

The auction system has stood us in very good stead over a number of years, McMahon said. He was replying to A. S. Luchetti (Labour) (New South Wales) who asked whether the Minister had considered a proposal for a floor ceiling system in the sale of Australian wool.

McMahon said that he and the department had given a great deal of thought to a floor price for wool. As far as he knew the industry generally had not submitted any new proposals to the Government for a support scheme, which was decisively rejected by producers some years ago.

Mr. Watts: It is time the Agricultural Council made him a little more inquisitive.

Mr. MAY: I would suggest to the Leader of the Country Party that he bring that to the notice of Mr. McMahon, because it might be helpful in the future. That is the only comment I wish to make.

Amendment (To delete words) put and passed.

Mr. KELLY: I move—

That the following words be inserted in lieu of the words deleted:—

depressed wool prices will have on national prosperity, employment, and business generally in Australia, this House requests the State Government to use every endeavour to induce the Australian Agricultural Council to initiate urgent discussions to consider the factors causing the recent severe decline in wool prices, and what effective measures can be adopted to prevent further fluctuations in prices from year to year, and that full consideration to be given by the council to the appointment of a high level investigating committee to urgently examine all aspects of wool production, marketing and future stability of the industry.

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

House adjourned at 11.55 p.m.

Legislative Council

Thursday, the 18th September, 1958.

CONTENTS.

	Page
QUESTIONS ON NOTICE :	
Water boring plant, withdrawal from Badgingarra area, etc.	902
Marketing of Eggs Royal Commission, implementation of recommendations	903
MOTIONS :	
Fire Brigades Act, disallowance of regulations	914
BILLS :	
Municipal Corporations (Postponement of 1958 Elections), 1r.	903
Vermitt Act Amendment, 2r.	903
Government Railways Act Amendment, 2r.	904
State Government Insurance Office Act Amendment, 2r.	907
Health Education Council, 2r.	911
Industries Assistance Act Amendment, 2r.	913
Local Courts Act Amendment, Report	914
Electoral Act Amendment, Report	914

The PRESIDENT took the Chair at 2.15 p.m., and read prayers.

QUESTIONS ON NOTICE.

WATER BORING PLANT.

Withdrawal from Badgingarra Area, etc.

1. The Hon. L. A. LOGAN (on behalf of the hon. A. R. Jones) asked the Minister for Railways:

(1) Is it a fact that the Government water boring plant now working at Badgingarra town area is to be withdrawn from that area?

(2) How many bores have been put down in that area?

(3) To what depth were the bores drilled?

(4) If the plant is to be withdrawn, is the department's decision concurrent with the advice of the geologist?

(5) In the event of the plant being withdrawn will it be transferred to another part of the Badgingarra-Hill River area?

(6) What is the approximate cost per foot of drilling done to date—excluding geologist's costs?

(7) If it is intended to shift the plant to another area what area or district will it be transferred to?

(8) When will the number two plant be put in to service and in what district or area will it work?

(9) How many applications have been made by property owners from—

- (a) the Badgingarra-Hill River area;
- (b) the Mendel-Wongoondy area;
- (c) the Kalannie area;
- (d) any other area or district?

(10) Is it a fact that some applicants for the water boring service have had their deposits returned?

(11) If the answer to No. (10) is "Yes," what are the reasons for such action?

The MINISTER replied:

- (1) Yes.
- (2) One.
- (3) Maximum depth 700 ft.
- (4) Because there are no other agreements.
- (5) No.
- (6) Drill still working and costs have not been determined.
- (7) The drill is to be moved to Kalannie.
- (8) Immediately—Kalannie.
- (9) (a) Badgingarra-Hill River, nil,
(b) Mendels-Wongoondy, three,
(c) Kalannie, 20.
- (d) There have been many enquiries, but applications not yet called for in other areas.
- (10) Yes.
- (11) At this stage, the department will not be drilling in their locality.

MARKETING OF EGGS ROYAL COMMISSION.

Implementation of Recommendations.

2. The Hon. A. F. GRIFFITH asked the Minister for Railways:

What action has been taken by the Government to put into effect the recommendations contained in the Royal Commissioner's report of 1955, on the marketing of eggs?

The MINISTER replied:

The commissioner's recommendation in the report to retain the board has been implemented. Sections 5, 17 and 31 of the Act have been amended to give the board the power to fix the retail prices of eggs as recommended. Administrative recommendations have been put into effect by the board.

MUNICIPAL CORPORATIONS (POSTPONEMENT OF 1958 ELECTIONS) BILL.

First Reading.

Introduced by the Hon. H. C. Strickland (Minister for Railways) and read a first time.

VERMIN ACT AMENDMENT BILL.

Second Reading.

THE HON. W. F. WILLESEE (North) [2.23] in moving the second reading said: This small Bill seeks to ratify a situation that has developed as a result of action by the Port Hedland Road Board during

February of last year. The board agreed unanimously to abolish its vermin board which was identical with the members of the Port Hedland Road Board. That was done voluntarily by the board members because all of them were residents within the townsite itself, and it was felt that vermin control activities would be carried out more effectively by representatives from the district.

The board members took action accordingly, and abolished their existing organisation. They elected a new vermin board under the normal procedure. The move was supported by the residents of the district. It was regarded as a practical and sensible move.

Subsequently the Crown Law Department pointed out that although the Act gives power to revoke the appointment of any vermin board and to appoint another board, there exists some doubt as to whether this applies specifically to road boards which have been declared vermin boards. Section 17 of the principal Act authorises the Agriculture Protection Board to appoint boards for the destruction and control of vermin in specified districts. The members of these boards go out of office in April of the year following their appointment and the vacancies are then filled annually by election.

When the boundaries of vermin districts are similar to those of road districts, or the vermin district is contained within the road district, Section 45 authorises the appointment of the road board as a vermin board. This is the important point in the Bill. The power to abolish a vermin board is contained in Section 46 of the Act, but the Crown Law Department doubts whether this enables the revoking of the appointment of a road board as a vermin board.

The Bill is designed to overcome that doubt and, in order to meet the position at Port Hedland, it states that its provisions shall operate as from the 6th February, 1957.

The three recommendations contained in the Bill are: (1) at any time a vermin board may be dissolved without abolishing its vermin district; (2) whether the board so dissolved is a board of a road district appointed under Section 46 or not, to direct that there shall be a board for the district and to appoint the former members of the board in accordance with Section 17 (1); and (3) on the dissolution of a board to transfer, vest or apportion its property or assets in such a manner as it deems just, and to settle, adjust and finally determine rights, liabilities and questions which may arise in consequence of the dissolution.

That is the text of the Bill. In regard to the position at Port Hedland, the vermin board that was appointed has been carrying on quite efficiently. Everyone is quite satisfied with the situation. If the Bill

becomes law it will enable the action taken at Fort Hedland to be ratified and it will enable any other road board in the future, which considers it can delegate vermin control to outside appointees rather than to the personnel of the road board itself, to do so without difficulty. I move—

That the Bill be now read a second time.

On motion by the Hon. C. R. Abbey, debate adjourned.

GOVERNMENT RAILWAYS ACT AMENDMENT BILL.

Second Reading.

THE HON. H. C. STRICKLAND (Minister for Railways—North) [2.28] in moving the second reading said: The necessity for this Bill resulted from the unfortunate experiences of the three-man Railway Commission, and from some of the recommendations made by the Royal Commissioner who is enquiring into railway matters generally. But he made his recommendations when he was enquiring into the administration of the Railway Commission.

The Bill contains several amendments, some of which are consequential. None of them is of any particular purport, nor should any of them engender controversial discussion or opposition. The first amendment of any consequence is that the provisions of the Bill shall not come into operation until proclaimed. The idea is to give the Government time to advertise for applicants for the position of commissioner.

The Hon. G. Bennetts: Surely you will not go out of the State to appoint one?

The Hon. H. C. STRICKLAND: I do not know how the advertisement will be worded.

The Hon. G. Bennetts: It would be disgraceful if you did that.

The Hon. H. C. STRICKLAND: If the hon. member were to apply he would be considered as an applicant, seeing that he has spoken volumes on railway matters since I have been in the House. I suggest he would be of some assistance to the Railways Commission, although it might be only in an advisory capacity.

The second amendment gives the Governor power to appoint a commissioner. This has always, more or less, been in the provisions of the Act, but to put the question of resignations in its correct perspective it is deemed necessary to include a provision so that a commissioner's resignation must be accepted by the Governor. The reason for this is that if the Governor is to appoint the commissioner he should also have the privilege of accepting the resignation. Should the occasion arise, he has to approve of a dismissal after both Houses have considered the reasons which occasion such action to

be taken. So it is thought, and deemed right and proper, that the Governor should also be the appropriate person to accept the resignation.

The amendment also covers a loophole which would exist should the Railway Department be unfortunate enough to engage another commissioner such as one, at least, who was recently in its employ. At present the holder of the office could resign and perhaps be far away in another job before the real reasons for his resignation became clear and apparent. Therefore it is thought that this provision should be included.

There is also an amendment in Clause 3 which has an effect upon the section referring to participation in profits or emoluments arising directly or indirectly from contracts. If hon. members will recall, one of the commissioners was prosecuted for a certain charge laid against him but in law it was argued that he had committed no offence because of the protection of the section of the Constitution Act to which the Railways Act now refers. That particular portion of the Constitution Act covers the position where a person may be interested in a company, and providing that company has more than 20 shareholders, any profits that he might make by dealing with it, would not be considered to be against the terms of his employment under the Act. So that while it is not closing the gap completely for a commissioner to hold shares in, say, B.H.P., or an oil company, or something like that, it does certainly take out from the Railways Act that portion which referred to the Constitution Act; and that was the particular section over which so much litigation took place early this year.

The Hon. G. Bennetts: Under this measure, he will not be able to be a shareholder?

The Hon. H. C. STRICKLAND: Yes, he will be able to be a shareholder in those big companies but previously it was not clearly defined—whether a shareholder or not—whether he could deal, under the lap, as it were, with a company which comprised more than 20 shareholders.

Another amendment is contained in Clause 3 (d). This refers to the tenure of office. Since we amended the Act last year, and specified a term of seven years, we have found by experience, that the amendment is not desirable, so we seek to adopt the practice—as is the case in most of the other States—of appointing a Commissioner for a term "not exceeding seven years" so that a commissioner can be appointed for a term of one, two, three, four, five, six or seven years.

At present, should the seven-year period expire when a man is 59 years of age, because of the retiring age of 65 in the Act,

he would be precluded from being reappointed for a further period of seven years as he would, by then, be 66 years of age. Therefore by amending the Act to "up to a term of seven years" this problem is overcome.

The next amendment is similar to the provision which I explained in connection with the receiving of commissions, and the participating in profits, benefits or emoluments; and it is consequential on the previous one. This is also an amendment to Section 10 of the Act. As I said when commencing to explain this Bill, it contains no provisions which call for lengthy discussions, or, should I say, difference of opinion which could get to the stage of being controversial.

I think all members will agree, after studying the Bill and its provisions, that it is necessary; especially to clear up one or two of the undesirable features contained in the Act. All the amendments have been recommended by the Royal Commissioner inquiring into railway matters, and as it is advantageous that a permanent commissioner be appointed as early as possible, the Government wants no undue delay to be occasioned by unnecessarily lengthy discussion on the Bill. I am not suggesting that hon. members should not criticise the Bill, or the railways for that matter, as they so desire, but I am hoping that the debate will not be adjourned unnecessarily, simply because someone wishes to go to a country show or perhaps attend a cocktail party.

The Hon. A. F. Griffith: Do you want it to continue straight away, instead of being adjourned until, say, Tuesday next?

The Hon. H. C. STRICKLAND: No. I am speaking of the unnecessary delays which occur sometimes when there is not a great deal of urgency about a debate. The hon. Mr. Bennetts wanted to know whether we would look outside the State for a new commissioner. I do not know where we will look, but the position will be advertised throughout Australia, although not overseas. Nevertheless, I have no doubt that the vacancy will be heard of overseas because, since the Royal Commissioner first began his inquiries into railway administration, we have had several inquiries from overseas railwaymen, in regard to the position which they now know is to become vacant. We received some such communications immediately the Royal Commissioner's inquiry commenced.

Whether those who communicated with us were anticipating what might be the result of the inquiry, I do not know, but at all events what has taken place shows that there is Commonwealth-wide interest in the position—and here I refer to the British Commonwealth. There is a journal which circulates among railway departments in the various parts of the

British Commonwealth; and so those interested will be well versed in the present position. By now the Indian, Malayan, South African and even the Irish railways will be aware of what is taking place. I do not know whether there will be applications from overseas for the position of railways commissioner here, but we are hoping that, when we call for applications, we will be more fortunate than was the previous Government which, no doubt in good faith, elected a commission which finished up with such drastic financial and physical results to our railway system.

We realise that no one can be blamed for selecting men with the highest credentials and recommendations but who may, through lack of interest, or perhaps through simply looking on the position as a place for retirement rather than of work, allow the system to fall into a chaotic state. We hope to obtain the services of a commissioner who will be conscientious and competent and who will strengthen the position of our railway system financially and physically; and keep going the good work which has been commenced, under the present Government, by those men who have acted as commissioner in the place of the permanent commission which preceded them. The railwaymen who have, since the end of the three-man commission, acted as commissioner, have done a good job and have arrested the deterioration that was taking place. That deterioration was due, right up until the Royal Commission began its inquiries, to a lack of interest, by far too many railwaymen, in their jobs.

I do not think that all our railwaymen had lost interest in their work, but many had lost a certain amount of their trust in the railways generally. The clients of the railways, the public and members of Parliament, recognised that something was wrong with the railway system, and that in order to correct it a change in the top administration was necessary. Under the position that existed many railwaymen lost confidence in their jobs and, being overridden whenever they attempted to make decisions which they knew were for the benefit of the system, became discouraged. The result was that their morale had reached a very low ebb without the then railways commission—in my opinion—the taking any steps at all to prevent a further deterioration of the situation.

Early in my experience as Minister for Railways, I found that the three members of the railways commission were busy concerning themselves with each other's affairs and neglected the jobs they were paid to do. That was my impression after a few months' experience as Minister, but I am pleased to report to the House that, once the three-man commission was dispensed with, this bad atmosphere vanished and there has since been a great

change in the outlook of nearly all railwaymen towards the Western Australian Government Railways. They realise now that unless they can rehabilitate the whole system and restore confidence in the minds of the department's customers and the public generally with regard to the service given by the railways, nothing can prevent a major disaster.

The Hon. G. Bennetts: If an outsider is again appointed as commissioner I am afraid the morale will drop again.

The Hon. H. C. STRICKLAND: I believe that the morale has improved immensely, with a consequent improvement in relations between the railways, the customers of the department and the public generally. The position is certainly much better now than it was 12 months ago, and it is in very much better condition than it was two years ago. The quarterly financial statement relating to the railways has been laid on the Table of the House. It concerns the period up to the 30th June last and, if hon. members will study it, they will find the deterioration has been arrested, and the tide has turned so far as financial losses and financial waste are concerned.

It will take a few more years before the railways can be put on a sound footing. I mentioned previously that it would take a period of years to rehabilitate the railways, financially, morally and physically. The Premier has also told members in another place the very same thing; and the Press also aired those views on our behalf. That is quite a reasonable attitude to adopt in connection with the railways. We know some members considered that thousands of men should be put out of employment, and that the railways would cure themselves of their ills almost overnight. But that is not so.

None of us wants to force men on to the labour market and into the unemployment pool because, for no reason of their own, the railways have got themselves into this serious financial mess.

The Hon. G. C. MacKinnon: Could you give us the attitude of the various union executives on the rehabilitation of the railways?

The Hon. H. C. STRICKLAND: Generally speaking, the union executives realise the truth of what I have been explaining here; indeed the unionists themselves appreciate that fact in the great majority of cases, and they are proud to assist us in every way to rehabilitate the railways, and to place them on a sound footing.

I shall now get back to the views of those members who consider that thousands of men should be dismissed, and that the railways' payroll should be reduced by many thousands of pounds. Although it is admitted that there was perhaps an oversupply of employees in some places, I think

that the oversupply related more to the administrative side. In any case it would not have amounted to a very large figure.

Time and again the railways have been charged with extravagance in this respect. It has been thought that because it was a Government show people could just go along, get a job, and then sit down and be paid for doing nothing. That is the opinion a lot of farmers hold, and they blame that factor, together with the fact that the railways are Government owned, for the extreme losses. But I was gratified—though not surprised—to read from a journal in America that railways there are also suffering losses. This is happening in the railways of a country which is the home of private enterprise. All the railways there are privately owned.

In America one could never imagine a State-owned hotel, or anything like that. It is supposed to be the home of free enterprise, and yet those privately owned railways find themselves in the same position as we are. About 30,000 miles of line have been closed, and 100,000 employees have been put out of work. Approaches have been made to the Federal Government for subsidies to enable the railways to be maintained. In other words, the railways are showing losses in America, and they find themselves in a position similar to that which exists in Australia, England and all other parts of the world.

It is necessary for railways to compete with more modern forms of transport, and this has made inroads into their business to some extent, because profits were turned to losses and they found it impossible to operate the many miles of services as they did prior to this competition from other modern and efficient forms of transport.

The Hon. J. M. A. Cunningham: It is an open go there.

The Hon. G. C. MacKinnon: Not altogether.

The Hon. H. C. STRICKLAND: There are transport restrictions even in America.

The Hon. J. M. A. Cunningham: Not specifically designed to protect the railways.

The Hon. H. C. STRICKLAND: I would not say there are any restrictions which are as effective in Western Australia. We build good roads alongside the railways and the farmers can carry what they like from one point to another. I don't doubt that if it were cheaper to carry wheat by some type of transport other than the railways, the farmers would use that form of transport.

The Hon. G. C. MacKinnon: Was not their problem the suburban services?

The PRESIDENT: Order!

The Hon. H. C. STRICKLAND: I expect the hon. member is speaking of passenger services.

The Hon. G. C. MacKinnon: Yes.

The Hon. H. C. STRICKLAND: They are a burden in the country and in the suburbs, but I do not think any farmer would support a Bill to close the suburban railways.

The Hon. J. M. A. Cunningham: We are more generous minded.

The Hon. H. C. STRICKLAND: The farmer would realise that his wheat must get from Bellevue to the ship somehow. It costs little more to run suburban passenger services than to continue the lines to carry goods only. As the hon. member said, however, it is a fact that the loss of passenger revenue is one of the greatest causes of railway deficits in any country today where losses are shown. I move—

That the Bill be now read a second time.

On motion by the Hon. F. D. Willmott, debate adjourned.

STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT BILL.

Second Reading.

THE HON. H. C. STRICKLAND (Minister for Railways—North) [2.581 in moving the second reading said: Hon. members are fairly well acquainted with the Bill, but I will briefly relate the history of the endeavours this Government has made to have the measure placed upon the statute book.

In 1953 a Bill was introduced, aimed to provide authority for the State Government Insurance Office to deal in all forms of insurance, include life. In 1954 another Bill was introduced, but this time all mention of life insurance was deleted and, in consequence of comments and criticisms made by Opposition members in this House and in another place, considerable amendments were made to various portions of the Bill to ensure that the State Government Insurance Office, when authorised to transact the additional insurance business, was placed in no better position than any other insurance company. In 1955 and in 1956, Bills in exactly similar terms were again introduced and were again defeated in this House. Last year the Bill, although similar in other respects, had an added provision for probate insurance to farmers and pastoralists. Once again the Bill was defeated in this House. This year the Bill before hon. members is exactly similar to that which they saw last year.

Summed up, it is apparent that this Government has made five previous attempts to have placed on the statute book

an amendment to the State Government Insurance Office Act to enable it to deal with all classes of insurance, except life, and on five separate occasions hon. members in this House have seen fit to defeat the measure, their opposition being based, I think, entirely on a matter of policy; for I gather from the criticisms and comments made by the opponents of the measure that they are satisfied that the Bill as now drawn would not give the State Government Insurance Office any advantage over other insurance companies; their opposition is based purely on a matter of policy. I mention this to show that the Government has endeavoured to meet the criticism of the Opposition by incorporating in this Bill everything that has been mentioned by them.

I think by now hon. members will be satisfied that the criticism that the State Government Insurance Office would be unable to meet a major claim or catastrophe without calling upon the assistance of the State Treasury has been satisfactorily answered. By reason of the re-insurance arrangements made, aided by the reserves built up from past trading, any such claim would be met without the State Treasury being involved in the payment of so much as one penny. The strength of the State Government Insurance Office can be demonstrated by providing figures to show the amount of the reserves built up. These comprise—

	£
Commonwealth inscribed stock	659,094
Loans to local authorities	66,800
Loans to private industry	188,000
Semi-Government loans	953,714
	<hr/>
	£1,867,608

Investments in land and buildings
are—

	£
Buildings	523,000
Land	48,463
	<hr/>
	£571,463

The Consolidated Revenue of the State has, since the inception of the State Government Insurance Office, benefited by a direct payment from that office of an amount of £897,000. During the financial year, 1956-57, an amount of £49,014 was paid to the Treasurer in respect of the equivalent of taxation on the trading surpluses for that year.

New motor vehicle comprehensive policies issued monthly averaged 400, representing a net increase, after deleting lapses, of 250. During the last twelve months, the gross number of new policies issued was 4,647, representing a net increase, after deducting lapses, of 3,018.

Figures concerning the local authorities pool are that the aggregate rebates made to authorities, including those for the year 1957-58, which have not yet been paid, are—

	£
Pool No. 1	33,209
Pool No. 2 (bushfire)	1,666
	£34,875

The number of local authorities in the pool is now 134 out of a total of 147 local authorities in the State.

The policy of the office is to invest more and more of its funds in local authorities' loans, advances to private industry in this State, semi-Government loans, and more recently housing loans. This ensures that these investments benefit the State as distinct from previous policy when the bulk of the money was invested in Commonwealth inscribed stock which, although of course assisting the State, is also available for use in other States of the Commonwealth.

The Government is seeking every means possible to raise more revenue in order to endeavour to balance the Budget and, if this measure is passed, I feel sure that the State Government Insurance Office will be thereby enabled to make a very substantial contribution to the State revenue, not only by direct payments but also by indirect methods.

Usually some comment is made about the local authorities insurance pool. However, I do not think it is necessary for me to say very much this time except to point out that 134 out of a total of 147 local authorities in the State are members of the pool. The insurance in this pool is dealt with in the same manner as the ordinary insurance business of the office, that is to say the office retains the amount of the risk which it considers it can safely handle, and reinsures the balance. There is no self-insurance involved in this scheme. If in any one year there is a surplus, it is divided among the participants. If in any one year there is a loss, that loss is borne by the State Government Insurance Office and is not carried forward to the next year. Local authorities thus at the worst obtain their insurance for the year at a reduced premium; at the best they obtain a substantial bonus.

The popularity of the pool is shown by the fact that there are now only 13 local authorities in the State which are not members. The amount paid in bonuses since the inception of the pool amounts to £33,209 representing a return of premium of 19 per cent.

When the Housing Loan Guarantee Act was passed last year, the State Government Insurance Office decided to invest £50,000 out of its funds in providing homes for persons eligible under the terms of

the Act, and the office was the first institution approved under that Act. Although this decision was never advertised in any way, 150 applications have been received to date, this number being far in excess of the number who can be assisted without exceeding £50,000. Thirty applications have been investigated, seven approved and nine are pending. When the amount of £50,000 allocated for this year has been expended, those remaining on the waiting list will have to await a cash allocation after the 1st July next.

The Minister for National Development (Mr. Spooner), was quoted in "The West Australian" for the 21st July last as follows:—

National Development Minister Spooner tonight strongly criticised insurance companies for their "bleak record" in lending to building societies. Spooner said in a radio broadcast that the Government had given a great lead in encouraging co-operative housing societies but more support from private investors was urgently needed.

He said: "Banks are helping commendably at present but the insurance companies have a very bleak record so far. Of the £10,000,000 made available last financial year to these societies in New South Wales and Victoria, the insurance companies provided only about 4 per cent. There is no doubt that if societies received more support from the traditional finance institutions such as the insurance companies and superannuation boards, the housing shortage would be eliminated much more quickly."

But in another place it was stated that a quick canvass of the tariff fire and accident companies had shown that they had invested in housing in Western Australia about half a million pounds. As the State Government Insurance Office has a waiting list of about 150 persons, if information could be supplied to that office of the offices which are making advances for housing loans, perhaps those people who are waiting for assistance could be put in touch with the companies who are alleged to be making housing loan advances.

In 1954 the principal Act was amended to permit the office to insure school children whilst attending school or proceeding to or returning from school. The insurance covered medical, hospital, etc., expenses and, in the case of death, funeral expenses. The form of policy which could be issued was described in detail and now appears as paragraph (b3) of the definition of "Insurance Business" in Section 2 of the Act. The details inserted were the basis of an agreement entered into by the Parents and Citizens' Association Federation and the State Government Insurance Office at the request of the federation. Subsequent events have shown that it was most unfortunate that the cover to be

granted to the school children was set forth in detail in the Act. It is well known that a private insurance company took advantage of the limitations imposed by the statute upon the State Government Insurance Office to offer to the parents of school children cover for 24 hours per day for seven days per week for an annual premium of 10s. per child, compared with 5s. per child charged by the State Government Insurance Office.

This competition caused an immediate request by the Parents and Citizens' Association Federation and many of its branches, for a policy similar to that available from the private company. The State Government Insurance Office wished to meet the challenge by the private company, but the limitation imposed by Parliament prevented that being done.

By passing this Bill, hon. members will remove this unfair restriction on the State Government Insurance Office and will permit it to indulge in fair competition with the private company or any other company which wishes to compete. Because of the restriction the Act imposed, the State Government Insurance Office lost a proportion of its insurers without being able to meet the competitor on its own terms. I am sure hon. members are all aware of the great value this school children's insurance has been to the parents by providing cash reimbursements of medical and hospital expenses, or in some unfortunate cases, funeral expenses, at a time when one of their children has suffered an unfortunate accident.

The State Government Insurance Office, if the Bill is passed, will be authorised to issue any type of school children's insurance the parents desire. I can inform hon. members that since the inception of the scheme, over 6,000 claims have been received and finalised, and over £38,000 disbursed to the parents.

In another place, considerable comment has been made upon the action of the Minister for Education in refusing to allow a private insurance company direct access to the children of the school in order that it may endeavour to sell its insurance to the parents of the school children. This action is a natural one and I do not think the Minister for Education can really be fairly criticised for adopting the attitude that he has.

The Hon. A. F. Griffith: Why is it natural?

The Hon. H. C. STRICKLAND: To do otherwise would be to grant the right to any or all of about 100 insurance companies established in this State to visit the children of the schools, and obviously this would interfere to a great degree with the purpose for which the school exists; that is to educate the children.

The Hon. L. A. Logan: Why cannot they all be on the same footing?

The Hon. H. C. STRICKLAND: The Bill puts them on the same footing.

The Hon. L. A. Logan: No.

The Hon. H. C. STRICKLAND: Yes. Furthermore, if insurance companies are to be allowed access to the schools for the purpose of endeavouring to sell their wares, we can imagine that booksellers would also want a similar privilege to endeavour to sell to the parents of the school children school books, and they might be followed by clothing manufacturers, and before long the school would be not a place for providing tuition for children but a super market to sell merchandise to the parents of the school children.

The Hon. G. C. MacKinnon: Do you not think that is pulling the long bow?

The Hon. H. C. STRICKLAND: I do not think so. The hon. member said they are not on an equal footing now. The only approach the State Insurance Office has is to the Parents and Citizens' Association Federation and to the parents and citizens' associations. I does not canvass the children in the school.

The State Government Insurance Office, when it entered into its arrangements with the Parents and Citizens' Association Federation, was then the only insurance office which offered cover for school children, and at no time has the office or its representatives entered any school for the purpose of selling insurance. Nor, if this Bill is passed, is it the intention of the State Government Insurance Office to enter any school for such purpose.

The Hon. A. F. Griffith: Do you think—

The PRESIDENT: Order! I hope hon. members will not interject. They will have an opportunity to make a speech on the Bill.

The Hon. H. C. STRICKLAND: There are always hon. members who are anxious to find some point to justify their opposition to a beneficial measure such as this. They will, as you, Sir, remark, have the opportunity to speak on the measure.

I turn now to the provision in the Bill which has been inserted as a result of overtures made to the Treasurer on the occasion of the payment of probate on farmers' and graziers' estates. In many cases the assets were large, but the cash available for payment of probate was very small and this resulted in frequent requests for some relief in regard to payment; usually a request for the amount to be spread over a period and paid by instalments. This was not desirable from an administrative point of view and an alternative was sought.

The provisions in the Bill are the result of this effort to overcome the difficulty. It is provided that a farmer or pastoralist may make a proposal to the State Government Insurance Office for payment of an

amount which he estimates will be his probate liability for estate duty on his death. The policy, when issued, is assigned to the Treasurer for that purpose. When death takes place the Treasurer takes from the policy all the proceeds, if so much is necessary to provide for the payment of probate or, if the amount is in excess of the probate calculation, he takes the amount he needs and pays the balance to the personal representative of the assured.

If the Bill becomes law, this will provide a unique opportunity for the issue of such a policy as, although a farmer or grazier may take out a life assurance policy with one of the companies for the purpose of paying probate dues on his estate when he dies, there is no provision for such a policy to be assigned to the Treasurer, and the Treasurer would not be able to accept the assignment of such a policy.

The Hon. A. F. Griffith: And neither there should be.

The Hon. H. C. STRICKLAND: In the hon. members' opinion. On page 5 of the Bill, Subclause (4) (b) deals with the authority of the Treasurer to accept assignment of the policy, to receive it, to apply the proceeds for the payment of probate duty and to pay to the personal representative of the assured, any balance. Authority is also given to the Treasurer to re-assign to the assigner any policy at any time. The object of this, I understand, is to provide for the change in the circumstances of a person who may have a large estate at the time when he takes out his policy but who subsequently disposes of all or a large part of such estate and consequently has no need for a large probate policy.

Some further points which illustrate how the probate policy would prove of great benefit are—

- (a) It obviates the necessity for keeping a large amount of liquid or semi-liquid assets on hand, thereby removing any restriction on the investment of capital.
- (b) It places a considerable sum of money at once in the hands of the executor with which to meet without penalty the necessary expenses incidental to the settlement of the estate.
- (c) It relieves the executor of the necessity of raising cash by the forced sale of assets, thereby enabling him to await a favourable market.
- (d) It simplifies the administration of the estate, thereby reducing the legal and other expenses.
- (e) It hastens the settlement and distribution of the estate.

- (f) It imposes no undue burden on the beneficiaries, all charges being met by moderate annual payments throughout assured's life.
- (g) It keeps the estate intact, so that each beneficiary may receive the precise sum intended by the testator.
- (h) It enables the assets of the estate to be transferred, by providing funds for the payment of the tax which must be paid before the transfer is allowed.

It has been alleged that this particular type of insurance, i.e. probate insurance, would be most uneconomic because in the first place it has to be sold which necessitates agents travelling throughout the farming and pastoral areas endeavouring to find primary producers who are prepared to take out this insurance after the agent has convinced them that it is desirable to do so.

This will not be the position if the Bill is passed. The agent of the State Government Insurance Office would only endeavour to sell this type of insurance to a primary producer when he was interviewing him in an endeavour to sell him the other types of insurance which the office would be empowered to sell. Consequently there is no cause for criticising the provisions of this section of the Bill on the grounds that it would be uneconomic.

The State Government Insurance Office is well qualified by experience to handle every type of insurance which the Bill will authorise it to handle. In support of this statement I quote hereunder a list of the types of insurances that are already dealt with by the State Government Insurance Office under the Government Fire and Marine Fund. In addition, of course, the office handles workers' compensation insurance, motor vehicle comprehensive insurance, school children's insurance for the general public, and the local authorities pool insurance. The list includes:—

Fire; fusion; storm and tempest; burglary and theft; furniture in transit; public risk; crop; earthquake; homeowners and householders; baggage; specie; marine hulls; marine (transit); accidental and malicious damage; all risks; cash in transit; fidelity guarantee; livestock; machinery breakdown; plant explosion; boiler explosion; personal accident; travel by air; plate glass; workers' compensation; pluvius.

The Bill is designed to broaden the business available to the State Government Insurance Office in regard to only very few types of insurance. Mainly it desires to enter the field of general insurance, in addition to the types I have already mentioned, with the exception of

life assurance. At present the office does not cover fire insurance and it desires to enter that field.

I see no logical reason why it should not do so because it is simply a matter of policy. We all know that certain people have objections to State-owned business and State-owned facilities; but the State Government Insurance Office should not be considered as a straight-out trading concern. It is something which is of benefit to the general public because it is prepared to enter the insurance field on equal terms with any other insurance company. I have never been able to agree with those hon. members who say that the State office should be denied the right of normal competition. Some hon. members say that they stand for free enterprise. To my way of thinking, free enterprise is a more general term for private enterprise, and it means competition on equal terms between all businesses; except the provision of services for the community generally.

I am hoping that hon. members will give this matter far more consideration on this occasion than most of them may have done on previous occasions. I know that many hon. members here do give these matters serious consideration, and that they have their own personal feelings in regard to them. They have their objections, and perhaps their prejudices; but for goodness' sake do not let us always be stuck in that rut! Do not always let us sit back and say, "What has been in operation for all these years must stay, so far as the State Government Insurance Office is concerned." Surely the office is entitled to embark on the general insurance business!

Previously in this session we heard criticism of State-owned enterprises, socialism and what not; but it is most noticeable that the Commonwealth Government also enters into those fields, although it need not do so.

The Hon. H. K. Watson: I would go so far as to say that it ought not to do so.

The Hon. H. C. STRICKLAND: The hon. member is out of step with the majority of his party in that thought, because the Commonwealth Government does enter into those fields. The hon. Mr. Griffith shakes his head but I will give him one instance of it. We hear a lot about the new Rural and Industries Bank that is to be built, but not a word about the new Commonwealth Bank that is to be erected in the centre of the city. That bank will be letting shops and offices; it is entering into the field—

The Hon. G. Bennetts: Of the private landlord.

The Hon. H. C. STRICKLAND: Yes, but there is no criticism of that.

The Hon. F. J. S. Wise: That would be socialism if there were another sort of Government in the Federal sphere!

The Hon. H. C. STRICKLAND: Had Ben Chifley been Prime Minister, no doubt the matter would have been headlined in "The West Australian." However, those are the facts. The Commonwealth Government is also enlarging its road and rail transport system; it owns the biggest shipping fleet in the southern hemisphere and is still building ships. Yet the present Commonwealth Government criticises any other Government which might want to render a public service by improving and enlarging the facilities provided.

The Hon. G. Bennetts: If this Bill passes it will save the Government going into other fields of taxation.

The PRESIDENT: Order!

The Hon. H. C. STRICKLAND: The question of tax will be discussed later in the afternoon, we hope. Taxation never seems to worry many of us, except those who come from the country.

As I have already said, I am hoping that hon. members will give the proposals in the Bill their earnest and conscientious consideration. I know there are some hon. members who are bound to certain party policies, and are tied to instructions from different organisations. Perhaps they are committed. But there are other hon. members here who are not committed and who have open minds. I hope they will treat the Bill with open-mindedness and support it on this occasion. I move—

That the Bill be now read a second time.

On motion by the Hon. A. F. Griffith, debate adjourned.

HEALTH EDUCATION COUNCIL BILL.

Second Reading.

THE HON. F. J. S. WISE (North) [3.27] in moving the second reading said: This is a Bill for an Act to constitute the Health Education Council of Western Australia with the function of promoting, maintaining, and improving by means of health education, the health of the people of the State. Early in 1956 the Government appointed a non-statutory body known as the Health Education Council of W.A. The duties of the council were to arouse in the community an appreciation of the steps needed to attain and preserve good health. The council, which is comprised of members of citizens' organisations, has to its credit some notable achievements; its members are enthusiastic and the public has benefited from its activities.

The council has been used for the dissemination of knowledge which will influence the health and habits of adults. It has acted unostentatiously and effectively, and it has instituted moves which have certainly been for the betterment of the

health of adults in our community. Such comparatively minor things as the scheme to reduce the toll of home-accidents have been initiated and fostered, and the scheme to reduce home accidents attracted much attention—indeed, it has brought inquiries from overseas. The publicity in connection with the Salk vaccine campaign was conducted by this body. It used the Press and the radio for publicity campaigns; it undertook talks to parent groups, the executive officer of the council being particularly active in that regard.

It certainly made the public aware of the value of and the need for immunisation against poliomyelitis. In addition, the council has interested itself in the hygiene and health conditions of holiday-makers and their camps—and in the safety of holiday-makers as it affects health in practice during holiday periods; and there is no doubt that the council has had the benefit of the support of a large section of the public.

The members of the council have sought the change which is embodied in the Bill in order that the council may become an authoritative body, not directly attached—as it is now—to the Public Health Department, but still an attachment, in a public sense, to the department. In that connection, it could be likened to the activities of the National Fitness Council, and this move is absolutely in line with the work performed by that body. Under the National Fitness Act of 1945, the National Fitness Council was constituted and it has been ably led by an expert group of educationists, and I think it can be claimed it has been an outstanding success. It has inspired the public to work with the activities of the Government. It has been the rallying and co-ordinating centre for youth sporting activity, and it has founded youth clubs to foster physical fitness, both from junior educational ages right through to more adult people.

It has provided material and equipment to youth organisations, and I think the National Fitness Council is a perfect example of interest shown by the public when responsibility is accepted by the people in an effort to collaborate with the Government to obtain complete co-ordination of public bodies; that is, voluntary helpers as well as statutorily-appointed organisations.

In introducing this Bill, it is not out of place to pay a tribute to the director of the National Fitness Council (Mr. E. Halliday); a man who, by his own example and way of life, has inspired many young people to look forward to better objectives, better health and better and healthier thinking. Mr. Halliday is also associated with this organisation which will be clothed with some statutory authority and some responsibility—as detached from the department—by this Bill. Other members of the Health Education Council, who are

prominent citizens in this State, include such men as Mr. W. J. Lucas; the President of the Parents and Citizens' Federation (Mr. Kahan); Dr. Henzell and others.

Although a large number of people will constitute the personnel of this council when the Bill is passed—and I hope it will be—they will form a group of personalities, representative of many organisations and institutions who, it is considered, will be fitted to attain the co-ordinating effects of the National Fitness Council; except that, in this instance, the council will enable the work, which the initial body has brought about, to have a continuing effect.

Of the persons to be appointed to office, one shall be a nominee of the Minister; one shall be a nominee of the British Medical Association (W.A. Branch); one shall be a nominee of the Senate of the University of Western Australia; one shall be a nominee of the Divisional Executive of the Australian Red Cross; one shall be a nominee of the Local Government Association; one shall be a nominee of the Road Board Association; one shall be a nominee of the Committee of Management of the Western Australian Division of the Parents and Citizens' Federation; one shall be a nominee of the Perth Newspaper Proprietors; one shall be a nominee of the Management of the Western Australian Branch of the A.B.C.; one shall be a nominee of the Executive of the Australian Labour Party; one shall be a nominee of the Australian Federation of Commercial Broadcasting Stations; one shall be a nominee of the Western Australian Executive of the Employers' Federation; and one shall be a nominee of the Country Women's Association.

Although that may appear to be a large body of people to form this Health Education Council, if hon. members will examine the interests of the nominees and the organisations they represent, they will realise how publicity—which will be a very important part of the functions of this council—is covered and how expert advice—from the British Medical Association—and the point of view of the women of our community and the local government bodies are also covered. From the relevant clause in the Bill, hon. members will note that these people will also have the right to co-opt, ex officio, councillors.

In making this initial body one with statutory alliance to the Public Health Department, we are following the course which has been taken in Queensland where excellent work has been done by a similar autonomous body. So the Western Australian Health Education Council will not only have its own experiences to draw upon, but the health patterns, which have been drawn by other places. Correspondence has been entered into with the secretary of the British Medical Association on the way this organisation should be set up, and on a close examina-

tion of the local aspects involved, it was decided that the Bill be introduced as a separate measure dealing with an entity with its own responsibilities and obligations, together with its own authority, rather than introduce it, through the medium of the Public Health Department, as an offshoot of that department.

It must be pointed out that, through the members who are mentioned in the Bill and who will be appointed in an ex officio sense, there will be direct liaison with both the Education Department and the Health Department.

The members of the present council brought their request to the Minister for Health through a deputation. That was how this move to give the council statutory authority was initiated. I am sure that if hon. members were to study the personnel and composition of the council, they would have other opinions to offer, and they might have knowledge of other organisations which could be of great assistance to the council. Although it will be found that the greatest scope likely to be encountered is covered by the Bill, there will be power to co-opt other persons if it is considered that their appointment to the committee will be of benefit to its operations.

The Hon. J. G. Hislop: They have power to appoint sub-committees.

The Hon. F. J. S. WISE: They have power to do that. I have drawn a comparison between the operations of the National Fitness Council, which I think is the best illustration I can give, and those of the council under discussion because the two bodies will have separate functions. The Health Education Council will, without doubt, influence the thinking of the public on health matters, and in particular the things associated with the health of adults; whereas the National Fitness Council is concerned with the promotion of physical fitness and recreation, in association with sports and sporting bodies.

There is very little more that needs to be said at this stage in connection with the Bill. It is quite clear in its intention. The approach has come from a body which has for two years been active in its organisation. I feel that I can with confidence commend the Bill to the House. I move—

That the Bill be now read a second time.

On motion by the Hon. J. G. Hislop, debate adjourned.

INDUSTRIES ASSISTANCE ACT AMENDMENT BILL.

Second Reading.

THE HON. J. D. TEAHAN (North-East) [3.44] in moving the second reading said: As hon. members are no doubt aware the principal Act which was passed

in 1915, was implemented for the purpose of affording assistance to settlers and other persons in rural industry, following a severe drought in 1914.

For many years continuance measures were brought before Parliament as the duration of the Act was limited to 12 months. In 1948, the then Government introduced a Bill to extend the life of the Act by a further five years. The Bill was agreed to by Parliament and in 1953 a further five-years' continuance measure was submitted and passed.

The advantage of having the Act continued has been borne out from time to time. Since 1944, when the Rural and Industries Bank supplanted the Industries Assistance Board there has been in existence machinery which can be utilised to provide assistance to farmers who have suffered adversity.

The Act is administered by the Rural and Industries Bank, and the commissioners are of the opinion that its continuance is most desirable. They point out that excellent service has been given under the Act to the farming community over the years. Funds are made available to settlers either from the bank's Government agency section, or from the Treasurer, and they are finally repaid by the settler.

Sitting suspended from 3.45 to 4.7 p.m.

The Hon. J. D. TEAHAN: There is usually sufficient finance available from these two sources to cover normal annual requirements, and unless a wide-scale disaster strikes the agricultural industry, continuance of this Act will not necessarily involve financial appropriations by Parliament. The Act also provides security without the expense and delays usually associated with registration of mortgages and similar documents. Also it is necessary to preserve security for advances made in the past, which are still outstanding.

The purpose of the Bill is to make the provisions of the Act permanent, and thereby avoid the regular presentation to Parliament of continuance Bills. Advances made under the principal Act during the past few years are—

	£
1952-54	3,717
1954-55	4,393
1955-56	5,619
1956-57	1,915
1957-58	2,360

The amount outstanding as at the 31st July, 1958 was £2,879. I move—

That the Bill be now read a second time.

On motion by the Hon. L. C. Diver, debate adjourned.

BILLS (2)—REPORT.

1. Local Courts Act Amendment.
2. Electoral Act Amendment.
Adopted.

FIRE BRIGADES ACT.*Disallowance of Regulations.*

Debate resumed from the 4th September on the following motion by the Hon. G. C. MacKinnon:—

That regulations made under the Fire Brigades Act, 1942-1951, as published in the "Government Gazette" on the 20th November, 1957, and laid on the Table of the House on the 26th November, 1957, be and are hereby disallowed.

THE HON. H. C. STRICKLAND (Minister for Railways—North) [4.11]: This motion, as a consequence of the opinion of the House last night in connection with the health regulations, would now have no effect. Therefore I suggest that the hon. member withdraw his motion.

THE HON. G. C. MacKINNON (South-West—in reply) [4.12]: I think that is the best course. I ask leave to withdraw the motion.

Motion, by leave, withdrawn.

House adjourned at 4.13 p.m.

Legislative Assembly

Thursday, the 18th September, 1958.

CONTENTS.

	Page
QUESTIONS ON NOTICE :	
Egg floors—	
Date of erection and cost of running in country	914
Stabilisation payments	915
Fruit-fly infested bananas, examination of imported fruit	916
Bunbury regional hospital, finality as to siting	916
Paradise road bridge, re-siting and widening Leederville building trades high school, commencement and completion	916
Claremont Mental Hospital, improvements	916
Fruit for export—	
Permission to cart apples by road to Bunbury	917
Cartage of soft fruit in refrigerated railway vans	917
Wreck Point-Wedge Island area, survey of townsite and road	917
War service land settlement, Ensabba project	918

CONTENTS—continued.

	Page
Questions on Notice—continued.	
States Grants (Mental Institutions) Act, amount received and basis of assistance	918
Deep sewerage, assistance to Merredin and other local authorities	918
QUESTIONS WITHOUT NOTICE :	
Price control records, availability to Unfair Trading Commissioner	918
Fruit-growing industry, contribution to the fight against pests	918
B.P. Refinery (Kwinana), discussions with other companies re by-products	919
LOAN ESTIMATES, 1958-59 :	
Message, Com.	928
BILLS :	
Tuberculosis (Commonwealth and State Arrangement), 1r.	919
Electoral Act Amendment (No. 3), 1r.	919
Bush Fires Act Amendment, recom.	919
Licensed Surveyors Act Amendment, 2r.	920
Natives (Status as Citizens), 2r.	920
Local Government, 2r.	924
Long Service Leave, 2r.	936

The **SPEAKER** took the Chair at 2.15 p.m., and read prayers.

QUESTIONS ON NOTICE.**EGG FLOORS.**

Date of Erection and Cost of Running in Country.

1. Mr. **WILD** asked the Minister for Agriculture:

(1) On what date were the egg floors in the country erected, and at what cost?

(2) What is the annual cost of running each of the country egg floors?

(3) Have they all been run at a profit since their inception; if not, which floors showed a loss and what was the deficit?

(4) What were the receivals annually on each of the floors in the country?

(5) Are these receivals graded in the country; or alternatively, forwarded to the metropolitan grading floor?

(6) What was the percentage comparison of receivals and gradings during the past 12 months on each of the country floors?

The **MINISTER** replied:

(1) Narrogin Floor: Land and building purchased in December, 1948—original cost £1,250. Additions and alterations of a capital nature to the building since date of purchase amounted to £2,494 2s. 10d. to the 5th July, 1958.

Bunbury Floor: Land purchased March 1953, at a cost of £1,251 18s. 11d. Building erected and completed by October, 1954, at a cost of £9,568 13s. 2d.

Geraldton Floor: Land purchased February, 1954 at a cost of £354. Building erected and completed by June, 1955, at a cost of £7,851 4s. 1d.