

Hon. A. R. G. HAWKE: The Premier knows there is no justification for giving the Koolan Island iron-ore deposits to B.H.P.; he knows B.H.P. is being given the Koolan Island leases for nothing—a mere, lousy sixpence a ton royalty; he knows those things. He knows as well as anyone can know that all B.H.P. proposes to do is to establish a steel rolling mill in Western Australia; a mere drop in the bucket for the company. It is a mere drop in the bucket for what the Government of Western Australia is proposing to give the company in return.

I cannot imagine a more one-sided and a more lop-sided agreement. If one set out deliberately to load an agreement overwhelmingly in favour of B.H.P. and against the State, one could not have improved on this proposition. So we can understand why the Premier does not want any more criticism of the agreement; one can understand why he does not want the agreement to be attacked any further. The Premier is anxious to see the last of it in this House; he is anxious to get it up to his friends in the Legislative Council who, in the majority of cases, are friends of B.H.P.

The Premier: I am glad I have a few friends.

Hon. A. R. G. HAWKE: He is glad to get it there so that the Bill can be passed and become law.

Mr. Hill: Do you not think that B.H.P. has been a friend of Australia and of the Empire? Answer that question straight out; you do not answer it.

Mr. SPEAKER: Order!

Hon. A. R. G. HAWKE: I suppose the member for Albany wants a straight-out "Yes" or "No."

Mr. Hill: Yes.

Hon. A. R. G. HAWKE: Very well, has the member for Albany stopped ill-treating his horses yet? I want a straight-out Yes or No.

Mr. Hill: I have never ill-treated them.

Mr. SPEAKER: Order!

The Premier: The debate is not being taken too seriously, with all this hilarity.

Hon. A. R. G. HAWKE: I suppose the Premier gets some grim satisfaction out of that; I suppose it helps to quieten his conscience. I was going to say that it is a great thing to think that in an institution of this kind, where we are deliberating a measure very vigorously, there can be a development in the debate to provide an interlude such as we have just had. It might be, in fact, one of the great reasons why the British system of a parliamentary institution has survived. It might be the reason why it will survive through all the years of the future.

The Minister for Health: Hear, hear!

Mr. Bovell: A bit of nonsense now and then is relished by the wisest men!

Hon. A. R. G. HAWKE: And by all others.

Mr. Bovell: You being among the others.

Hon. A. R. G. HAWKE: I oppose the Bill very strongly, as I have done all through. I oppose it most conscientiously, and I trust that even at this late stage the majority of the members of this House will vote against it and destroy it.

HON. J. B. SLEEMAN (Fremantle) [5.25]: I would like to say that since the member for Moore has come back and raised the question of the discussion in this House in 1938, it would be as well for me to put him right in that regard. Apart from that, I was a little surprised with my Leader when he doubted my statement which referred to a member on the Government side of the House. I think I ought to say a few words to show my Leader that the statement I made was correct. So with these two objectives in view I will proceed. On the 1st September, 1938, the then Premier moved the following motion:—

> That this Parliament of Western Australia emphatically protests against the embargo placed by the Commonwealth Government on the export of iron-ore from Australia, in view of its disastrous effects upon the development of the State. We consider that the information available does not warrant such drastic action, and we urge the Commonwealth Government to remove the embargo.

You will recall, Mr. Speaker, that an embargo was placed on the export of iron from Yampi at that time, as a result of which the then Premier of the State moved the motion to which I have just referred. We now come to an amendment moved by the member for Nedlands, who was at that time Hon. N. Keenan. He moved the following amendment:—

> That the following words be added to the motion:—"If, however, the embargo is, contrary to our just remonstrance, persisted in, we demand that the Commonwealth Government take efficient steps to ration the supply of iron-ore required for use in Australia so that the State of Western Australia will be assured of a reasonable share of such supply."

I could hardly credit it when I read it, but the then member for Nedlands suggested that the State have power to nationalise any industry. He said if nationalisation were brought about, that would be quite sufficient. I have great respect for that gentleman but I never thought he held those views. We now come to the Minister for Health. My Leader said he did not believe the remarks I made. The Minister for Health, on page 563 of "Hansard" had the following to say:—

> I quite agree with the member for Collie. The minerals should belong to the people. Sixty years, a hundred years, two hundred years are as nothing in the life of a nation. The minerals belong not only to the present generation but also to generations yet unborn.

Mr. May: Did she say that?

Hon. J. B. SLEEMAN: Yes, and she also said, on the same occasion, "I believe in the nationalisation of minerals." I hope my Leader will now realise that what I said was quite correct. I am not going to take up too much time, but I also want to show that our present Premier also supported the motion. I will not mention the present Minister for Industrial Development because I do not wish to take up the time of the House. The present Premier had the following to say:—

> I consider that the request made to the Federal Government that it should permit a certain quantity of ore to be exported over a certain number of years should have been granted. The quantity stipulated was 15,000,000 tons. The export of that tonnage over a given period would have made no difference to the quantity of ore we would have left in Australia for future use, or at any rate, very little difference. Because of the Federal Government's refusal to permit that export, I support the motion.

The motion he referred to was that moved by the then Premier, Mr. Willcock. The statement continues—

> I realise that it is a difficult matter. I do not know where the compensation would end. I repeat that in my opinion the request for the export of 15,000,000 tons of ore should have been granted.

He was supporting Mr. Willcock all the way. At page 658 of "Hansard" the Premier's speech continues—

> I consider that no harm would have been done had the Commonwealth allowed us to export 15,000,000 tons. That was a reasonable request and, in view of the Commonwealth's refusal, the Premier was justified in entering a protest.

After all those notable people had spoken, you will recall, Mr. Speaker, that the motion was carried on the voices. The then Leader of the Opposition, Sir Charles Latham, did not call for a division. Members were agreed that the protest voiced by the then Labour Premier was correct. I trust that, even at this late hour, the Government will see its way clear not to proceed with the agreement. I oppose the third reading.

MR. MAY (Collie) [5.31]: I desire to add a final protest against the passing of this awful Bill. In the years to come—not in the next few years but a long time hence—when the secondary industries of this State have been greatly developed and our iron-ore deposits will be in considerable demand, I can imagine that the people then in charge of the State's affairs will be asking, "Whoever was responsible for this"? I have no doubt that the records of the debate on this Bill will be searched to find out who was responsible, and many will be pleased to be in a position to say, "It was not done by a Labour Government."

The agreement will shut out for all time any possibility of the establishment of an integrated iron and steel industry in this State. Nobody in his right senses would dream of trying to start such an industry in face of the conditions laid down in this agreement. Seemingly, every iron-ore deposit that the State owns is being thrown into the lap of B.H.P. The agreement will create an impenetrable wall, completely shutting out all opposition to B.H.P. in this State.

The Leader of the Opposition remarked that the State was being butchered to give B.H.P. a monopoly, a complete gift. This great national asset is to be handed over, lock, stock and barrel, to a private company and, what is worse, the company will be assured that nobody else will ever be able to start in opposition to it. I have already said most of what I desired to say in opposition to the Bill, but I take this last opportunity to protest against the action of the Government. I feel sure that, in the years to come, the true significance of this agreement will be appreciated and that the people will realise that the Labour Party did its utmost to ensure that their rights were conserved.

MR. W. HEGNEY (Mt. Hawthorn) [5.36]: I wish to voice a final protest against the passing of this treacherous measure. Speaking not as a member but as a private citizen, if I thought for one moment that the agreement was designed to benefit the people, I would be prepared to give the Government credit and even kudos. It is strange that every member on this side of the House should be opposed to the agreement while members on the Government side—those who have spoken and those who have indicated their opinion in the divisions—can see nothing detrimental in the agreement.

Any layman reading this document could come to no conclusion other than that B.H.P. has hypnotised Ministers and their advisers, or that the Government has deliberately given away an asset of the people for practically nothing in return. I do not propose to enumerate the obligations of the company under the agreement, few and slight though they may be; nor do I propose to reiterate the obligations imposed upon the State under the agreement. Suffice it to say that the Bill is loaded against the people. The subtle attempts by the Minister for Industrial Development and the astute wording of the agreement might lead the unsophisticated to believe that requisite provision has been made for some other company to engage in steel production in this State, but when one studies the agreement one must conclude that it represents an absolute sell-out to B.H.P., which is to be given a monopoly of steel production in Western Australia.

Members on the Government side endeavour to prove to the public that they do not believe in monopolies, but that, on the contrary, they believe in private enterprise and free and fair competition. Would any one of those members deny that the agreement will give B.H.P., in essence, a monopoly in Western Australia? The Minister for Industrial Development took pains to justify his opposition to the amendment moved by the member for Pilbara to grant a probationary period of 21 years to enable the company to determine whether it would establish an integrated iron and steel industry in this State, but the grounds of his opposition were very weak. Did not the amendment suggest a fair offer? Was it not in the interests of the people of the State? We must admit that it was a sincere and legitimate effort on the part of the member for Pilbara and those who supported him to give B.H.P. reasonable facilities to develop its resources and establish the industry. But there is no legal obligation on the company to establish a complete iron and steel industry here.

I am not being hoodwinked by the provisions of the agreement. I am not prepared to swallow all the flowery language employed by the Minister for Industrial

Development to convince members that this is an equitable agreement. This, I repeat, is a treacherous agreement and, if the Bill be passed, those responsible for its passing will have been guilty of action bordering on treachery to the people of the State. I should be only too happy to think that future years might prove me to be wrong, but I cannot believe that that will be so. This is not a political matter, but it will be made a political matter within the next few months. I believe that the people should be informed of those responsible for introducing such a diabolical measure; the people should be made to understand exactly what the Government is prepared to do. A Government that would enter into such an agreement would, in my opinion, come at practically anything.

Even at this late hour, I could hope that a few private members on the Government side will oppose the ratification of the agreement. I should like to know the full story, the inside story, and all the machinations between B.H.P. and members of the Government. I do not think they would bear the light of day. If private members of the Government side desire to act in the interests of their electors and of the people generally, they will vote against the third reading as a direction to the Government to bring down a more equitable measure designed to protect the people and their heritage.

THE MINISTER FOR INDUSTRIAL DEVELOPMENT (Hon. A. F. Watts—Stirling—in reply) [5.43]: I have listened to the vituperative outburst of the member for Mt. Hawthorn and his allegations in the final stanzas of something about machinations that have taken place between the company and the Government—statements of a nature that have brought the debate to the lowest level it has yet reached.

Mr. W. Hegney: What other reason could there be for the agreement?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: There may be differences of opinion amongst members.

Mr. W. Hegney: True!

The MINISTER FOR INDUSTRIAL DEVELOPMENT: There may be substantial differences of opinion. I could listen to the Leader of the Opposition all day but not to the observations which have been made by the member for Mt. Hawthorn, because the Leader of the Opposition, while expressing the strongest arguments against the agreement, has at least adhered to the reasonable levels of debate. There has been nothing more than the proper negotiations to reach this agreement. There have been no machinations or anything of the sort in the negotiations that have taken place.

Hon. A. R. G. Hawke: They have certainly led to a wrong conclusion in regard to Koolan Island.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: The hon. member believes that, and I do not quarrel with him in regard to his belief; I only quarrel with the expressions of the hon. member who has just resumed his seat. I sincerely believe that the agreement is for the good of Western Australia whereas the Leader of the Opposition believes to the contrary. I have formed my opinion after long consideration and careful review of all the happenings in regard to the leases, and in connection with the position of iron and steel in Australia. Whilst the hon. gentleman is at liberty to differ from me in the matter, I am at least as sincerely and honestly convinced, as he is to the contrary, that the agreement will lead to satisfactory and desirable conclusions so far as the State is concerned.

Mr. Graham: Do you think this is the best bargain you could possibly have got?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I think it is, and I think moreover that it will prove to be a very good bargain. Yesterday the Leader of the Opposition made some reference to the relationship between Clauses 3 and 4 of the Bill, and I regret that having only short notes of what he was saying I inadvertently omitted to touch upon those points. These clauses are entirely dissociated from Clause 2 which, of course, is the ratification of the agreement. Clause 3 begins, "Subject to this Act." Clause 4 is what Clause 3 is subject to. Therefore Clause 4 is in a superior position to Clause 3.

This matter was discussed between me and the Solicitor General as a result of which, as a matter of fact, Clauses 3 and 4 were re-drafted from their original form in order that it might, in the opinion of that high legal officer of the Crown, be made crystal clear that the position was as I have stated in the course of the various debates that have taken place in regard to the relationship between these two clauses and the reserve leases; and I do not propose to repeat here what I have already said in this regard.

Hon. A. R. G. Hawke: I think what you say would apply to Subclause (1) of Clause 3, but not Subclause (2).

The MINISTER FOR INDUSTRIAL DEVELOPMENT: My advice, quite apart from my own opinion, which is the same, is that Clause 4 is superior to Clause 3.

Hon. A. R. G. Hawke: I hope you will have further consideration given to Subclause (2) of Clause 3.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I do not mind doing that. I do not propose to ignore the points raised by the Leader of the Opposition. I do not think I have in the past ignored matters raised by him.

Hon. J. T. Tonkin: If your opinion is correct, what force can Subclause (2) have?

Hon. A. R. G. Hawke: That is the limitation to 50,000 tons a year.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: The idea of it is to enable the Minister before he makes an agreement, or whether he makes an agreement or not, to take without let or hindrance 50,000 tons of iron-ore. That was done to preserve the existing position at Wundowie. Admittedly Wundowie does not take 50,000 tons a year—it has a maximum of 20,000 tons. But the figure of 50,000 was included to enable any further quantity that might be required, to be taken, and it was as clear as day to me, and still is,—and I think it is similarly clear to the Crown Law officers—that that is the position. I regret that not anticipating that the debate would be resumed at this length, I left behind me the notes of the Crown Solicitor on the subject.

Hon. A. R. G. Hawke: I agree with the Minister in regard to Subclause (1) of Clause 3, but not Subclause (2).

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I do not mind, as the hon. member has pressed the point, having a look at the legal aspect, but I feel we shall retain the provision as it is. In the course of the debate we have heard much about the Cockatoo Island leases, and I have said that by the normal procedure of the Mines Department the leases would have been renewed, as a matter of course, to the company upon application, because it has carried out the improvements, labour and working conditions, and has developed the facilities there. The suggestion, therefore, that a renewal of these leases would be granted if the company did something, has no application. The Leader of the Opposition suggested that it would be reasonable to depart from the usual procedure, but I suggest it would not be. It has not been done in any other type of mining where the conditions have been complied with, as they have been in this instance.

Hon. A. R. G. Hawke: It would have been very reasonable in view of the company's real or alleged anxiety to make a contribution to our industrial welfare.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: One does not, when a gold-mining lease has been issued, start making conditions as to its renewal. As long as the conditions of labour, development and so forth have been complied with, it is renewed as of course. Therefore that proposition could not be used, I submit, and if it had been raised as an argument it would have produced no result.

Hon. A. R. G. Hawke: That is only your opinion.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I am satisfied of that, because it seems entirely logical that if we offer nothing we receive nothing. It would, in my opinion, be nothing, because it would be nothing more than it would have received without any expenditure or development. Another point that was raised, and which I have dealt with three or four times, is this, that everyone who has studied the agreement knows that the State can require 200,000 tons of iron-ore from Koolan Island and Cockatoo Island, or to have it at any time it asks for it, and it must be supplied. That quantity of iron-ore alone, without any of the rights in regard to Koolyanobbing which I have already said are considerable, would provide Western Australia with a blast furnace of 130,000 tons capacity, which is about twice as much as the maximum that could be dealt with by a charcoal-iron furnace and many times more than Western Australia could at present, or for a considerable time to come, consume.

On top of that, if an agreement is made for an integrated iron and steel industry in the next ten years, Koolyanobbing will be available to be developed and worked under that agreement. If no such agreement is made within the next ten years, then Koolyanobbing will be available as a reservation under Subclause (5) to be dealt with as Parliament wishes after the expiration of ten years. So I cannot believe that any reasonable man, who is not obsessed in some degree by some other consideration, can continue to regard the agreement as diabolical or as deserving of any of the other adjectives that have been directed against it during the debate. It seems to me that only a person who has a complete distrust of the intentions of the company, and a complete misunderstanding of its past activities in Australia, could arrive at that conclusion. I feel that nothing but blind distrust of this organisation could lead to the use of the adjectives to which I have referred.

Mr. Needham: Would it not be ordinary business to have a definite clause that the company would establish the industry?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: The company's attitude, and a very proper one, which is supported by the report of the New York firm of Brasserts, which sent its technologists, geologists and other experts here for the purpose, is that a satisfactory integrated industry on an economical and likely-to-be-payable scale, cannot be set up on charcoal. At the moment, although I am more confident of the future than speakers opposite appear to be, sub-bituminous coals of the type of Collie coal cannot be used in blast furnaces for metallurgical coke. Although I am optimistic, and I believe there are grounds for optimism because of the advances science is making these days, there is no guarantee that Collie coal, or sub-bituminous coals of the type, can be used for blast furnaces.

Therefore, unless we can use that type of coal we are forced back to the uneconomical and comparatively miniature project of not more than 200 tons a day.

Hon. A. R. G. Hawke: Why only 200 tons a day?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: Because that is the maximum tonnage which a charcoal-iron blast furnace is capable of handling per diem. The information we have from Brasserts is to the effect that even this amount might be slightly too much.

Hon. A. R. G. Hawke: Are we to presume we can have only one furnace?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: No, not at all, but an extra furnace would increase the capital cost—

Hon. A. R. G. Hawke: And increase production.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: —without reaching the production which could be attained with one furnace of double, treble or quadruple the capacity, but involving no additional capital cost, as far as I can ascertain.

Hon. A. R. G. Hawke: It would depend on your total production.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: It would not.

Hon. A. R. G. Hawke: Of course it would.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: It would increase it, but it is logical to assume that the cost would be double on part of the works.

Hon. A. R. G. Hawke: On only part of the works, and it would double production.

The Premier: And it would double the losses.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: Yes, I should say so, because it is uneconomical production all the time unless it can be carried out on a large scale. So the arguments that have been adduced seem to me to fall flat upon the ground if they are submitted to an analysis of a worthwhile character. Without taking up any more of the time of the House, I trust the third reading will be carried, and that the Bill and the agreement will be given an opportunity of bringing into effect that which I believe they will bring into effect, namely something which will, partly in the near future and partly in due course, be of great benefit to this country.

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

Ayes	24
Noes	20
Majority for	4

Ayes.

Mr. Abbott	Mr. Naider
Mr. Ackland	Mr. Nimmo
Mr. Brand	Mr. Oldfield
Dame F. Cardell-Oliver	Mr. Owen
Mr. Doney	Mr. Perkins
Mr. Grayden	Mr. Read
Mr. Griffith	Mr. Thorn
Mr. Hill	Mr. Totterdell
Mr. Hutchinson	Mr. Watts
Mr. Mann	Mr. Wild
Mr. Manning	Mr. Yates
Mr. McLarty	Mr. Bovell

(Teller.)

Noes.

Mr. Brady	Mr. May
Mr. Butcher	Mr. McCulloch
Mr. Graham	Mr. Moir
Mr. Guthrie	Mr. Needham
Mr. Hawke	Mr. Rodoreda
Mr. J. Hegney	Mr. Sewell
Mr. W. Hegney	Mr. Sleeman
Mr. Hoar	Mr. Styants
Mr. Johnson	Mr. Tonkin
Mr. Lawrence	Mr. Kelly

(Teller.)

Pairs.

Ayes.	Noes.
Mr. Hearman	Mr. Nulsen
Mr. Cornell	Mr. Coverley

Question thus passed.

Bill read a third time and transmitted to the Council.

BILLS (2)—RETURNED.

1, Education Act Amendment.
With an amendment.

2, Prices Control Act Amendment and Continuance.
Without amendment.

BILL—PLANT DISEASES (REGISTRATION FEES) ACT AMENDMENT.

Received from the Council and read a first time.

BILL—THE FREMANTLE GAS AND COKE COMPANYS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR WORKS (Hon. D. Brand—Greenough) [6.5] in moving the second reading said: This is one of the minor Bills and it has as its aim the repeal of Section 28 of the principal Act, which applies a limit on the charge that can be made for gas by the company; the limit has been £1 per thousand cubic feet. As members know, through the effluxion of time there has been a change in the method of selling gas and it is now sold by the unit. Owing to rising costs of coal and increases in wages, the company has been forced to increase the price of gas, and today it is the equivalent of 19s. 10d. per thousand cubic feet. Therefore it is necessary that the section which limits the price should be repealed in order that the company can increase its rates as required, provided that increase is permitted in accordance with the various Acts which govern the supply of gas.

Mr. May: This company is using 50 per cent. Collie coal for the production of gas.

The MINISTER FOR WORKS: I do not know whether it is using 50 per cent. Collie coal, but it is using a considerable amount, as is the State Electricity Commission. The Fremantle Gas and Coke Company Limited is also subject to another Act, the Gas Undertakings Act, 1947. That Act is an effective bar to the company charging excessive prices for its product. Under the Act there is a limit of six per cent. per annum placed on the company's dividends; the sum that the company can place to reserve is also limited as is the sum that can be set aside for depreciation. Therefore that Act is an effective price-fixing medium.

It would be unfair to retain a limitation on the price that the company can charge for its gas because at the moment a margin of only 2d. per thousand cubic feet remains. So the Government decided that we should introduce this Bill. Members will also find, if they peruse the section referred to, that mention is made of meters. That, however, is obsolete because under the Gas Undertakings Act the company is not permitted to charge a meter rent except in cases where more than one meter is installed. I should imagine that in few cases would domestic users install more than one meter. Therefore the latter portion of the section to be repealed is now useless, and I am sure that the House will have no hesitation in voting for this Bill. A similar measure will have to be brought forward on behalf of the State Electricity Commission which, for the reasons I have outlined, is finding itself in the same predicament. I move—

That the Bill be now read a second time.

On motion by Hon. J. B. Sleeman, debate adjourned.

BILL—FREMANTLE MUNICIPAL TRAMWAYS AND ELECTRIC LIGHTING ACT AMENDMENT.

Second Reading.

HON. J. B. SLEEMAN (Fremantle) [6.10] in moving the second reading said: This is a simple Bill which has been brought forward because the Fremantle Municipal Council has no electricity to sell and the last tram was run on Saturday evening. The question of the Fremantle electricity supply has already been discussed in this House. The Fremantle Municipal Tramways and Electric Lighting Board, in view of the fact that it has no trams running and no electricity to sell, has become in effect a transport board. Therefore it is the desire of the board that the name should be changed to the Fremantle Municipal Transport Board. Because of the change-over there are one or two small amendments, and it is necessary to provide for the election of members to the Transport Board instead of to the Municipal Tramways and Electric Lighting Board. The Bill also provides for the holding of elections on Saturdays instead of Wednesdays. I believe that the Minister for Works has one or two small amendments that he wishes to make and I have no objection to them. All the Bill involves is a change of name and an alteration in the day of elections. I move—

That the Bill be now read a second time.

On motion by the Minister for Works, debate adjourned.

BILL—MINING ACT AMENDMENT (No. 1).

Second Reading.

MR. MOIR (Boulder) [6.12] in moving the second reading said: This Bill has been brought forward to amend Sections 121 to 124 inclusive, and it is necessary because of the increased costs involved in treating refractory and sulphide ores. The sections of the principal Act, which it is proposed to amend, provide for certain maximum charges with regard to the treatment of tributers' ore. Some years ago tributing was practised extensively on the mines throughout the Goldfields, but has not been in practice for some years now. However, tributing has lately been revived. The term refers to the case where a party of men form an agreement with a company to work a certain section of a mine when the company cannot engage in profitable operations.

Facilities for ore crushing are provided by the State batteries, but that is for the treatment of free milling ores only. When we come to the treatment of sulphide ores and refractory ores a fairly extensive process is involved. The State batteries have not the facilities for treating those ores and from time to time representations have been made for these facilities to be provided.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. MOIR: As I was saying before the tea suspension, approaches have been made to the Government from time to time for a subsidy payable on the crushing of refractory ores, but so far it has not seen its way clear to agree to the proposition. Consequently, the only facilities available at present to the tributers or anyone else who is working a property on which refractory ores are mined, are those owned by one or other of the mining companies that have the requisite plant. In most instances such companies have ore of their own to treat and are reluctant to deal with that belonging to outside parties.

Some years ago the South Kalgurli Coy. did treat ore for outside parties but its plant has become obsolete and has been scrapped for a long time. The company's ore is now crushed at two other plants on the Golden Mile. Since the Paringa Mining Coy. went out of active operation on the Golden Mile, it has let parts of its mine to parties of tributers and, as members can well understand, while it is not difficult to get oxidised ore treated at State batteries, tributers cannot get their refractory ores dealt with owing to the fact that the maximum charge allowed under the Mining Act for the treatment of their ore is 40s. per ton. That Act has not been amended in this respect since 1933.

While a charge of 40s. was adequate for the treatment of ores in those days and for quite a few years subsequently, what with rising costs and other factors that operate today, that amount is entirely inadequate now as a recompense for the treatment of ore. In the circumstances, it has been impossible for tributers to have their sulphide or refractory ores treated at these plants. With the object of enabling such ore to be dealt with, the Bill embodies a proposal to increase the maximum charge from 40s. to 60s. The measure also contains a new feature in that it seeks to give discretionary power to the Minister to fix, from time to time, a price that may be equitable for the treatment of ores.

I desire to read a letter I have received from one of the tributing parties with a request that I should assist in the introduction of this legislation which Hon. J. M. A. Cunningham recently submitted in the Legislative Council. That House, I am glad to say, agreed to pass the measure without amendment. The letter I refer to, dated the 21st September, is from Mr. H. S. Softley, who is the spokesman for tributing parties on the Paringa mine, and reads as follows:—

> Mr. J. Cunningham M.L.C. will shortly be presenting to the Legislative Council a private member's Bill dealing with an amendment of the tributing section of the Mining Act.
>
> He has informed me that he has discussed this matter with you and has suggested that I should solicit your support and request that you introduce it into the Legislative Assembly.
>
> No doubt you are aware of the necessity of this amendment as you are well versed in mining matters.
>
> The Act as it stands today was passed in 1932 and the cost of crushing sulphide ore has greatly increased since then as has the price of gold. The position of the tributers for whom I request your support is as follows:
>
> They have large tonnages of sulphide ore of a refractory nature which cannot be treated at a State battery and the Act does not allow the mining companies to crush the ore at a reasonable margin of profit.
>
> Should this amendment be passed by Parliament the tributers believe it will increase employment in the mining industry considerably.
>
> The amendment requested mainly deals with the maximum charge for crushing and the desired alteration is from 40s. to 60s. per ton and deleting paragraph (a) and (b) of Subsection (3) of Section 123 of the Act.
>
> There is also a clause added which gives the Minister power to act if necessary.
>
> This would be very acceptable to the tributers concerned and we trust you will agree to give the request your favourable consideration and support.

That communication sets out briefly the postion regarding the tributers and their difficulties. I emphasise that the amendment embodied in the Bill will in no way affect the State batteries which have the plant for the treatment of only oxidised and free-milling ores. Those batteries treat the ore at a very reasonable cost. As everyone knows, the State batteries, which are subsidised by the Government, are run at a loss. Naturally anyone having ore that can be crushed at the State batteries has it dealt with by that means, because of the cheap facilities that are available. On the other hand, it is absolutely impossible for the tributer with sulphide or refractory ore to have it treated other than at the plants owned by one or other of the big mining companies.

In addition to the tributers who are operating at present, there are other opportunities for tributers on mining properties adjacent to Kalgoorlie which, for one reason or another, are not being worked today but could be let on tribute to miners if they could have the refractory ores dealt with by a crushing plant. I commend the Bill to the House and hope that members will agree to pass it as it stands in order that assistance may be rendered to men to mine ore that otherwise would probably remain in the ground. I move—

> That the Bill be now read a second time.

On motion by the Premier, debate adjourned.

BILL—TRAFFIC ACT AMENDMENT (No. 2).

Second Reading.

MR. NALDER (Katanning) [7.40] in moving the second reading said: This is a small Bill that was introduced in an-

other place, agreed to by members there, and now is presented in this House for the acceptance of members here. The object is to grant a small concession to a limited number of people operating as beekeepers, whose work is of benefit to the State. The purpose is to enable local authorities to grant concessional license fees to those individuals.

The concession will be available to those who come within the definition of "beekeeper" as embodied in the Bees Act, 1930-50. At present the concession is extended to prospectors, sandalwood cutters and kangaroo hunters, and if the Bill be agreed to it will also be extended to beekeepers. The last-mentioned do not operate in great numbers in this State. I understand there are approximately 60 who are in the business on a commercial basis. They travel to various parts of the State during the flowering season.

The Minister for Local Government: Would the 60 beekeepers you refer to represent a smaller number than were operating two or three years ago?

Mr. NALDER: I understand the number operating today is not as great as two or three years ago, but I am not in possession of minute details regarding the position. Of course, there are many people who keep a few hives in their backyards but the object of the Bill is to assist only those who are operating in a fairly big way and are engaged in the industry for a livelihood. Members will appreciate that the beekeepers do not use the main highways in the course of their operations but generally confine themselves to the side-tracks and by-passes through the bush areas.

Members will agree that it is essential to give consideration to those who are endeavouring to contribute in no small way to the economy of the State by the production of a food that is availed of by a large number of people. There is another aspect that is of considerable interest. Recently there appeared in a Victorian newspaper a report dealing with the position in New South Wales. The report, which was headed "Road Transport of Honey Tax Free," reads as follows:—

> A blanket exemption from road tax has been granted on the carriage of honey from any producing centre to any market in the State.
>
> The New South Wales Minister for Transport (Mr. Sheahan) said this concession was granted because of the peculiar conditions associated with the honey industry.
>
> Apiarists followed a nomadic occupation, shifting from place to place, wherever the blossoms that might give a better honey production might be.
>
> Difficulty was experienced in packing honey into different types of containers. The circumstances justified the complete exemption from road tax of apiarists in all parts of the State, he added.

If another State considers it essential that every assistance be given to beekeepers, I certainly think there will be no objection to the granting of the concession dealt with in the Bill to the few we have operating in Western Australia. They have not been recognised as primary producers and have therefore been deprived of this concession. If there is any further information needed I am prepared to provide it, if possible, during the Committee stage. I move—

> That the Bill be now read a second time.

On motion by Hon. J. T. Tonkin, debate adjourned.

BILL—TRAFFIC ACT AMENDMENT (No. 3).

Second Reading.

MR. STYANTS (Kalgoorlie) [7.46] in moving the second reading said: This Bill has only one provision and that is in connection with statements taken by a police officer or a traffic inspector after an accident has occurred in which an animal, person or vehicle has been involved. Sections 31 and 32 of the Act deal with the regulation of traffic and this measure proposes to add a new section to be known as Section 32A.

It is generally thought among laymen that in some of our statutes there is a provision that when a police officer approaches a person for the purpose of obtaining from him a statement or details concerning some crime of which that person is suspected, he shall give him a warning that it is not compulsory for him to make a statement and that if the statement is made anything contained in it may afterwards be used in evidence. Contrary to general belief, I now find that that is not contained in any statute in Western Australia. It is an axiom of British law. As a matter of fact it is in the English statutes and it has been a custom which has been observed here in connection with criminal cases. I understand from the Crown Law department that the provision does not actually appear in any statute.

The Attorney General: Not even in English statutes, I think.

Mr. STYANTS: I was told from the same source that it is a provision in English law and has been customary here, though it is not in our statutes. It is a principle that I want introduced into the Traffic Act in this State. On the 9th September,

I asked the Minister for Police whether police officers, when taking statements from people who have been involved in traffic accidents, give the customary warning that anything contained in such statements may be used in evidence. The Minister's reply was, "Yes, when the police officer has made up his mind to arrest or prosecute."

In the case of traffic accidents, it would probably be weeks afterwards that a decision was reached to prosecute. I have known of accidents involving motor vehicles in connection with which the police have been on the scene shortly after the occurrence and approached the persons concerned; and, although they have not taken what might strictly be termed a statement, they have obtained quite a lot of detail in connection with the occurrence. The average motorist has the impression that he is under an obligation to make a statement to the police on such occasions, whereas in actual fact all that he need do is to give his name and address and produce his driver's license. It is not even necessary to have the license upon his person or in the motor vehicle. I think that he has three days in which to produce it at the nearest police station or licensing office.

I would have liked my amendment to go a little further so as to prevent the police from taking any details or statement at the scene of an accident except the person's name and address and perhaps permit them to look at the driver's license, because I feel certain that even the most calm and collected of us would feel considerably upset after an accident in which there had been extensive damage to the vehicles concerned and possibly loss of life or serious injury. It is most unfair for a statement of any kind to be taken at the scene of an accident and then for the statement to be used later in the court.

I understand, despite the Minister's information to this House that it was a hold-up in the Police Traffic Branch that was causing a delay of from five to eight months in the institution of proceedings against people for breaches of the traffic laws, that quite a lot of congestion is caused by the courts not being ready to hear charges when the Traffic Branch has them ready. So that was quite a misleading statement that the Minister made to the House. He said that there had been considerable congestion some time ago in the Police Traffic Branch, but by a reorganisation of the staff, it was not thought that any great delays would take place in future.

But of course we know from the paper that prosecutions are being delayed, only yesterday a person was prosecuted for a breach which took place on the 4th May last. I can understand that in a case where there is difficulty in assessing whether there is sufficient evidence to warrant a prosecution there might be some delay. But I know of instances where persons have realised that they were at fault and were prepared to plead guilty, and yet six months have elapsed before proceedings have been taken against them. Then the police, with an army of clerks at their disposal, will use as evidence statements made immediately after an accident at a time when the persons involved were not normal. Some folk in those circumstances are on the point of hysteria, particularly women. Yet the police will produce statements taken on such occasions and use them in court as evidence. That is quite unfair, particularly as the average motorist is under the impression that it is obligatory on him to give the police a statement.

I want to make it quite clear that I do not desire the new subsection I am suggesting to be applied in trivial offences such as parking, but I do desire that where an accident has occurred involving a person, animal or motor vehicles, and an individual is approached for a statement in connection therewith, a warning shall be issued that anything contained in the statement made may be used in evidence, and that it is not obligatory to make such statement. My proposal is that the principal Act be amended by inserting the following new section:—

> 32A. (1) On the hearing of a charge for an offence against any provision of this Act arising from the occurrence of an accident involving any vehicle or animal, no statement made subsequent to the occurrence of the accident by any person to a Police officer or traffic inspector concerning the accident or any of the circumstances thereof, shall be admissible in evidence in any Court, unless and until the Court is satisfied—
>
> (a) That the statement was made freely and voluntarily; and

That would be by the police officer or the traffic inspector first informing the person concerned that he was under no obligation to make a statement.

> (b) that the person making the statement was first informed by the police officer or traffic inspector, as the case may be, that he was not obliged to make a statement but that if he did, the statement may be used in evidence.

Members will realise that there are certain sections of the Act to which these particular vehicles are not subject, but I propose that they shall come within the provisions of this proposed new section. There have been cases where, immediately after an accident, one of the principals, in a very chaotic frame of mind, has admitted culpability, and that could have very serious repercussions. I think that

most comprehensive motor vehicle insurance policies have in them a provision that if an insured person admits liability or culpability in connection with an accident the insurance policy is void.

It may happen that a person, completely upset and unnerved after an accident, admits that he was responsible for it. Afterwards, having calmed down and reviewed the circumstances leading to the accident, he forms a different opinion and considers that the other person was either entirely or partially responsible for the mishap. But the damage is done; he has made an admission to the police officer that he thought he was in the wrong, and if the insurance company liked to be very strict it could claim that by admission of responsibility for the accident the person concerned had voided his policy.

I do not want it thought that I desire to hamstring the activities of the police or shield anyone who transgresses the traffic laws or regulations, but it is an axiom of British justice that if a police officer is taking down a statement the person from whom it is being taken should be given a warning that anything contained in it may be used in evidence later. If a principal in an accident makes a statement freely and voluntarily, with full knowledge that there is no obligation to make it, and that anything contained in it may be used in evidence later, I have no objection at all and that is what the amendment provides for.

Mr. Yates: What would be the position in relation to accidents occurring in municipalities?

Mr. STYANTS: The person who controls traffic in the area of a local authority is entitled "Traffic Inspector", and traffic inspectors and police officers are provided for under the Bill which will therefore cover both the metropolitan area and other parts of the State. Although the amendment does not make provision for it, I think that when the police take a statement from one of the principals in an accident it should be obligatory upon them—this could be dealt with by way of regulation—to supply that person with a copy of the statement. It may be said that if a person has any sense he would take a copy of any statement he made, but he might not have the facilities for doing that.

I think it reasonable that the police, who have every facility for making typed copies of statements for their own guidance, should supply a copy to the person making the statement, particularly in view of the fact that it might be a matter of six months later before the police took action in the matter. If the principal, in those circumstances, had not a copy of the statement he had made, he would be placed in the position—if he desired to defend the charge laid against him—of having to go to his solicitor and draw on his recollection of what he had told the police officer immediately after the accident or perhaps the following day. There is nothing unreasonable about the measure and I think the House should agree to it. I move—

That the Bill be now read a second time.

On motion by the Attorney General, debate adjourned.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Mr. W. HEGNEY (Mt. Hawthorn) [8.5]: Mr. Speaker—

Mr. SPEAKER: Is the hon. member speaking on behalf of his leader?

Mr. W. HEGNEY: Yes, and on my own behalf. I desire to say at the outset that the attitude of the Government in connection with this measure is in marked contrast to that which it adopted on another industrial Bill. I refer to the industrial arbitration legislation which was passed earlier in the session. When compensation legislation was introduced by the present Deputy Premier in 1948 the basic wage was about £5 19s. 9d. and when the Act was proclaimed on the 8th April, 1949, providing for a maximum payment of £6 to the injured worker, the basic wage had risen to £6 4s. 9d.

Despite the fact that this Government was going to put purchasing power back into the pound, the basic wage continued to increase until today it is more than 100 per cent. above its 1948 level. Although the Attorney General—on behalf of the Government—was asked questions as to whether it was his intention to introduce a Bill late in 1949 or in 1950, the indication was that the Government did not intend to take that action. A Bill was introduced from this side of the House in an endeavour to bring compensation payments into line with the increasing cost of living, so that workers injured in the course of their employment might receive what could be termed a reasonable measure of social justice.

Members will recall how the point was taken that in the absence of a Message from the Governor it was not competent for a private member to introduce a Bill imposing a charge on the Crown and how consequently, by brutal weight of numbers, the Government rejected the measure. That was in 1950, and in 1951 the Attorney General brought down a Bill which to some degree improved the legislation. After debate in this Chamber and mutual consultation, the provisions of that Bill were improved immeasurably, but since that time the basic wage has continued to increase and now, at this late hour, the Government

has decided to bring down a further Bill. To me—I say this without equivocation—it is an indication of what the Government thinks of the working people of this State.

The Minister for Works: Do not be silly.

Mr. W. HEGNEY: It is all very well to jeer and sneer but let me remind the Government that earlier in this session it introduced a Bill to amend the Industrial Arbitration Act. There was a savage and repressive clause in it in connection with the definition of the word "strike." What did the Government do? It suspended Standing Orders and kept members of the Opposition here for many long hours.

The Premier: You kept us here.

Mr. W. HEGNEY: The Opposition, although it vehemently opposed the Bill, could do little about it and the measure was carried because of the weight of numbers. Was that in the interests of the working people of this State?

The Premier: Yes.

Mr. W. HEGNEY: There is a big difference of opinion on that point. Why could not the Government have seen its way clear to suspend Standing Orders and bring down a measure to liberalise payments under the Workers' Compensation Act to give injured workers some measure of justice? That is my point, and it shows the difference between members of the Government and members of the Opposition in trying to deal out even-handed justice to the working people of this State.

The Minister for Works: We do that.

Mr. W. HEGNEY: The Government could find time to introduce and pass a Bill in favour of the B.H.P. Parliament has been in session for about three months and yet it was not until this late stage of the session that the Attorney General, on behalf of the Government, saw his way clear to bring down a measure of this character. With those few introductory remarks—

The Premier: Not too few!

Mr. W. HEGNEY: —I propose to deal with the few clauses contained in the Bill. When the Attorney General introduced an amending Bill in 1951, the basic wage was £10 5s. 8d. for the metropolitan area, and it is now £11 18s. 6d. The Premier has in mind that the basic wage and the cost of living will increase still further and consequently the purchasing power of the £1 will be reduced, because in his Estimates he has made provision for a sum of £1,250,000 for estimated increases in the basic wage in the next 12 months.

The Premier: Most of that has been absorbed.

Mr. W. HEGNEY: That is the Premier's opinion.

The Premier: It is a fact.

Mr. W. HEGNEY: Then let us get down to facts. A few years ago the Premier in his Estimates provided for £400,000 for estimated increases in the basic wage. If that sum had been absorbed then, on the Premier's own estimate this year the basic wage will not remain static.

Hon. J. T. Tonkin: Last year he provided for £1,250,000.

Mr. W. HEGNEY: And he has done the same this year. A few years ago the Premier estimated that a sum of £744,000 would be required, and last year that estimate was increased to £1,250,000, and he has provided the same figure in his Estimates this year. I make those remarks to show the House the need for some more liberal payments to workers who are injured during their employment. The main provisions in the Bill are few and there are only one or two that are in any way contentious. I will deal with omissions, too, before I resume my seat. The first matter of interest concerns insurance cover for workers travelling to and from their places of employment. I am quite in favour of that clause of the Bill. Another clause—

Mr. SPEAKER: Provisions, please; not clauses.

Mr. W. HEGNEY: There is another provision in regard to the fixation of premium rates. This relates to the mining industry, and the State Insurance Office is the only one that insures workers in that industry. I see no reason to quarrel with that provision, but the Attorney General indicated that it would be difficult for any actuary to assess the liabilities and commitments of the fund as years go by. So I am pleased that there is provision which will enable the responsible Minister to vary the premium rates as and when required. If a sufficiently strong case can be put up by any interested body, after due consideration the Minister of the day will be able either to appoint an actuary or obtain advice from his responsible officers.

Another provision deals with weekly payments. Under the existing law, the maximum payment is £8 a week, and that is about two-thirds of the basic wage. In the parent Act there is also provision that a worker is entitled to 66 2/3rds per cent. of his average weekly earnings, and workers with dependants are entitled to 30s. for a dependent wife and 10s. for each dependent child. In actual practice, the efficacy of these provisions is practically nil. It was all right when the basic wage was altered by only 2s. or 3s. over a period of 12 months, but in these days the basic wage is continually rising and injured workers are not getting the benefit of it. In the mining industry, the basic wage is £12 4s. 2d., plus £2 a week gold industry allowance.

Mr. Moir: That is correct.

Mr. W. HEGNEY: That means that the minimum wage for an unskilled worker on the Goldfields is £14 4s. 2d. A number of these people receive a margin of £1 over the basic wage, so the aggregate weekly wages would amount to something like £15. Two-thirds of £15 is much higher than £8, so injured workers on the Goldfields do not receive the benefit of the 66 2/3rds per cent. payment. As I indicated, the chances are that the basic wage will increase, and the amendment last year only brought the weekly payments and the lump sum payments, and payments under the Second Schedule, into line with conditions that then obtained.

I am hoping that the Attorney General will be a little more liberal on this occasion and agree to a more comprehensive amendment to bring present-day figures into line with the present-day cost of living. After due consideration, I believe that, instead of being £8 and £10 a week respectively for men without dependants and men with dependants, it should be more on the basis of £9 and £12 a week. Twelve pounds is about the basic wage and it is unfair, if a man with a wife and two or three children is injured, to expect him to exist on £10 a week when he has been receiving £15 or £16 a week. It is quite likely that the basic wage will be increased still further so I hope the Minister will not oppose any move made to liberalise weekly payments.

The provision relating to the amount allowed for hospital and medical expenses is a departure from the existing one. I do not object to that. Over the years the amount allowed for hospital and medical expenses has increased but, in fact, originally a magnificent sum of £1 a week was paid. Some 25 years ago it was increased by allowing a maximum of £100 and later that figure rose to £150. The Bill of 1951 pegged it at £200 and now it is proposed to divorce the amount allowed for hospital charges from that allowed for medical expenses and increase the total from £200 to £250. The proposed amendment is worth a trial. If it is found to be unsatisfactory, the law can be altered in the future. However, I believe it will work probably more satisfactorily than the existing provision. At the same time, regard must be had for the amount allowed for hospital charges.

In the schedule to the Act provision is made for the payment to the worker to meet his hospital expenses of a daily allowance which I understand at present is 27s. a day, plus 8s. received from social services. Nevertheless some of the private hospitals that admit compensation cases charge a much higher fee. The question that I put to the Attorney General for his consideration is: Is it a fair thing that a worker who is injured in the course of his employment should be obliged to meet part of the hospital expenses from his private income or resources? There is room for some consideration to be given to that aspect of workers' compensation legislation and I hope the Minister will act on my suggestion.

There are two provisions in the Bill which are anomalous. One relates to travelling expenses and an away-from-home allowance. In some parts of the Act provision was made for the payment of 13s. a day or £4 a week as a maximum. In one section that amount remained unaltered and this part of the Bill seeks to rectify that anomaly. In another part of the schedule the sum of £250 is mentioned but the figure should read £750. I also direct the Minister's attention to Subsection (3) of Section 7 of the Act in which the figure of £1,250 appears and there is no mention in the Bill of that anomaly being corrected. The Minister will find that the figure of £1,250 still remains in the Act and it should have been corrected by the 1951 measure. Therefore, I hope the Minister will now agree to the correction of this anomaly.

There are a few very important omissions from the Bill. I suggest to the Minister that he give further attention either to make inquiries to have some of these propositions included in the Bill this year or to bring down a more comprehensive measure. He may recollect that last year I had on the notice paper an amendment to provide that the definition of "worker" should include natives and I moved accordingly. Under the Native Administration Act there is a specific section which excludes natives from enjoying the provisions of the Workers' Compensation Act. In the Native Administration Act it is defined that a native shall be regarded as a worker within the meaning of the Workers' Compensation Act. The Minister would not agree to my amendment, but he did say that consideration would be given to the inclusion of natives in the definition of "worker" in the Workers' Compensation Act. That has not been done and I would like him to give consideration now to including a native in that definition by means of this Bill.

Without being personal, I would say that the Minister adopted a comparatively hostile attitude on another point; he certainly took it up before you, Mr. Speaker. I was deputed by my fellow members to move an amendment which provided for retrospective application of the provisions of the 1951 Act to workers who were injured prior to the passing of that measure. You may recollect, Mr. Speaker, that the Attorney General took the point that it was outside the scope and Title of the Bill before the House at that time. In fairness to the working people of this State, I would suggest that those who meet with an injury before the passing of this

measure and who are still incapacitated after it has become an Act should receive the benefits provided in it.

Such a provision was passed in 1948 and took effect in 1949 but when the 1951 legislation was brought down it was omitted, and the Minister said he could not see his way clear to accept it because the insurance companies would not know what their liabilities would be in that regard. I do not feel that is a strong argument in the circumstances and I think the provision might be re-embodied in this measure to include those workers and that its application should be made retrospective. Under the existing measure £1,500 is allowed to the dependants of a deceased worker and £1,750 is the total payment for permanent and total incapacity. I suggest that a reasonable figure today, in view of the ever-increasing cost of living, would be £2,250 or £2,500 because after all is said and done the compensation paid to workers is only meant to provide them with the necessities of life while they are incapacitated. Therefore, if £1,750 was considered to be a reasonable payment when the basic wage was £10 5s. 8d. I suggest that £2,500 should be the figure provided today.

I would point out, too, that with the present spiralling of prices the basic wage will be increased to £13 in the near future. If one visualises the position a worker is in when he becomes totally incapacitated and who was receiving, as a tradesman, £2 or £2 10s. a week above the basic wage or, in other words approximately £780 a year, and we divide that amount into £2,500, we can see that his compensation will last him only a few years. That is if he during the course of his employment is incapacitated to such an extent that he is medically certified to be permanently and totally incapacitated. Does anyone think that the sum of £2,500 is an extreme or an exaggerated figure? I think we ought to make a move in the direction of liberalising these First and Second Schedule payments, and bringing the Second Schedule payments proportionately up to £2,500. I know the Minister may say, "What is the position in New South Wales or in Queensland?"

The Attorney General: He will.

Mr. W. HEGNEY: I anticipate he will say that; that is quite logical. I am not criticising the Minister for that. But the point is that the figure of £1,750 operates in three or four of the other States; it is £2,000 in New South Wales. I suggest that probably in the next session of Parliament, or even during the course of this year, some of the Parliaments in the Eastern States will increase their lump sum payments by £250 or £500. They will not use as an argument the question, "What are they doing in Western Australia"? I suppose Western Australia would be the last place some of those States would think of. So, why should we continually hang on to the argument and continually ask the question, "What are they doing in the Eastern States? What is the figure in New South Wales or Queensland"? I know figures can be used both ways, but I suggest, to do the reasonable thing in Western Australia, it would be advisable to increase payments under the First Schedule and also to increase them under the Second Schedule proportionately.

As a matter of logic if £1,750 was a reasonable and equitable figure for a person who was permanently and totally incapacitated when the minimum wage was £10 5s. 8d., can it then be argued that the figure should remain static when the basic wage in the metropolitan area is almost £12 a week and when it is more than that in the back country and in the mining country? Is it logical to say that the figure should remain the same? I suggest it could be substantially increased and in a very short time the advantage that this State may have over New South Wales or South Australia or some other State would be absorbed inasmuch as the basic wage would be increased in the near future. So I hope the Minister will give consideration to the remarks I have made.

There is another matter that should receive the attention of the Minister. In most of the other States the basic figure used in the first place to calculate the weekly compensation is 75 per cent. of the worker's average weekly earnings over the previous 12 months. For many years the figure was 50 per cent. in this State and three years ago it was increased to 66 2/3rds per cent. We tried to induce the Minister last year to increase the figure to 75 per cent. but he declined to do so and it remains at 66 2/3rds. I think the time has arrived when the amount of 75 per cent. should be incorporated in the Workers' Compensation Act of this State.

I hope the Minister will give serious consideration to the general remarks I have made on the omissions from the Bill, and that when it is in Committee he will not remain adamant on its provisions as they concern weekly payments, but that some arrangement will be made for the purpose of incorporating the suggested amendments I have outlined with a view to bringing the Workers' Compensation Act into line with the present-day requirements. As a matter of fact the basic wage remained at £4 5s. a week up till 1931 after Justice Dwyer had fixed it in 1926; it fluctuated by about 2s. but remained at about that figure.

After the emergency Act was introduced an amending Bill was brought down by the then Liberal Government which in one fell swoop cut the basic wage from £4 6s. to £3 18s. because the quarterly adjust-

ment provision was introduced at that time. The quarterly adjustment has remained in effect ever since. From 1942 to 1947 I think the basic wage increased only by the sum of 9s. But from that time it has increased with every quarterly adjustment until today it is just on £12 a week.

That is why I suggest that a figure round about the basic wage is not too much for a married man to receive by way of compensation while he is incapacitated from following the ordinary course of his employment. I may be over confident but I hope I am right in regard to the question of insurance cover for workers travelling to and from work. I trust this will be the last time that a Bill containing such a provision will go to the Upper House without being thrown out. In earlier years when such a provision was introduced members of another place and many members in this House actually jeered at the proposal; they used all sorts of specious though feeble arguments against it. But it has operated for some time in Victoria and in New South Wales; it now operates in Tasmania and to an extent, in Queensland.

From inquiries I have made from this State the provision providing insurance cover for workers travelling to and from work has not been abused. It is only reasonable that when a worker leaves his home to follow his occupation, and meets with an injury which necessitates his staying away from work, he should be compensated. It is also reasonable that he should receive compensation if, when he leaves his work, and is returning home via the nearest possible route, he receives an injury. I trust a sensible and reasonable attitude will be taken on this question and that it will be passed in both Houses. I also hope that when our amendments are placed on the notice paper the Minister will deal out a measure of justice to the workers of this State.

MR. NEEDHAM (North Perth) [8.40]: I support the second reading of the Bill but not with a great deal of enthusiasm. Like the member for Mt. Hawthorn, I am concerned about what is not in the Bill rather than what it contains. Admittedly it represents a slight attempt to improve the existing legislation, but only a very slight one. I could find myself supporting the second reading with a great deal more enthusiasm had the Bill contained some of the matters to which the member for Mt. Hawthorn has referred.

The measure proposes to renew an attempt to pay compensation to a worker who suffers injury while on the way to or from his employment, but even that clause in the Bill is safeguarded by two or three other provisions. The time is long overdue when this provision should have been made a feature of our workers' compensation laws. I re-echo the hope expressed by the previous speaker that when this Bill reaches another place—facetiously termed the Upper House and the Chamber of Review—it will be accorded a better reception than that meted out to its predecessors, and that this very much needed advance in the provision of workers' compensation will be accepted by that House.

Another proposal is to increase the weekly payment to an injured worker to amounts of £8 and £10 a week under certain conditions. I notice in the Bill that it is proposed to continue the uneconomic differentiation between a married man and a single man. If this Bill becomes law, a single man without dependants will receive compensation at the rate of £8 a week, while a man with dependants, married or single, will receive £10 a week. I have always been a keen advocate that workers' compensation legislation should be based upon the system applied to the basic wage. In the basic wage, there is no differentiation between a married man and a single man. The basic wage is fixed on the needs of a married man, his wife and two children, but a single man is not excluded from that provision, and rightly so.

A single man, of course, has not the responsibilities of a man in the married state, but generally speaking, that man has no intention of remaining in a state of single blessedness, and it is only fair that he should be able to prepare for the time when he will assume the responsibilities of married life. Hence, in all other parts of the British Commonwealth of Nations where basic wage legislation operates, no distinction is drawn between the payment to a married man and the payment to a single man.

I have often asked myself why the basic wage principle should not operate under our compensation laws. Many single men have dependants, perhaps a mother who is widowed and young brothers and sisters. In many instances, he is the breadwinner of the family, and that is one of the reasons why he receives recognition in relation to the basic wage. This Bill, however, provides that a married man with dependants shall receive up to £10 a week, but I do not approve of a system that perpetuates this differentiation between a married man and a single man.

Dealing now with the allowances for which the Bill provides, here again the measure falls far short of what it should be. As has been pointed out by the member for Mt. Hawthorn, the basic wage has increased by leaps and bounds since the cessation of World War II, but workers' compensation payments have not progressed in anything like the same proportion. Why have we a system of fixing a basic wage? What brought it about? It came about through the decision of Mr. Justice Higgins at the beginning of the century that a wage should be determined

that would enable a worker and those dependent upon him to live in frugal comfort so that they would be able to obtain the bare necessities of life.

That being the motive—and it is the real motive underlying the basic wage system—then it should be extended to the worker who is incapacitated through sustaining injury in the course of his employment, so that he might receive the minimum amount of money which, according to Mr. Justice Higgins, would enable him to keep himself and his dependants in frugal comfort.

In the time of illness and incapacitation through injury, more than frugal comfort is required. There are expenses incurred for surgical and medical attention and hospitalisation, so that, consider the matter from any angle we may, the least that can be done with decency is to provide that a worker suffering from injury as a result of his employment should certainly receive the equivalent of the basic wage. One of my objections to the Bill is that it does not provide for this. While I propose to support the second reading, I contend that the Government should have brought down a measure to provide for the payment of the basic wage during the whole period of incapacitation.

Although that is not provided for in the Bill, there may be an opportunity for the Minister to move an amendment to that effect when the Committee stage is reached. Under our Standing Orders, a private member may not do that. It was attempted in this House a little while ago by the member for Mt. Hawthorn, who tried to introduce an amending Bill which would have provided many benefits not contained in this measure; but you, Sir, under our Standing Orders, rightly ruled it out because it would have imposed an extra burden on the Crown. I suggest to the Minister that he might review this Bill between now and the time it goes into Committee and see whether he cannot amend it, with a view to ensuring that during his period of incapacity an injured worker will receive at least the basic wage.

The Bill also provides for an increase in the allowance for hospitalisation and, meagre though that increase it, I welcome it, because there is no doubt that today hospitalisation is becoming a luxury and unfortunately there are many people on the lower income range who are not able, in times of sickness, to avail themselves of medical and surgical assistance, and hospitalisation at 35s. per day. When one is an inmate of a hospital how is it possible for him if he is on a low income to afford to pay that amount? It is impossible.

This state of affairs would not prevail today if the Chifley idea of hospitalisation had been put into operation. During the time he was Prime Minister, Mr. Chifley through the Commonwealth Parliament was responsible for the passing of legislation that would have been the means of giving every citizen in this State a chance of receiving the advanced medical and surgical treatment necessary for his illness. But history records that the medical profession of this young nation defied that law, and still defies it, with the result that although it is on the statute book, it lies there inoperative, because there was no attempt on the part of the Commonwealth Government to do what this Government did at the beginning of this year—bring down a repressive amendment of the arbitration law giving a new and oppressive definition to the word 'strike'. Nothing was done to bring the members of the medical profession to heel, with the result that the people of the Commonwealth have to pay exorbitant rates if they receive treatment from a medical man or seek help in hospital.

Despite all these facts, this Bill helps to relieve the position of the injured worker, and for that reason I welcome and support it. There is a good old saying that half a loaf is better than no bread at all. While I prefer a loaf in the way of proper compensation laws I am compelled, for the time being, to accept this half loaf. If I heard him correctly, I think the Attorney General, in his second reading speech, said that compensation was not a payment. I do not want to quote him incorrectly, but I think that is what he said or meant. The injured man is not particular about what it is called. It is money that he wants at that time to meet his commitments and liabilities and give some sense of security in the knowledge that those dependent on him will not want for anything while he is incapacitated. That is all he is bothered about and the Attorney General can call it what he likes, whether it be a payment or a solacium. All that the injured worker wants to be assured of is that he will get a sum of money that will keep him out of debt and that will give him an easy mind and the knowledge that he will be able to carry out his responsibilities, if not wholly, at least partly.

There is another factor that must not be forgotten. It is a psychological fact that when a bread-winner is stricken down, either by illness or by accident at or on his way to or from work, his recovery will be speedier if he has the knowledge that those dependent on him will not be in want. If he has any anxiety in that regard his recovery will be retarded. That is an undeniable and undoubted fact. From an economic point of view, so that an injured man will get back into production at the earliest possible moment, without injury to his health, we should be much more generous in our compensation laws than this Bill indicates. If my memory serves me aright, there was a time in the State's history when our

compensation law was about the most advanced in Australasia. We cannot claim that today.

The Attorney General: Oh, my word!

Mr. NEEDHAM: In many respects, no.

The Attorney General: But in many respects, yes.

Mr. NEEDHAM: We have advanced in some phases, but not in all. That is why I say it would be better for the economy of the nation and would ensure that our injured men were back into production much more quickly if our compensation laws were more generous. Reference has been made to an attempt to amend the definition of worker so as to include natives. An unsuccessful attempt was made in that regard, but I hope the day is not far distant when the definition will be so extended. In recent weeks there has been a resurgence of interest in those people who for so many years we have dubbed as natives. According to the paper this morning, the Federal Executive of the A.L.P. has suggested another name—a logical one—"Old Australian." We have the born Australian and, in the case of the migrant, the New Australian, and these people whom we call natives, but who could quite well be termed "Old Australians."

The recent articles that appeared in "The West Australian" under the heading, "Not Slaves, Not Citizens, Not Half-Castes, but Outcasts" have given us all furiously to think. The least we can do now is to repair the omissions of the past so that in future these people will be treated in a more humane manner than they have been so far during the occupancy of this continent by the white and the so-called superior race. One of the things that will help in this connection will be the amendment of the definition of the word "worker" to include the native, or any other term we use to describe these people who have been treated so badly in the past.

MR. MOIR (Boulder) [9.2]: I should be a little pleased to know that the Government has seen fit to bring down some amendments to the Workers' Compensation Act, but I must say that my feelings are the same as they were this time last year when a similar amending Bill came before us. The Government still has the same parsimonious approach to the very important question of compensation for injured workers. The first proposed amendment is to provide compensation for a worker meeting with an injury on his way to or from work. We had this last year, and it passed this Chamber, but another place saw fit to throw it out. I can only hope that a sense of justice will prevail there on this occasion and that the amendment will be agreed to by both Houses.

The next provision in the Bill is that there shall be no alteration in the premium rates charged for insurable risks in respect to silicosis, pneumoconiosis and miner's phthisis. I completely agree with this amendment, and with the Attorney General's remarks that the fund should not be jeopardised in any way because it it is difficult to tell what its liabilities will be in the future. We cannot afford to take risks with it. There must always be an adequate sum of money in the fund to compensate the unfortunate worker who might come under the provisions of the Workers' Compensation Act.

The next proposal in the Bill deals with the alteration in the weekly payments to an injured worker, in respect of which I must say I am most critical. It appears that the Attorney General and his officers, in going into the requirements, have not taken many factors into consideration. The member for Mt. Hawthorn covered this matter quite well, but there are one or two points I would like to stress, particularly in connection with workers engaged in the mining industry on the Goldfields. The basic wage there is £12 4s. 2d. a week, to which is added £2 a week industry allowance, making £14 4s. 2d. per week as the amount that the lowest paid man on the mines receives.

The Bill proposes that a single man shall receive a maximum of £8 a week, and the man with dependants, a maximum of £10 a week. The principal Act provides that 66 2/3rds of the wages or the earnings of a man, or the maximum amount, whichever is the lesser, shall be paid. The worker to whom I have referred has absolutely no chance of ever qualifying for the 66 2/3rds. because this fraction of the lowest wage I have mentioned as being payable in the mining industry represents £9 9s. 4d. a week. This is the least that an injured worker should be entitled to. We know the principal Act makes provision for the man with dependants. It provides for 30s. a week for a dependent wife and 10s. a week for each dependent child. The Act, as it stands, provides a maximum of £8 a week. Here we have the position that if a man were to receive two-thirds of his wage when he was injured, he would be entitled to £9 9s. 4d. a week, without taking into consideration that a married man would be entitled to 30s. per week for his dependent wife and 10s. for each dependent child which would bring him well over £10 a week.

As was pointed out when the amending Bill went through last year, £8 was not adequate then and neither is this amount adequate today. If it is right and just for a single man to get £8 a week—if that is the minimum he can sustain himself on—what chance has a married man with two or three children to keep his family decently and maintain him-

self? Absolutely none at all. It is not a question of a man being injured for a few weeks or a few months, because we unfortunately have far too many cases in the mining industry, in particular, of men being permanently injured.

When a man's health is seriously affected by industrial disease, he has to continue living on this miserable amount of money until the total is exhausted. That has a very bad effect on workers in this category because in numerous instances they do not receive the maximum of £8 or £10 per week, as the case may be. The worker 60 per cent. disabled by industrial disease receives 60 per cent. of the weekly payment until 60 per cent. of the total sum is exhausted, and that applies to any percentage of disablement. In the case of 50 per cent. disability the single man does not receive the total sum at the rate of £8 per week, but at £4 per week, under the provisions of Subsection (13) of Section 8 of the principal Act.

I drew attention to that when the amending legislation was before the House last year, and I would have thought that anomalies of that kind would be remedied on this occasion. At that time, I referred to the case of a man 80 per cent. disabled. Two-thirds of his average weekly earnings were taken, and he was given 80 per cent. of that. That was the basis on which his weekly payments were worked out. There is nothing in this Bill to rectify that anomaly although that kind of thing happens in a large number of cases. We know that the man 50 per cent. disabled is capable of doing some work, and the cry is, "Get yourself a light job somewhere," but of course no-one wishes to employ him because anyone who does so is bound by the law to pay him at least the basic wage.

A further consideration is that if a man is 50 per cent. disabled he just cannot do a day's work. Surely we have reached the stage where provision should be made for circumstances of that nature! Where the worker is permanently and totally incapacitated through an accident, he is, whether married or single, entitled under the Act to a total of £1,750. The single man will exhaust that sum at £8 per week over a period of four years and 12½ weeks, while the man with dependants—he is given the extra money on account of his added responsibilities and is probably in a worse financial position than the single man—will exhaust the total at £10 per week over a period of three years and 19 weeks.

If the Attorney General is adopting the principle that the man with responsibilities requires more money than does the single man, why does not the Bill contain an amendment increasing the total sum of compensation? If the single man is entitled to compensation at what is thought to be a reasonable weekly rate for a period of four years and 12½ weeks, why is not the married man entitled to his weekly payment for a similar period? I contend that when a man is totally disabled—whether married or single—he is entitled to compensation for as long as he lives, and that is the least industry can do for him when he has been so badly injured in its service that he is a total wreck. We heard a lot about other State Acts and were told how good this Bill is in comparison with them. The Attorney General made reference to the legislation of other States when introducing the Bill, but I would remind him that under the New South Wales Act, the payments to the injured worker who is totally incapacitated do continue for life. Are we to say that such a man, whether married or single, is simply to be thrown on the scrap heap when his weekly payments have exhausted the total sum of compensation? Of course it will be said that he is entitled to the invalid pension, but how can a married man, in particular, exist and support his dependants on that?

Those are the shortcomings of the measure that I desire to point out, and to my mind it falls far short of what it should be. A further clause seeks to amend the provision for £200 for hospital and medical attention, by increasing it to £250. A new departure in the Bill is that the amount mentioned here is to be divided into £100 medical expenses and £150 hospital expenses. That is not sufficient when present-day charges for medical attention and hospitalisation are considered. Why should there be any limit set in the Act on the amount provided for medical attention and hospitalisation for an injured worker? Surely he is entitled to those services until he is either cured or has reached the stage where nothing further can be done for him and where, in other words, his position is stabilised.

I recently came in contact with the case of a man who was overcome by fumes, fell out of the kibble, and to the bottom of the shaft. He was smashed up and received a spinal injury. The amount of £200 would be very nearly exhausted in his case. I approached the manager of the State Insurance Office in regard to this man and I told him that in my opinion it was necessary for the worker to see a specialist. Approval was given to bring this man from Kalgoorlie to Perth and the State Insurance Office paid the expenses of his wife who was able to attend to him on the train journey. I appreciated the manager's action. However, this amount is inadequate. Take the case of hospital charges. Previously the total amount was £200 but under this Bill the sum for hospitalisation will be only £150.

Under the regulations published in the "Government Gazette" of the 18th July this year, the amount paid for hospital charges per day is 27s. within a 15-

mile radius of the Perth G.P.O., but only 22s. per day outside that radius. That is amazing. Apparently it is considered that a patient in a hospital in Kalgoorlie can be treated cheaper than in a hospital in Perth. There are other parts of the State where the costs of running a hospital are considerably more than they are in Perth and so an amount of 22s. is most inadequate to pay for hospitalisation.

Mr. Needham: What about Broome, Carnarvon and places like that?

Mr. MOIR: Under the Commonwealth scheme, that payment is subsidised to the extent of 8s. per day but under this Bill the position could arise where a man may incur £40 hospital expenses and yet come out of hospital owing £10. I intend to quote a case which is set out in a letter to me from the secretary of the mining division of the A.W.U. The letter is dated the 21st October, and I do not propose to read it all, but it sets out the charges at the Kalgoorlie District Hospital.

In a one-bed ward the charge is 40s. per day, in a 2-bed ward, 35s. per day, in a 4-bed ward it is 30s. per day and over a 5-bed ward it is 21s. per day. A man whose injuries permit him to be treated in a large ward is covered by the amount allowed but if a man is suffering from an injury which necessitates his being treated in a 1-bed ward, he is charged 40s. per day. He will be allowed 22s. per day under the Workers' Compensation Act and 8s. under the Commonwealth scheme, making a total of 30s. per day; in effect, he will be in debt to the extent of 10s. per day. If he were in a 2-bed ward, he would be losing 5s. per day.

The case I intend to quote is that of a man who was injured on the Lake View & Star Mine. This man was treated for so many days in a 1-bed ward for which he was charged 40s. per day; he was then treated for so many days in a 21s. ward and his total expenses amounted to £67 8s. and included theatre fees, £2, x-ray examinations and special drugs. He was in hospital for 37 days and his Commonwealth hospital benefits amounted to £14 16s. The payment under the Workers' Compensation Act totalled £42 10s., making a grand total of £57 6s. The result was that he came out of hospital owing £10 2s. This matter has already been placed before the State Insurance Office but it is bound by the regulations and nothing can be done about the case. Because this man has been absent from work for so long he cannot meet the bill and he has been forced to approach the hospital authorities and advise them of that fact.

That is the anomalous position that can arise. Even under this Bill a man can be in hospital for less than 150 days and the sum for hospital expenses will be exhausted. What is to happen then? He will be responsible for the payment of the balance of the account. We should have a more realistic approach to the problem of the injured worker. He does not get injured on purpose and if an industry cannot afford to pay decent compensation to injured workers, then it should not be functioning. I hope, when we reach the Committee stage, that the Attorney General will give consideration to amendments that may be moved. I could quote a lot more cases to show how the position is anomalous but there is a time limit and I do not wish to take up the time of the House unduly. I have strong feelings on this matter and am emphatically of the opinion that we should adequately compensate people who are injured in the course of their employment.

MR. McCULLOCH (Hannans) [9.30]: I desire to have a few words to say on the provisions in this Bill. First I come to the compensation to be paid to a worker who is injured when travelling to and from his place of employment. This is a hardy annual and the provision has been introduced for the purpose of boosting the Government at the next State election. When a similar provision was introduced last year, and the Bill went to another place, an ex-Minister for Mines had the temerity to say that if he was riding a bicycle up to Parliament House and met with an injury he would not get any compensation. Of course he did not say that he would still receive his salary even if he did break his leg and could not attend Parliament, whereas a worker travelling to work who meets with an injury and is absent from his place of employment receives no pay.

That was the reason why another place rejected this provision previously. It is long overdue. We know that in these days men have to travel long distances through heavy traffic, and it is often through no fault of their own that they meet with an accident. After all, a man who rises in the morning and prepares his crib to attend his place of employment is not going out of his way to meet with an accident. I hope the Bill will receive more consideration than a similar measure that was put before another place previously. I object to the differentiation in the payments made to a single man and those paid to a married man. A single man or a widower who is keeping a home, but who has no dependant children may be paying excessive rent and yet he is only to receive 66.2/3rds of his earnings or £6 a week, whichever is the lesser.

What is the reason for that differentiation? This is a new departure. Regardless of whether a man is single or whether he is married with two, three or half a dozen children he still receives the same

basic wage, so why is there a differentiation in the compensation paid to a single man as compared to that paid to a married man? Why should a single man receive £6 a week and a married man £10 a week or 66.2/3rds of his wage, whichever is the lesser? Today there is a large number of married women who, owing to the financial position of the family are compelled to work to supplement their husbands' incomes and yet, under this provision, such men will be entitled to the payment of £10 a week in compensation which creates an anomalous position.

I do not want to dwell on the subject of hospital expenses, but I know that in some cases individuals have had to pay money out of their own pockets to meet hospital expenses incurred as a result of meeting with an accident. I strongly object to the social services benefit of 8s. a day being used by the Workers' Compensation Board to assist in meeting the hospital expenses of an injured worker. That was never meant to be and it has only been put into effect by this Government. It was never done before. The Workers' Compensation Board was not allowed to receive that 8s. per day from the Commonwealth until the whole amount allowed for hospital expenses under the Workers' Compensation Act was exhausted. Now immediately an accident victim enters hospital the board allows a patient on the Goldfields 22s. a day, which is supplemented by 8s. a day paid from the Commonwealth social services' fund.

There are not too many workers who exhaust the full amount allowed for hospital expenses and I am of the opinion that we should revert to the position whereby the Workers' Compensation Board should meet all the hospital expenses incurred by an injured worker. Even a few years ago when the amount provided in the First Schedule to the Act was exhaused an injured worker was allowed, by a Labour Government, to be relieved of some of the payments in excess of the amount provided under the Act. But here we find this Government not only exploiting the social benefit payment of 8s. a day, but also making a differentiation between the hospital charges for workers' compensation cases in the outback and the hospital charges for such cases in the metropolitan area. That is just "bunkum."

The next provision on which I want to speak is that relating to the individual who is ordered to have medical treatment. Strangely enough a similar provision was introduced in 1951. This comes under Section 1 (e) of the Act and increased the amount allowed for such treatment from 10s. to 13s. a day and the maximum per week, from £3 to £4, only under a different clause of the Frst Schedule. It was done in connection with Section 1 (e) of the Frist Schedule of 1951 and now it is to be done in connection with Section 4(b) of the First Schedule. It is exactly the same provision. Why it was not done in 1951 I cannot understand; it must have escaped our notice. However, it has been provided in this particular instance. Can the Attorney General or anyone else in this Chamber tell me where an individual is going to get board and lodging for 13s. a day or £4 a week? It is too ridiculous.

A man is sent from Kalgoorlie to Perth for treatment and he is expected to get board and lodging for 13s. a day. I think the very least that one will have to pay for board and lodging in the metropolitan area at the present time is 30s. a day. Yet we are going to pay in addition to compensation 13s. a day or £4 a week. I am sure some members of this House would be very pleased if they knew where they could get board and lodging for £4 a week. I think that provision could be amended much more liberally than it is at present. I hope when this Bill reaches the Committee stage that the Attorney General will see his way clear to make some amendments to the provisions now set out whereby the worker who is injured will have a more comparable amount paid to him than what is being done at the moment. A man has a wife and family and when he is injured he gets only £10 a week. If he is injured, whether he is in hospital or at home, he is a greater liability to his wife and family than when he is working. But, because he is injured he is going to get less money. Is the fund insolvent? Cannot they pay him? Most definitely they can pay him; the money is there.

Fancy an amount of £10 being considered when the basic wage is £12 4s. 2d. in the mining districts with a gold industry allowance of another £2. We hope before long the allowance will be increased. But here we expect an individual who is probably on a margin in addition to the basic wage and the gold industry allowance—maybe on a margin of £1 or perhaps more—to be restricted to £8 a week if he is a single man; he is not even going to get the advantage of the 66⅔rds per cent. provided under the old Act but it is to be reduced to the amount of £8. That is a definite anomaly and I hope the Attorney General will see his way clear to being a bit more liberal. He claims to be a Liberal; of course he is liberal to himself and those who support him, but he is not liberal in the true sense of the word. I hope when the Bill reaches the Committee stage that some consideration will be given to the provisions in the different clauses I have outlined, and that a little more respect will be given to the injured worker and his dependents.

MR. BRADY (Guildford-Midland) [9.45]: I rise to support the Bill in certain respects. I want to take the opportunity of mentioning the anomalies that exist in regard to the Second Schedule and the payments to be made under that schedule, in the hope that the Attorney General may see his way clear to getting rid of those anomalies during the Committee stages of the Bill. The provision in the Bill for a worker to be covered by compensation on his way to and from work is worthwhile and, of course, it is an amendment the Opposition has been trying to get through this House for many years. It would appear that the Government is now getting a guilty conscience in regard to its treatment of workers in this respect and it has decided, consequently, to make the amendment. I do not want to discourage the Government but wish to give it all the encouragement I can along those lines.

I can think of a lot of widows whose husbands have been killed either on their way to or returning from work and who have not received the benefits of the Workers' Compensation Act. Accordingly the provision for a worker to be covered going to and from work is very worthwhile. Regarding premium rates, as the member for Kalgoorlie and the member for Boulder have said, the amendment provides that the premium rates shall not be altered without the advice of an actuary. As to pneumoconiosis the provision is that the premiums shall not be increased in such cases. I am not going to contest that as I have very few such cases in my electorate and those that I have will be in a better position to express themselves through the members for Kalgoorlie and Boulder on what is required than I am. So I have no objection to that clause. In regard to the provision of differentiation between a single worker and a married worker, I do not agree with it because I feel it is not desirable.

In workers' compensation cases there has been no differentiation between the two workers for the last 50 years in Western Australia, and it seems to me that this may bring about bad practices concerning the employment of workers. I do not know what is going to be the result ultimately of an amendment of this kind if it gets through the House. I do not know whether there will be just one premium rate for single workers and a separate one for married workers. But if the companies do cotton on to the idea that they can save money as a result of this provision, thinking that the single worker will get less compensation, there will ultimately be some inducement to employers to enrol single workers in place of married workers. That will be bad and I would oppose any provision in the Bill or the Act at this stage which will provide a distinction between the married and the single worker.

I happened to be associated with the secretary of a company years ago and that company had in its employ single men and married men. One of the men got killed in the hatch of a boat as the result of a bag of wheat falling on top of him. When his family claimed compensation they were told he was not entitled to compensation because he was a single man. His sister happened to claim the compensation and she was told that as she was not dependent on him it could not be paid. It is true that funeral expenses were paid but it was felt that since his life had been taken during the course of his work she should have received compensation. I do not want to encourage a situation where there may be the possibility of a reduction of premium rates for a single man because it is considered that he has not the same liability as a married man. I hope the Minister will not persist in that.

I wish now to refer to the payment of £100 for medical expenses and up to £150 for hospital charges. Years ago Mr. McCallum, who I believe was the Minister who succeeded in getting Parliament to agree to the provision of £100 for hospital and medical expenses, stated that that was the best payment of its kind in Australia. The provision for £250 is insufficient compared with the allowance approved at that time. The basic wage in those days was £3 5s. a week and it has risen about three-and-a-quarter times to £11 18s. 6d., so that in proportion to the increase in the basic wage, these figures should have been raised by 350 per cent., which would bring the total for medical expenses to £150 and for hospital charges to at least £200.

If a worker had to enter a private hospital, he would be lucky to get a bed for three guineas or four guineas a week. Nowadays, private hospitals do not want compensation cases because they can receive only the amount set out in the regulations under the Act and that does not leave much after the doctor has been paid. I doubt whether the provision in the Bill will make the position much better for those hospitals. It is stated that in the Royal Perth Hospital, 17 beds are reserved for workers' compensation cases and that most of them are occupied. Consequently, it is difficult for an injured worker to secure admission, and if a private hospital is appealed to, difficulty again arises. Therefore I consider that the Attorney General would be well advised to step up the payment for hospital charges.

I agree with the member for Boulder that the allowance of 13s. per day or £4 per week to a worker coming to town for a medical check-up or to receive medical attention is totally inadequate. I cannot conceive of any boarding-house in the metropolitan area accepting a boarder for less than £4 10s. a week. A worker in-

formed me the other day that he went to a cafeteria to get a lunch cut. He was provided with meat sandwiches and was charged 3s. 6d. If we multiply that by three for the three meals and add 4s. 6d. for a bed, it will be obvious that the amount provided is not sufficient. I could mention other instances of anomalies in the Bill.

I wish now to read a letter for the benefit of the Attorney General illustrating anomalies that occur under the present Act and showing that the proposals in the Bill should be given retrospective effect for the protection of the workers. I received this letter a few weeks ago from a man in my electorate. It reads—

> I would like to place before you what I consider a great injustice to the workers of this State by the Workers' Compensation Act. In October, 1949, while shunting at Mt. Helena, I injured myself and was booked off. The doctor examined me and found nothing and thought I had only strained a ligament.
>
> After resuming duty, I was still troubled by pain, and I reported this to the department, and also was examined by my doctor several times in the next couple of years. Some seven or eight weeks ago, the pain became so bad that I could not continue my duties so I wrote asking the State Insurance doctor for an examination. This was refused, so I again saw my doctor and was examined. On this occasion, he found what he considered was a double hernia and sent me to a specialist, who confirmed his opinion.

That was after a period of two years.

> I was operated on for a double hernia on July 21st at St. John of God, Belmont. Because my doctor never found the hernia before, I now find myself penalised in the following manner:—
>
> (1) I get only £6 a week instead of £8.

This accident happened in 1949 before the passing of the last amendment, and it was held that the man should receive benefits under the old Act because the new provisions were not made retrospective. I point this out in the hope that the amendments in this Bill will be made retrospective in order to cover unfortunate cases of this sort.

> (2) The insurance company will only accept liability for the left side and I have to pay for the right side.

It is held that the hernia on the right side was the result of not finding the trouble on the left side at an earlier stage.

> Before my accident I was in good health and had no sign of a hernia, so I consider the decision rather unjust.

The writer of the letter is Charles Newman of 30 Scaddan-st., Bassendean.

I support the member for Boulder in his advocacy that there should be a greater payment than 27s. a day by the State Insurance Office for hospital charges. In addition to that amount, 8s. is provided under the Commonwealth scheme and thus the total amount is 35s., but that is quite inadequate to meet the expenses of a patient in a private hospital. I hope the Attorney General will consider this matter and see whether something cannot be done to increase the hospital rate laid down by the board. I have pleasure in supporting the second reading, though I hope that some amendments will be made in Committee to improve the Bill.

MR. STYANTS (Kalgoorlie) [9.58]: The Bill provides generally for an increase in the benefits to injured workers, but in some instances the increase is not sufficient. The first proposal is to provide insurance for a worker while travelling to and from his place of employment. Efforts have been made to my knowledge some half-a-dozen times to secure the adoption of such a provision. The proposal has been passed by this House, during the regime of both a Labour Government and the present Government, but unless the Premier can prevail upon members of his party in another place to take on this occasion a more reasonable and sympathetic view of the provision—

Member: And sensible.

Mr. STYANTS: Yes; I am afraid it will meet with the same fate as has befallen it previously. There is no doubt that this State is lagging and has lagged seriously behind the other States for quite a number of years in the provision of insurance cover for workers in respect of injury sustained on their way to or from their place of employment. I hope that a sympathetic and sensible view will be taken on the matter in another place and that this provision will be incorporated in our legislation.

I want to pass some comment on the proposal to limit the amount of compensation which an injured worker can receive to £10 per week. That is totally inadequate considering that the basic wage in the metropolitan area is £11 18s. 6d. per week, and on the Goldfields about £12 5s. On the Eastern Goldfields there is in addition to the £12 5s. basic wage a gold industry allowance for those in the mining industry amounting to £2 per week and there is a margin for a skilled worker of £3 per week, which means that such a man would receive £17 5s. when he is at work. Immediately he is injured, the maximum he can obtain is £10 if he has dependants and £8 without dependants. When introducing the measure, the Attorney General said that it was not in-

tended that compensation should be regarded as a wage, but that it was more in the nature of a sustenance allowance to keep an injured worker and his dependants until such time as he was fit to resume work. I do not agree with that. I believe that the very minimum compensation should be the basic wage. The law of the land says that the basic wage must be based upon what is considered to be necessary to provide a man and his wife and family of two with a reasonable degree of comfort.

Yet we say that an amount £2 less than that is to be paid to an injured worker, an unfortunate man who, probably through no fault of his own, but perhaps because of the action of another employee or because of defective machinery or gear provided by the employer, sustains an injury. I hope to see the day when not only will the basic wage be the minimum for an injured worker, but he will receive the rate of wage which he was obtaining at the time of his accident. That is what I think he is entitled to. He suffers pain and discomfort and partial disability but is to get the magnificent sum of £10 a week as an allowance to keep him until he is fit to return to work!

I want to register an emphatic protest against that. When this Government brought down its amending Bill in 1948, the basic wage was in the vicinity of £5 15s. 9d. and the maximum payment for an injured worker was £6 per week, which was fairly reasonable. But now that the basic wage is £11 18s. 6d. per week in the metropolitan area, the maximum compensation is £10, and with a basic wage of £12 5s. on the Eastern Goldfields the maximum for a man with dependants is still £10 or, without dependants, £8. I emphatically protest against the inadequacy of the amount allowed to a person who is injured and thus unable to follow his usual employment.

There is really no need for this, because employers are paying a lesser amount for workers' compensation insurance than has ever been paid during the existence of industry in this State. The Attorney General knows that. He also knows that the recovery rate was originally assessed at 70 per cent. of the premiums paid in. That is, for every £100 which it was estimated would be paid there would be £70 recovered for workers' compensation. As the result of the first 12 months' operation of the board, somebody received a gift of hundreds of thousands of pounds because the recovery rate of 70 per cent. of the premiums did not nearly reach that figure, and although the employers had paid that amount in premiums, those insurance companies that were taking insurance cover for the Workers' Compensation Board benefited to the extent of hundreds of thousands of pounds.

I have not the figures with me at the moment, but during the Committee stage I can produce a document which will show that the assessment of 70 per cent. of the recovery rate of the premiums was very much more than what actually occurred. As a result, in the following year there was an amendment of the Act to provide for a premium rates committee which would have as its job the assessment of premium rates from year to year in accordance with the recovery rate which it was established was taking place in industry. From memory, I believe that it was reduced 15 per cent. or 20 per cent.—that is, it went from 70 per cent. of the estimated recovery rate to something like 55 per cent. or less.

It was found that even with that reduction the premiums were still too high for the number of claims being made and there was another reduction in the premium rate. So it is no use saying that it is too expensive to industry or that the employers have to pay too much in the way of premiums for a reasonable compensation to be paid to the injured workers because, I repeat, industry, and the employers are getting workers' compensation insurance for their employees at a cheaper rate today than ever before in the history of this State. Yet we have a miserable £10 per week as a maximum payment to keep a man and his wife and three or four children.

The other portion of the Bill with which I wish to deal covers what I consider to be an improvement, though it does not go far enough. At present £200 is allowed for medical treatment and hospital accommodation for an injured worker. It is now proposed to increase the figure and split the amount, allowing £150 for hospital accommodation and £100 for medical treatment. I believe that is an improvement, but I think the sum allowed under the Workers' Compensation Act is inadequate. We have an amount of 27s. per week allowed from workers' compensation payments, and 8s. from social service. In my opinion, it is a bad principle to mix workers' compensation with social service payments. It is simply an expedient to bring social service payments in to relieve the workers' compensation payment of an amount of 8s. a day. Nevertheless, it is a benefit to the injured worker, and he receives a total of 35s. a day for hospital accommodation.

I understand this sum is the public ward charge in Government hospitals in the metropolitan area. But injured workers cannot always get into Government hospitals, and the charge in private hospitals is £3 to £3 10s. per day. The Minister for Health estimates that the cost per bed per day in the Kalgoorlie hospital is £4. The provision in the measure may be all right to the extent that if an injured worker can get accommodation in a Government hospital he is covered, but if it

costs £4 per bed per day in the Government hospital in Kalgoorlie, it is reasonable to assume that if an injured worker has to go into a private hospital there he will be charged in the vicinity of £4 per day although he is allowed only 35s. per day under the Act.

The Minister for Health: But he does not have to pay £4 per day at the Kalgoorlie hospital.

Mr. STYANTS: That is so. The rate in country hospitals is £2 per day so that means he has to find 5s. a day for each day he is injured. That is unfair. Why should an injured worker have to pay anything towards his hospital expenses? His medical expenses are paid in full. If he receives attention from the doctor for 12 days, the doctor does not charge him so much per day, but a lump sum, and that comes out of the amount set aside under the Act for the purpose of giving the injured worker medical attention. But this does not apply to the hospital where it is provided that he shall receive 35s. a day although he might have to pay £3 10s. a day.

I know an injured worker in the metropolitan area who was unable to get accommodation in a Government hospital. He went into the Mount Hospital, where he had to pay £3 10s. a day. He was there for 12 days, and his bill came to £42, but under the Act he was allowed only £21, so he had to find £21 out of his own pocket. It is all right to say that we provide an amount of £150 for an injured worker, but if he remains in hospital for, say, 16 days, because of the limit of 35s. a day, he might have to find half the hospital bill, unless he is in a Government hospital at public ward rates. Why should a man get only a portion of his hospital bill paid while on the medical side he gets the full amount and not a daily rate? The fair and just thing would be to say that up to the amount of £150 the injured worker's hospital fees will be paid in full. I disagree with the present system, firstly, in regard to the mixing of social service payments with workers' compensation payments, and, secondly, because of the inadequate payment when a worker is in hospital as a result of injury, particularly for a short period.

Again I say there is no need for the inadequate compensation to injured workers because the employer in industry is getting his workers' compensation insurance cover cheaper today than ever in the history of the State. In the Committee stage, with the Chairman's permission, I shall quote the figures of the amounts that have been saved to employers in this State through the creation of the Premium Rates Committee. The recovery rate was considered, prior to the Workers' Compensation Board being inaugurated, to be 70 per cent. of the premium paid. Therefore I give the Bill my limited support. It is in most directions an improvement, but an improvement which does not go far enough.

HON. A. R. G. HAWKE (Northam) [10.17]: I support what has been said from this side of the House in regard to what the Bill contains, what it should contain and what it does not at this stage contain. Rather than go over the ground covered by previous speakers, I would like for a few moments to discuss an angle which is related to the Workers' Compensation Act in a somewhat indirect manner. I would like to see a law devised, passed and put into operation which would have as its objective the minimising or prevention of accidents in industry. From time to time we hear a lot from certain sources of the losses to industry and to the community whenever there is an industrial dispute.

We all agree that these losses do take place, and that they are regrettable, yet it has been shown by investigation, and by the publication of statistics which have been prepared as a result of these investigations, that the losses caused by accident and sickness in industry, which could be to a large extent prevented, are many times the losses suffered as a result of industrial disputation.

The Premier: How would you overcome sickness? What do you mean by that?

Hon. A. R. G. HAWKE: I do not want this evening to enter into a discussion of how sickness might be minimised, or to a large extent prevented, although I have some very set views on the subject, and I might take the opportunity later, during the discussion on the Estimates, to voice some of them. In the past I have had many opportunities of going through factories and workshops in this State and on such occasions I always had a careful look at the conditions in each establishment, especially from the point of view of safety to the workers employed there. It is not exaggerating to say that in all too many instances the conditions were such as to increase rather than minimise the risk of accidents. We know that the insurance of workers against accident involves the employers, in the first place, and the consumers of goods, in the ultimate, in great additional expense. We know that the workers injured in industry are involved in considerable financial loss, quite apart from the physical suffering that they have to endure.

Workers' compensation certainly deals with the effect of accidents in industry but not with the preventable causes that are responsible for so many of them. If only a small percentage of the money expended by employers on insurance policies under the Workers' Compensation Act, and a small percentage of the total loss to industry in any one year as the result of accidents in industry, were to be invested in some practical and modern way to minimise them, we might well find a much better situation existing in the majority of the industrial and other establishments in this State.

It is generally well recognised now that American employers lead the world in activity of that kind. They have, over the years, worked out the idea and the belief that the solution of the problem of production in this regard is, firstly, to utilise as much as possible of the most modern machinery and, in the second place, to employ their men as continually as possible and with as little loss of time as possible where those losses of time are due to sickness, accident, industrial dispute or some such preventable cause. They have consequently developed very progressive methods of minimising not only accidents but also sickness in industry. It is well known that leading American industries, at all events, have placed upon a scientific basis the prevention of accidents and sickness among their employees.

They have found that the large sums of money expended by them in those directions have been a very profitable investment and they have therefore organised such activities on a widespread basis. In this State—probably because up to now we have not been industrialised to any great extent—there has, by and large, been a sort of trust-to-luck attitude. It is no exaggeration to say that there has been a great deal of neglect and carelessness in the lay-out of workshops and factories so far as the prevention of sickness and accident is concerned. In some establishments that I have inspected in the past even a visitor, unless he were mighty careful, could easily meet with an accident.

Members know that when workers are employed in a factory or workshop week after week on a particular job they tend to become careless and develop the idea that they can find their way about in the dark, as it were. When they have reached that state of mind accidents can easily occur, especially in establishments where little thought has been given to the safety factor. In future a great deal more thought will have to be given to this phase of the problem. No one wishes the employees in industry to suffer accidents, because such happenings constitute a loss to all concerned. It would be a rich investment on the part of the Government, employers and insurance companies if some method could be devised by means of which there would in future be a far greater concentration on the problem of preventing or minimising accidents and sickness in industry than has been the case in the past.

Of course we have some legislation which bears upon that phase of the matter. Our Factories and Shops Act lays down certain minimum conditions for the safety of employees, but much more is needed. It is both necessary and desirable that we should begin to examine the problem from a scientific viewpoint and endeavour to establish in our existing industrial establishments the greatest possible measure of safety. That standard should, of course, be adopted in all new factories and workshops to be established. I hope that what I have said will cause more thought to be given to this feature in future than has been devoted to it in the past.

THE ATTORNEY GENERAL (Hon. A. V. R. Abbott—Mt. Lawley—in reply) [10.30]: I have only one or two comments to make and they mostly concern points raised by the Leader of the Opposition. It is well known in flying circles —and I mention that because I happen to know more about flying than any other branch of industry—that it is the human element that fails and causes nearly every accident. The only way to overcome that, as the Leader of the Opposition I think meant to suggest, is by educating the pilot and also by exercising strict discipline to ensure that he carries out his flying duties in the safest possible manner. No doubt some of those principles could be brought into being in other industries. Possibly they have been, but it is the human element that is the trouble because either through constant use of the same implement or the constant doing of the same act carelessness creeps in and in flying an accident results.

Mr. Moir: What about acts of omission by the employer?

The ATTORNEY GENERAL: Possibly there are acts of omission on the part of the employer, but I am treating this as a different class because if there are acts of omission by the employer claims come under a different category and compensation is on a higher basis. He is responsible for all losses suffered by the employee or his dependants.

Mr. Moir: It is very hard to prove a case.

The ATTORNEY GENERAL: I agree, but I also agree with the Leader of the Opposition that perhaps something could be done on a co-operative basis, because discipline is necessary as well as the taking of precautions.

Mr. Needham: What about an industry safety council in the same way as we have a Road Safety Council?

The ATTORNEY GENERAL: That might be a thought, but there would have to be an accident consciousness on the part of the employer and the employee to see what could be done to ensure greater safety in industry. I propose to deal with one point raised by the member for Boulder in regard to the allowance for hospital expenses. Under the exsisting provisions of the Act the compensation board has power to vary that amount from time to time and it is the board's duty to do so in accordance with the amount payable to the average hospital. The amount has been varied and the board

makes inquiries from time to time. If the daily amount is insufficient then the board should take up the matter.

Mr. Styants: They allow the magnificent sum of 27s. a day now.

The ATTORNEY GENERAL: I will not argue that it is too much or too little. That duty is cast upon the board and that power was given in accordance with recommendations made by the Royal Commission which inquired into workers' compensation.

Mr. Moir: Would you say it was reasonable to assume that hospital charges should be 5s. per day cheaper in the Kalgoorlie district hospital than in Perth?

The ATTORNEY GENERAL: I will not argue that because I do not know. The board makes inquiries from time to time and I do not see how any better system could be adopted. The main points raised by members were that the weekly amounts provided by the Bill were not sufficient and they wanted to know why lump sum payments had not been increased. As the Leader of the Opposition said, compensation in the first instance is paid by the employer and through him that payment is passed on to the consumer.

Mr. Moir: Plus a lot of other charges.

The ATTORNEY GENERAL: I regard compensation payments in the nature of a social service and we must have due regard to what is a fair amount to ask the ordinary citizen to pay. There comes a time when he says, "The costs of goods and other things I have to buy are so high that it is unreasonable for me to pay the price asked." So we must hold the balance equally and try to settle on a figure that is fair and just to everyone, having in mind all the circumstances involved. That is what has been done in this Bill. The Government thought that the sum payable to a married man should be greater than that payable to a single man. The same percentage increase has virtually been retained as was retained on the last occasion.

Mr. W. Hegney: No. There is no percentage increase in the Second Schedule.

The ATTORNEY GENERAL: I said "virtually," that is, "roughly."

Mr. W. Hegney: Very roughly.

The ATTORNEY GENERAL: The amount of £8, decided upon on the last occasion, was approximately 78 per cent. of the basic wage at that time. A sum of £9 a week now is 78 per cent. of the present basic wage. The weekly payments have been increased and the married man is to be paid £10 a week. The percentage increase on his payments is a little higher and on the single man it is a little less.

Mr. W. Hegney: Why are you increasing the weekly payments?

The ATTORNEY GENERAL: Because, having considered all the surrounding circumstances, it was thought desirable to do so.

Mr. W. Hegney: Why are you not increasing the Second Schedule payments?

The ATTORNEY GENERAL: Because, having considered all the circumstances, it was thought undesirable to do so; that is the reason. This Bill has been largely supported by all members, and I thank them for the consideration and thought they have given to it.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Perkins in the Chair; the Attorney General in charge of the Bill.

Clause 1—Short Title and Citation:

Progress reported.

ANNUAL ESTIMATES, 1952-53.

In Committee of Supply.

Debate resumed from the previous day on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Perkins the Chair.

Vote—Legislative Council, £5,702:

MR. J. HEGNEY (Middle Swan) [10.40]: Before the debate on the General Estimates concludes there are items on which I would like to make some observations. The Premier in presenting the Budget did so possibly under more difficult circumstances this year than during any of the past years in which he has been Treasurer. Unfortunately for him and the State, the financial position of the Commonwealth has become somewhat restricted. So much so that all the State Treasurers are in difficulties. When our Premier attended the Loan Council meeting to discuss what financial resources would be made available to the State for the current financial year he found he was at the mercy of the Commonwealth Treasurer, Sir Arthur Fadden.

I read a report of the proceedings at the Loan Council meeting and also the report of the discussion on the question of raising loan moneys. There is no doubt that the Premier has a headache and will continue to have one while the Commonwealth faces such financial difficulties. We know that the last two Commonwealth loans were under-subscribed. The people are not prepared to invest their money in Government loans and from the point of view of the Commonwealth as a whole and this State in particular that is extremely unfortunate. In our State and in other States of the Commonwealth there is a pressing need for large public works to be undertaken in the very near future. I have read leading articles in the Press, commenting on the Budget, and in one

published in the issue of "The West Australian" dated the 29th October it was reported that the present Treasurer had to be thankful to the Commonwealth for the moneys that were made available to him.

The revenue from the Commonwealth this year is estimated at £37,800,000 and the Treasurer has estimated that there will be a deficit of just over £400,000. As approximately half our revenue is obtained from the Commonwealth, this indicates how much we depend on a generous handout from the Commonwealth Treasurer. In the past this State exercised its own taxation powers. It is said that finance is the foundation of government but since the imposition of taxation has been placed under the control of the Commonwealth Government to a large extent the sovereign rights of this State have diminished. The Commonwealth Government, owing to this country being engaged in war, was forced to impose uniform taxation and it has retained this taxing power ever since.

There is no question, however, that this State benefits from that arrangement. If the position arose that the Commonwealth Government eventually handed back to the States the power of collecting their own taxation I fear that our Treasurer would have a tremendous burden placed upon him, and the taxation that would be imposed on the people of Western Australia would be great indeed. I am not aware of the attitude adopted by the Premier at the Loan Council meeting; whether he strongly opposed the principle of uniform taxation being abolished and that the State should revert to having its own taxation rights.

Mr. Needham: He got too big a shock.

Mr. J. HEGNEY: One of the underlying principles that brought about the suggestion that taxation should be raised by each individual State was because that in a compact State like Victoria, where taxation was low, the taxpayers were receiving very little in return compared with their fellow Australians in such States as Western Australia. This proposal is under serious consideration by the Commonwealth and the Treasury officials of this State are collaborating with those in the Eastern States with a view to finding ways and means of handing back these powers to the States in the best possible manner. Although the Prime Minister, at a recent Loan Council meeting, threatened to transfer these powers immediately, I notice now that the question has been deferred for another 12 months. There is no doubt that we in this State have more to gain under uniform taxation than if the State were to impose its own taxes.

Mr. Needham: The States will never get that power back.

Mr. J. HEGNEY: It appears that the Commonwealth Government is subject to great unpopularity because it imposes taxation, especially when it is forced to impose a heavy burden on certain classes of taxpayers. The Treasurer and the Government that impose that tax get the odium and criticism and the State Treasurers who are at the receiving end go scot free. Hence the reason which has actuated the Prime Minister of the Commonwealth and his Treasurer in threatening the States and telling them that they can have their taxing powers back. So far as we are concerned I have no doubt that a definite attempt will be made by the Commonwealth Government to transfer the powers back to the States because it will have to confront the Commonwealth electors inside of two years. If they can show that they have considerably reduced taxation and that the power to impose their own taxation has gone back to the States, then they will not be so subject to criticism. If they can show considerably reduced taxation in their own sphere, then the odium and criticism that rest upon them now in regard to taxation will be much less than it is at present. I have no doubt that is one of the reasons which will actuate the move.

In looking through the estimates of revenue and expenditure provided for our consideration, I find there is one item which has to be met out of revenue for the carrying on of the affairs of state; it is the first item that has to be met. I refer to the amount that has to be paid by way of interest. It shows the interest payment on loans that have been borrowed as £3,848,394; it shows the sinking fund payment as £1,022,207 on debts which have been raised outside Australia in days gone by, and exchange payments of £387,000 odd which have to be met. So there is an amount of £5,257,211 that has to be met out of revenue; the first charge, one might say, out of revenue before the Government and the State can start functioning and see what it can do in respect to education and the other social activities.

The problem of raising loans in the Commonwealth is one that is exercising the minds of the Treasurers both of the Commonwealth and the States, and also of financiers generally. They find that investors, that is the public generally, are reluctant to invest in Commonwealth bonds at the rate of interest that has been operating for some considerable time, namely, 3½ per cent. on a 15-year loan. Recently we know that the Commonwealth Loan Council discussed the question of increasing interest rates. There was some disunity among the Treasurers in that respect; they could not agree whether the interest rates should be raised. We find in our own State that the Government has given approval to the State Electricity Commission to raise a £3,000,000 loan at the rate of £3 12s. 6d. per cent. Fortunately

that loan was over-subscribed. I understand that in Queensland recently the same type of loan was on the market at the same rate of interest and it was not a success. There is no question that if the interest rate rises it will mean further demands on revenue. We might even have the spectacle that operated during the first world war, where interest rates rose to 6½ per cent.

The Premier: Six per cent., was it not?

Mr. J. HEGNEY: It was only when a financial collapse took place in America and eventually a depression took place in Australia that Sir Otto Neimeyer was sent out here and put the gun at the Government's head, and said that a reduction had to be made in expenditure; so much so that a 22½ per cent. cut took place in the expenditure of the Commonwealth. Of course it still had to meet this high interest payment on loans raised during the war period until it had the first opportunity of redeeming them. We hope from the point of view of the development of this State and of the Commonwealth that the interest rate does not rise too high, because if it does it will be disastrous for the Commonwealth and its people.

There are other questions to be resolved in the Commonwealth and some of those are now being considered by the Commonwealth Arbitration Court. I refer to the applications that are now before that court. I make my observations in a general way but the proposal before the court is to increase the hours of labour, to reduce the basic wage by £2 6s. per week, and to suspend the operation of the quarterly adjustment for a period. Whether those propositions are going to be a solution of our problem today is another question. Assuming there were a reduction of £2 6s. in the basic wage—or even a reduction at all at this stage—I fear that in this country a good many people would be in difficulties.

We have only to realise the number of people there are in this country throughout the Commonwealth to know that they will immediately be in difficulties in meeting their commitments. There are thousands of people who have taken on obligations entailing high capital expenditure on homes which they budgeted to meet having regard to their present income. There are also any amount of people who have furnished their homes and we all know how costly furniture is. Many have furnished their homes well at considerable expense. So if there were a recession in the basic wage operating throughout the Commonwealth, then there is no question that so far as our own country and the people in it are concerned, the effect would be disastrous. Therefore, there is another problem that is posed for solution by the Commonwealth. It is certainly not an easy one, but nevertheless it should not be solved by reducing the people's income. If that were done the effects would be very serious indeed, because incomes would be reduced, there would be a loss of money to the revenue, and this in itself would intensify the problem. Unfortunately, there has been some slackening in employment and a percentage of unemployment now exists in Australia.

Mr. Brady: Some of it in our metropolitan area.

Mr. J. HEGNEY: Let me instance a firm that manufactures what may be termed a luxury line, namely, ice cream. A number of workers have been employed by that firm for seven, eight or nine years and they have been dismissed while other men have been engaged. It is possible that this has been done in order to evade the granting of superannuation. This shows the extent to which some employers will go in order to economise.

As was mentioned by the member for Guildford-Midland, there is some unemployment in the metropolitan area. This State is in need of a considerable amount of development, and the greater the number of people that can be provided with employment, the better it will be for the primary producing industries. Considerable criticism is often levelled at industrial workers on the ground that they are not exerting their best efforts during the hours of employment, notwithstanding that they are enjoying a 40-hour week. There are too many workers who are engaged in luxury trades—trades that do not make a contribution to the sum total of real wealth so necessary in this State. I am afraid, too, that those engaged in luxury trades get the best rake-off out of industry.

The men engaged in primary industries are the ones who are producing the real wealth. They and the workers in heavy industry and in essential services often do not receive the reward due to them. On the other hand, there are people who make little or no contribution to the development of the State. Some of these are young men of means who should be making a worthwhile contribution to industry, but, by reason of being in possession of capital, they are able to indulge in leisure and pleasure and take their toll of industry. These are some of the ills that are affecting present-day society. We hear criticism of the workers and of the producers, but these men are the real backbone of the country, while the others to whom I have alluded may well be described as parasites. As my time allowance for speaking is limited, I shall now pass on to other matters.

Amongst the items of expenditure for the current financial year, I observe that a substantial increase is provided in the amount for the Governor's Establishment.

I wish it to be clearly understood that I am referring now solely to the establishment and not to the occupant of the position. The amount set aside for the Governor's establishment shows an increase of 100 per cent., and I cannot see any justification for calling upon the taxpayers to bear such a burden, especially in view of the existing financial situation. We are supposed to be doing everything in our power to curb inflation, but this is not the way to do it.

The Premier: I shall show you later on that there is justification for the increase.

Mr. J. HEGNEY: The Governor's salary has remained at the previous figure and I cannot understand why the total expenditure should be increased to such an extent. There might be justification for a reasonable increase in conformity with increases provided for other departments, particularly in the matter of postages, etc. The item for gardens shows an increase, which I think cannot be justified. However, when the items are discussed I shall deal further with these matters.

Another question I should like to raise has relation to the controversy over the originator of the Goldfields Water Scheme. In "The West Australian" of the 16th October, 1952, there appeared a report under the heading, "University Seeks Scheme Founder". It read—

> What has been described in correspondence between the Premier's Department and the University as "the contentious question as to who was the originator of the Goldfields water scheme" is to be investigated by the staff of the University's history department.
>
> An offer by Professor F. Alexander, head of the history department, to make "a thoroughly scientific and definitive investigation" has been accepted by the Premier (Mr. McLarty).
>
> Mr. McLarty suggested that the terms of reference supplied by the Government to Mr. H. D. Moseley for an inquiry by him should operate for the University inquiry. They were:
>
> Who was responsible for placing before Sir John Forrest the plan for pumping water to the goldfields by the method of pumping which was adopted in the Coolgardie goldfields water supply scheme?
>
> Who was chiefly responsible for persuading Sir John Forrest that the method adopted was practical and that it was within the financial means of the State?
>
> The Premier, in a letter to Professor Alexander, said that the West Australian Historical Society had made a report on this matter, and at the request of the Government, Professor Walter Murdoch, assisted by Mr. J. Costello, a member of the staff of the Australian Broadcasting Commission, also carried out an investigation.
>
> In addition, the Government asked Mr. H. D. Moseley to submit a report, but after some inquiries Mr. Moseley declined to continue on the ground that no further evidence was available.

Following those references, I propose to quote from the report by Professor Murdoch. I do not intend to read much of it now, but I am intrigued as to the reason for the matter being revived and relegated to the historical section at the University, under Professor Alexander, for further inquiry. The former member for Middle Swan who, I understand, is a grandson of Mr. N. Harper, whose name is mentioned in this report, used one session trying to prove that his grandfather was entitled to the credit of having initiated the Goldfields Water Supply Scheme. He said that the history books of Western Australia were telling lies when they stated that C. Y. O'Connor and Sir John Forrest were the authors of the scheme. Finally, the Minister for Education agreed to refer the matter for investigation, and Professor Murdoch was given the task of making that inquiry. At the commencement of his report, Professor Murdoch stated—

> Dear Mr. Watts,
>
> I have, as you requested, inquired into the question raised by Mr. Grayden in the Legislative Assembly on October 30th, 1947. I embarked on this investigation without any preconceived ideas on the points at issue, and applied the usual methods of historical research, accepting as evidence no statement which was not backed up by documents. No human faculty is more fallible than the memory; therefore personal reminiscenses of what happened more than half a century ago must always be regarded as requiring verification. I believe I have examined all the relevant and essential records; and I have arrived at the conclusions which I have now the honour to submit to you.
>
> The question, Who first thought of the possibility of pumping water from the coastal areas to the goldfields? is one that, in the nature of things, can never be answered.

That is the statement of an impartial and trained investigator. He said that the question was one that could never be answered.

The Premier: Is he a trained investigator?

Mr. J. HEGNEY: I doubt whether there is a more trained investigator in this country than he.

Hon. J. B. Sleeman: The Historical Society had an inquiry, too.

Mr. J. HEGNEY: Yes. There is no doubt about Professor Murdoch's capacity to probe into documents, understand their meaning and express his findings in simple English. I come to the last page of his report, in which he said, quoting from a speech by Sir John Forrest—

> "He (Sir John Forrest) could say this: Had it not been for the confidence which he and many others in the State had reposed in the late Engineer-in-Chief's ability, probity and honour, he could not have undertaken at the time the great responsibility of that immense enterprise."
>
> In the report of his speech, there is no mention of Mr. Harper.

Having read that through a number of times after I had seen that article in "The West Australian," because I was interested to know what was the last finding on the matter, I would now like to discover—and perhaps the Premier can tell me when he speaks—the purpose of submitting the subject to Professor Alexander, head of the History Department at the University, for further investigation.

Hon. J. B. Sleeman: They will keep it going until they get the right decision.

Mr. J. HEGNEY: I do not know that that is altogether the reason. It is being bandied about that Mr. Harper would like to receive a knighthood. I have nothing personally against the gentleman concerned; I do not know him very well. But it is suggested that, with the Coronation taking place next year, there is some move on foot to provide justification for bestowing a knighthood on Mr. Harper. If that is so, I think we should be told of it. I consider that if it is desired to award him a knighthood, it could be given for what he has already done through his generosity and altruism, particularly in giving money that has been spent on two girls' homes in the Guildford-Midland district, and there is no need to try to justify such an honour by this means.

The Premier: That is not the reason; I will give you that assurance.

Mr. J. HEGNEY: I am pleased to have it. My predecessor, Mr. W. Grayden, spent a session here, to the great annoyance of the Government, trying to prove that his grandfather was entitled to the kudos for having initiated the Goldfields Water Supply Scheme.

The Premier: This will be the last inquiry, so far as I am concerned.

Mr. J. HEGNEY: I now pass to a consideration of the question of transport in my district, about which I have received many complaints since my election. A service known as the Federal Bus Co. operated in the Bayswater and Perth Road Board districts, extending to the Swan Road Board area, when I was elected. It was not long before I had complaints about its inefficiency. That went on for a long time. I submitted the complaints to the transport authorities and interviewed the then chairman, Mr. Drake-Brockman. I was told that there would be an interview with the manager and everything in the garden would be lovely; but time and again there was a reversion to the same conditions, and many complaints were received from workers that buses failed to run and that the service was inefficient. On one occasion I was informed that three buses scheduled to run in succession failed to appear, and often the transport broke down so that workers who had paid their fares had to be set down and catch the tram in Beaufort-st.

Finally, the Federal Bus crowd abdicated because the service was falling to pieces. The people in the eastern suburbs had to endure that rotten, inefficient transport for years. Several deputations were taken to the Minister for Transport on the matter on behalf of the Bayswater Road Board and the Progress Association. I was associated with the member for Maylands on one deputation and he supported everything I had to say so far as transport along the Guildford-rd. was concerned. I also introduced a deputation from the Morley Park Progress Association and from three other associations, one from the electorate of the Minister for Lands, extending as far as Caversham. They all had the same complaint of inefficiency in operation, and bad service. The company got out, and the Transport Board had to provide another service. It finally got Mr. Lancaster, manager of the North Beach Bus Co., to come in. It went first to the Omnibus Proprietors' Association pleading for an operative to take over. Mr. Lancaster took over, and the Minister went over the route with him before he began to operate.

A timetable was published indicating that the buses would not go along the route that had been formerly used and which had given a service to those furthest removed from transport, but would run closer to public-owned transport. When I got the complaint I immediately interviewed the then chairman, Mr. Drake-Brockman. The morning I saw him the manager of the company came in, and I complained bitterly because the company was refusing to give a service to the people in a westerly direction from Crawford-rd. The previous service had operated for a period of 14 years. My opinion is that the Transport Board just let this operator make his own terms and allowed him to come along Dundas-rd.—the road I live in—to Robinson-st. which is not more than five minutes walk from the tram. That service has continued for the last 18 months.

About two months ago I took another deputation, representing the Perth Road Board and the Morley Park Progress Association to the Transport Board asking for certain things to be done, and requesting that instead of the bus going along Dundas-rd. it should return to the former route. The representatives of the road board said they had been requested to put the road into condition to carry the buses, but that it would require an expenditure of at least £1,600, and they did not have the money. They did say, however, that they had provided for the truncation of the corner at the intersection of College-st. and Dundas-rd. where the previous company ran its buses, but the new operator could not possibly return that way; no, he wanted to get close to the public-owned transport and take revenue from it. There is no justification for sending buses along Dundas-rd. as the chairman of the Transport Board allowed.

The people in the back country have complained bitterly because they are dragged half way around Inglewood before getting to their destination. The answer to the deputation which made a request a couple of months ago was that these matters would be considered when zoning was introduced. I do not know when zoning is coming in. Other problems allied to transport control were also discussed. Here is a letter I wrote to the secretary of the Transport Board when the board asked for an agenda of what we wanted to discuss—

> I refer to your letter of the 31st ultimo, and advise that I have discussed with the Secretary of the Morley Park Progress Association, the subject matter of your letter.
>
> I am now advised that the matters they desire to discuss are itemised hereunder:—
>
> 1. Obviating the danger associated with the turn round of buses at the intersection of Walter-rd. and Grand promenade.
> 2. Truncating of corners.
> 3. Widening of road near intersection.
> 4. Parking of private trucks on road near intersection.
> 5. Whether the buses should be turned at the intersection, or
> 6. Proceed to Drummond-st. and turn in to either Clement or Craven-sts.
> 7. Reversion to old route, namely turning out of Dundas-rd. to College-st., thence into Crawford-rd. in a Westerly direction.
> 8. Service for Collier-rd.
> 9. Service along Wellington-rd. —extension of school buses, now terminating at school, as far as road is surfaced, say Lincoln-st. Morley Park.

We also put a proposition that the bus should stop about 100 yards from intersections to obviate obvious dangers. It is about time that bus owners, and those in charge of Government services as well, should see that their drivers scrupulously observe the traffic regulations. Sometimes one is following a bus and finds that it stops almost at the intersection so that it straddles the corner, thus creating danger to vehicles approaching from the other side. It is about time that the drivers of both private and Government buses carried out the traffic laws efficiently and stopped a considerable distance back from intersections.

I also received a complaint in connection with the Scarborough buses which operate along Loftus-st. I was told that at one place, where the buses stop opposite each other, there is really no room for an oncoming vehicle to pass. I make these remarks to show how urgent it is that there should be a more stringent application of these traffic laws and regulations. Bus fares have risen and metropolitan users of transport are complaining bitterly about the increases. Another thing that has struck me of recent date is the fact that the Transport Board is now the mouthpiece of both the Government and the private operators for the fixing of fares. At one time the Minister for Railways, as head of the Government transport authority, announced when increases were taking place, but now the chairman of the Transport Board appears to be the Government mouthpiece in this matter.

The question of zoning has arisen. Recently in the paper there was an article under the heading "Bus Zoning," and drivers of vehicles say they are getting notice to finish up because zoning is coming, but when people ask me, as the representative of the district, what I know about it, I say, "Nothing at all," because I have had no advice. Consequently when that appeared in the Press I submitted certain questions to be asked of the Minister for Transport. In answer to those questions he admitted that any statement should be made on the authority of the Minister, yet in spite of that the Press apparently had already access to information from the transport authorities.

A well-known insurance assessor is advising the Government on transport problems but there is no reason why such a person should be more an expert in that field than I am. The man whose name has been mentioned is certainly no authority on the question and I understand he is associated with and interested in one of the private bus companies. That is

not fair seeing that the matter being dealt with is a public asset. The Government should have placed before members the report received from Sir Ross McDonald and others so that it could be fully discussed before anything was done. I have received complaints about the Beam Bus service and a letter to the secretary of the W.A. Transport Board from the secretary of the Belmont Park Road Board reads as follows:—

6th February, 1952.

From time to time this board has received complaints of the poor service rendered by Beam Bus company in conducting the transport monopoly for this district. Lately the number and variety of complaints have increased. At the last meeting it was resolved to ask your board to enquire closely into this bus service with particular reference to the following items:—

(a) Poor mechanical condition of buses, including faulty brakes.

(b) Unclean state of buses generally.

(c) Numerous failures to adhere to timetables.

(d) Overcrowding of buses.

There is such widespread dissatisfaction that specific complaints are considered unnecessary.

The Board is also concerned that if the announcement in the "Daily News" dated 4th February is correct we can expect further deterioration of the service when the company dispenses with the services of a number of conductors.

The rapid development of this area and consequent increase in population obviously warrants an efficient transport service.

In August last, the chairman (Mr. R. H. Selby) of this board made personal representations to the Beam Bus company regarding the improvements desirable in the service here. The Acting Manager (Mr. Hebiton) gave assurance that the company was aware of the need and proposed many changes which would provide an efficient service and remove the cause of complaints. I am to state that in the past four months there has been a steady deterioration and this Authority asserts that the Beam Bus company is failing to provide a reasonable service to the people of the district.

The mechanical condition of some of the buses is such as to warrant immediate action in the interests of public safety.

(Sgd.) H. L. McGUIGAN—Secretary.

That gives an indication of the condition of the transport services operating in that area. The time is overdue for us to have one electoral authority. There are many new homes in the districts I represent and with an officer from the Commonwealth Electoral Department going round many people are in a quandary as to how they should enrol. One roll should be sufficient for both State and Commonwealth purposes and that system operates successfully in N.S.W. and some other States. There are other matters with which I wish to deal but I will mention them when speaking to the various items.

Progress reported.

House adjourned at 11.40 p.m.

Legislative Council

Thursday, 13th November, 1952.

CONTENTS.

The PRESIDENT took the Chair at 3 p.m., and read prayers.

QUESTIONS.

NATIVE AFFAIRS.

As to Proposed Reserve, Success Hill.

Hon. H. S. W. PARKER (without notice) asked the Minister for Transport:

When is it proposed that Success Hill Reserve at Bassendean be handed over to the Native Welfare Department or other organisation for purposes of a community centre or other such purpose?

The MINISTER replied:

There have been rumours reaching individual members of Cabinet that such a proposal is in the minds of some, but I would say it has not been discussed at Cabinet level, and, as far as I know, there is no intention of granting any such request.