

On reading the Queensland papers, it rather strikes me that their action in raising their salaries at a time like this has had the effect of dividing the State. All the members of one party have decided not to accept the extra salary; they are going to leave the increase in the Treasury. They may or may not do so, but I am prepared to accept their word. As I move about my electorate, money is being sought for various works and I am repeatedly telling the people that, owing to the exigencies of war, it is not available. If we pass this Bill, the first thing we will have slung in our faces is this: "You can find additional money to raise your own salaries, but you cannot find additional money for particularly urgent works." We have been discussing the position of old age and invalid pensioners. We propose to give ourselves a greater increase by this measure than those pensioners are receiving. They are receiving 27s. per week. If we pass this Bill, we will be giving ourselves between 28s. and 29s. a week extra.

Mr. Withers: This Government does not control old age and invalid pensions.

Mr. McLARTY: I do not approve of all that the Commonwealth Government is doing. Federal members are proposing to give themselves a secretary each. I consider that unjustifiable at a time like this; but whilst I admit that members who have to live on their Parliamentary salary are hard put to it, I do not consider the present position justifies us in increasing our salary. I suggest to the Premier that the proper way to do this is to mention it when the Governor's Speech is submitted. That is what I would have liked to see done on this occasion. If it had been done, the public would have been given an idea of what was proposed and an opportunity to offer any criticism they desired to make.

On motion by Mr. Watts, debate adjourned.

House adjourned at 11.1 p.m.

Legislative Council.

Thursday, 7th December, 1944.

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

ELECTORAL REFORM SELECT COMMITTEE.

Report Presented.

HON. C. F. BAXTER (East) [4.37]: I desire to submit the final report of the Select Committee appointed to inquire into electoral reform as follows:—

The Committee has completed its inquiries regarding electoral reform. There is nothing to be added to the interim reports submitted to the Council on the 28th November. The Committee has resolved to introduce Bills to amend the Constitution Acts Amendment Act and the Electoral Act; such amending Bills will cover the findings of the Committee. Time does not permit of further investigations into other matters of importance.

Report tabled.

BILL—MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT.

Read a third time and returned to the Assembly with amendments.

BILL—FINANCIAL AGREEMENT (AMENDMENT).

Second Reading.

Debate resumed from the previous day.

HON. H. SEDDON (North-East) [4.40]: This Bill is the result of an agreement arrived at between the Commonwealth and State Governments at a meeting of the Loan Council. I suppose it is most remarkable for the fact that it demonstrates that the

State Governments have been operating for a number of years in contravention of plainly laid down conditions of the Financial Agreement. Of the circumstances leading up to the conclusion of that agreement, members are aware. It was adopted as the outcome of the position in which Australia stood on the London loan market. The agreement definitely set out that for the future any loan moneys that Australia desired would have to be raised internally. This conveyed very plainly to the representatives of the Australian Governments that the borrowings that had been taking place and their financial records were such that it was very doubtful whether Australia could raise anything more on the London market. Apart from the overdraft accommodation arranged with the London and Westminster Bank there were no loan borrowings in London after 1927. The Premier, in the course of moving the second reading, twice used the expression that the circumstances which led to the debacle of 1930 could not have been foreseen. If they were not foreseen, all I can say is that those responsible must have been pretty dense.

Hon. J. Cornell: That applied all over the world.

Hon. H. SEDDON: I do not think it did apply all over the world, but the fact was made plain, as far as Australia was concerned, that with the cessation of loan moneys from overseas, there would have to be a very considerable alteration in its internal economy. Yet no steps were taken to make that alteration, although we had three years before we came to the period of the debacle in 1930. Then, of course, attempts were made to adjust the position which, however, had become more difficult by that time. It was in the year 1930 that the Mitchell Government took office, and the Treasurer of the day found that every penny of loan money and of trust money had been spent. To use a colloquialism, the Treasurer had not a feather to fly with, and this had its effect right through the whole period in which that Government held office.

When the Financial Agreement was drawn up, it was recognised that some attempt must be made to compel Governments to keep their expenditure within limits, and the means of enforcing that provision were embodied in the Financial Agreement. The conditions were that any

flotations that took place for the purpose of meeting deficits should carry a sinking fund of 4 per cent. When Loan Bills were brought forward and when no attempt was made to provide this sinking fund for deficits, attention was directed in this House to the provision in the Financial Agreement. We were informed, however, that the provision of 4 per cent. did not apply to any Treasury bills floated for the purpose of meeting deficits, and that a Crown Law ruling to that effect had been obtained. It is remarkable how Crown Law rulings can be obtained in connection with matters designed to facilitate the operations of a Government, and the ruling in this case was no exception.

The Chief Secretary: Did not that apply to all the States?

Hon. H. SEDDON: I am speaking of what occurred here. Year after year the operation was repeated; Treasury bills were increasing all the time; protests were constantly being made and time after time the same old story was given in reply, namely, that it was not deemed necessary to provide the 4 per cent. sinking fund to meet those Treasury bills. Now we find that a further ruling has been obtained, this time from the Federal authorities, to the effect that the 4 per cent. should have been provided and, further, that the operations of Governments in the interim were in contravention of the conditions of the Financial Agreement. This Bill will ease the position for the time being. It provides for Treasury bills to be taken over by the Commonwealth Bank and converted into debentures having a currency of 39 years. A sinking fund of 1 per cent. will be provided to meet the debentures, of which 5s. per cent. will be provided by the Commonwealth and 15s. by the State. The interest on the Treasury bills will be reduced from $1\frac{1}{4}$ to 1 per cent. It is intended that the $4\frac{1}{2}$ per cent. will still apply to cancelled securities.

The amount outstanding at present is about £5,900,000 and the Minister pointed out that the State has to make a special payment of £250,000. That is to be applied to the redemption of a certain number of Treasury bills. A sum of £335,000 represents the contribution of one-quarter per cent. by the State Government and one quarter per cent. by the Commonwealth, together with the $4\frac{1}{2}$ per cent. which has

been paid for the securities that have been bought and cancelled. Consequently the balance now outstanding is £5,390,000, which has to carry 1 per cent. sinking fund, of which three-quarters is being contributed by the State Government. We may regard the £250,000 as representing the 4 per cent. that should have been contributed during the period to meet the deficits, and the £335,000 as representing the difference due to the $4\frac{1}{2}$ per cent. on account of cancelled securities. There is one other matter to which I should like to refer.

I would like to have a clear explanation of how the amendment on page 15 of the Bill will operate. According to the way I read the clause, it sets out the formula under which each State will receive a proportion of the total amount of loan money which will be made available. If we include this amendment, it will vary the formula. Suppose the State had a deficit of £500,000, that amount would not be taken into consideration in determining the amount of loan money that would be available to the State out of the total sum borrowed. What steps are to be taken about the £500,000? Obviously, it has to be dealt with, and obviously it is going to be outside the total amount of loan moneys to be borrowed and distributed. Those moneys have to be borrowed somewhere. The second point is this: Suppose the State wanted to borrow £4,000,000 and the £500,000 was included in that sum. The actual amount available for loan purposes would therefore be £3,500,000. If the allocation under the formula was still £4,000,000, and the £500,000 was exempt from it, we would have £500,000 more to spend on loan purposes. The point should be cleared up.

First of all, we want to know where the deficit money is coming from; and, secondly, we want to know whether, as a fact, it would not be wiser to arrange for the £500,000 to be included in the total borrowing and restrict the operations of the State to that extent for its loan work for the current year. Another feature arises which has not yet been adequately explained. That is the position of this State compared with the position of other States in regard to the amount of borrowings for semi-Governmental authorities. Members may recall that the States of Victoria and New South Wales each have a number of

independent borrowing authorities, which are able to go on the market and borrow money quite independently of the requirements of the State Government. This state of affairs arose during the depression, and it was the reason for Sir James Mitchell creating the Finance and Development Board, so that he, too, would have a separate borrowing authority that would be able to go on to the market and raise money.

Has the position yet been cleared up, or are the small States still in the position that they must go along to the Loan Council and take the amounts allocated to them by the formula, while at the same time allowing these independent borrowing authorities within their boundaries also to continue borrowing? Obviously, that would put some States in a far more favourable position with respect to borrowing than a State like Western Australia. The present position is, I take it, that under the new agreement all loans that were in existence before 1927 will still carry the 2s. 6d. per cent. sinking fund contribution from the Commonwealth and the 5s. per cent. sinking fund contribution from the State. Loans which were floated after 1927 will still carry a 5s. per cent. contribution each from the State Governments and the Commonwealth Government. Deficit loans floated from now on will still carry the 4 per cent. penalty, and the condition of a payment of $4\frac{1}{2}$ per cent. on cancelled securities will still apply. I pointed out when speaking on the Loan Bill that we now have this position: It is possible for the State to redeem a security carrying, say, 3 per cent. interest, and immediately that security has been cancelled the State would then pay $4\frac{1}{2}$ per cent. to the National Debt Commissioners on the cancelled security.

The original Financial Agreement provided that the old loans should be paid off within a period of 58 years, but that new loans would be paid off within a period of 53 years. This agreement provides that the Treasury bills now in existence will be paid off within a period of 39 years. There is also a further amendment, as the Chief Secretary pointed out. At the time the 1927 agreement was signed, Australian currency was at par with British currency. Had the original agreement been adhered to, any sinking fund that was remitted overseas should have carried, in addition, the exchange premium that arose when

Australia went off par. This agreement provides that in future sinking fund payments shall include the exchange premium, so the actual amount available to redeem the loan will be less than it would be if the amount were made available in Australia and then the exchange of 25 per cent. added to it. That will be some relief to the State Government. The Bill provides for relief in two ways, firstly, relief so far as exchange is concerned, and secondly, the charge of one per cent. instead of 4 per cent. on the Treasury bills outstanding. I have much pleasure in supporting the Bill, and I trust the Chief Secretary will make clear the points I have raised with regard to the alterations in the conditions under which the formula was fixed.

HON. SIR HAL COLEBATCH (Metropolitan): I have no intention of opposing the Bill. There is just one comment I would like to make. The financial independence of the States has been practically destroyed. It was destroyed in three States, first, by cancelling the per capita payments; secondly, by the passing of the Financial Agreement; and, thirdly, by the adoption of uniform taxation. I opposed each of those steps, although they were all introduced by National Governments in the Federal arena; but I think it is certain that after this war it will be essential to have some comprehensive amendment of this Financial Agreement, some general amendment of the position as between the Commonwealth and the States. I trust that Parliament will do the utmost in its power to see that such a measure of financial independence is restored to the State as was contemplated in the spirit and in the letter of the Commonwealth Constitution.

THE CHIEF SECRETARY (in reply): This is one of those Bills which we cannot very well refuse to pass. It is the result of an agreement between all the States of the Commonwealth and the Commonwealth itself. As was pointed out by Mr. Seddon, one of the main amendments in the Financial Agreement is that which deals with the question of money raised to finance deficits. I thought I had made the point clear at the last sitting of the House when I said that, for the purpose of the formula which the agreement lays down has to be used when

there is not a unanimous decision of the Loan Council, all moneys received for the purpose of meeting State deficits are not included in the loan raisings for the previous five years, which is the basis upon which the money is distributed after the total amount to be borrowed has been determined. I think that is correct, for this reason: If a State has a series of large deficits and consequently has to raise money to meet them, the net loan raisings of that State would be inflated by that amount, and therefore it would receive a benefit as a result of having had large deficits over the period of five years as against the State which had perhaps balanced its budget. For the purpose of the formula, any moneys raised in order to meet the deficit position of a particular State are not included in the net loan raisings which are used for the purpose of arriving at the amount of money to be apportioned to a particular State or States. I think that meets the point raised by Mr. Seddon.

Hon. H. Seddon: The deficit has to be met out of loan moneys approved by the Loan Council for the State in question.

THE CHIEF SECRETARY: That is the position. Only one other point was raised by Mr. Seddon, namely, the question of other authorities having borrowing powers in other States. To the best of my knowledge and belief, that still applies. In both Victoria and New South Wales there are other authorities which have the right to borrow money quite outside the Financial Agreement.

Hon. A. Thomson: The Metropolitan Board of Works in Victoria can do that, and we ought to have the same right here.

THE CHIEF SECRETARY: It is done in that instance. The Metropolitan Board of Works and similar undertakings may be classed as semi-governmental authorities possessing statutory powers. I think I am right in saying that in some cases these authorities would borrow money for the purpose of carrying out works which in this State are carried out by the Government.

Hon. A. Thomson: That is so.

THE CHIEF SECRETARY: To that extent those States do get an advantage. The Financial Agreement is a rather involved document if one desires to understand all the points involved. I do not profess to be a financial expert, but I feel that if all the

States and the Commonwealth have come to an agreement on such an important matter as this really is, we need have no hesitation in accepting this agreement. The point raised by Sir Hal Colebatch with regard to reviewing the Financial Agreement is one which I am sure every State will consider in the post-war period. It would appear that the position in Australia generally is one of so serious a nature that the question will arise whether the present Financial Agreement is satisfactory and equitable insofar as the States are concerned, more particularly when we realise that the Commonwealth at present has full power over finance in Australia.

Hon. J. Cornell: The worst feature of the Financial Agreement is that it is in the Constitution.

The CHIEF SECRETARY: There is also the point that we have relinquished our taxing authority to the Commonwealth, a fact which is causing such a lot of heart-burning on the part of some members of this Chamber.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1 to 3—agreed to.

First schedule:

The CHAIRMAN: There would appear to be two schedules attached to this Bill. The second schedule does not embody the words contained in the first schedule. One of the schedules is apparently the new agreement.

The CHIEF SECRETARY: Yes. The marginal note says that the second schedule indicates the items which are included in the first schedule, the one first printed in the Bill.

The CHAIRMAN: I am of opinion that it is only necessary for me to put the first schedule.

The CHIEF SECRETARY: I am not the authority to determine that. I cannot see what harm would happen if both schedules were put.

Hon. T. Moore: Every portion of the Bill has to be put.

The CHAIRMAN: The position as I see it is that the first schedule contains the amendments agreed upon at the Premiers'

Conference as forming part of the Financial Agreement, which is embodied in the second schedule. That being so, it seems only necessary to put the first schedule because, to put the second schedule, would be to endorse it twice.

The CHIEF SECRETARY: Does that matter?

The CHAIRMAN: This is a reprint of the Financial Agreement made between the Commonwealth and the States. It embodies something that was done some years ago.

The CHIEF SECRETARY: The Bill embodies the amendments made to the Financial Agreement.

Hon. H. S. W. PARKER: The second schedule is not part of the Bill. It is only put there for convenience, in my view.

The CHAIRMAN: I think so, too.

Hon. L. Craig: What harm would there be in passing both schedules?

The CHAIRMAN: Of what use would it be?

Hon. H. SEDDON: It is necessary to approve of the schedule, because it sets out the amendments made in the Financial Agreement.

The CHAIRMAN: That does not follow. The Bill also sets out the previous amendments made to a former agreement. The matter has been brought up to date for the convenience of the Parliament that deals with this legislation so that it may see where the amendments actually occur. One agreement mentioned here is dated the 3rd July, 1934. That has been ratified before, and does not require to be ratified again.

Hon. H. Seddon: The one we are dealing with requires to be ratified.

The CHAIRMAN: Why ratify them both? I rule that it is necessary only to put the first schedule.

Schedule put and passed.

The CHAIRMAN: I am informed that the second schedule was not put when the Bill was in Committee in another place. I will ascertain whether it is necessary to have the second schedule put in this Committee, in which case the Bill can be recommitted. I suggest that consideration of the report be deferred until the next sitting.

Title—agreed to.

Bill reported without amendment.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. C. B. WILLIAMS (South) [5.17]: I support the second reading of the Bill. I was gratified to note that the measure was received with great approval in another place, and I hope it will have an equally safe passage in this Chamber. The proposed amendment of the Act to bring tributers under its provisions will not entail much expenditure. There are not many tributers on the Goldfields at present, but in years to come there may be greater activity and there may be more engaged in the industry. Inadvertently the tributers were not covered when the legislation was previously dealt with and the Bill will rectify that position. I think it will be generally appreciated that for the most part the risks incurred under the Workers' Compensation Act in connection with the mining industry have been covered by the State Insurance Office, particularly as regards the tributers who, as I have pointed out, were not covered previously. The provision in the Bill will legalise the whole matter and that should prove more satisfactory. The amendment to Section 6, which is outlined in Clause 3, deals with compensation payable to men who are suffering from injuries sustained in connection with their employment.

Members may have read in the Press a statement by the secretary of the Tramway Employees' Union with regard to a man who had lost the use of his foot and yet his disability was only classed as 50 per cent. I did not follow all Mr. Chamberlain's contentions but, if any medical man were to declare such an injury to amount to only a 50 per cent. disability in some occupations, I would very soon sack him and call in another doctor. If the loss of a foot renders a man unfit to follow his usual occupation, I cannot understand his disability being regarded as merely 50 per cent. Particularly can I not understand any union accepting such a decision for one moment. Perhaps Dr. Hislop could inform us on the point, but I do not think a man would lose more than six weeks of his employment through the loss of a joint of a finger. Probably it would all depend upon the man's state of health. As for any

possibility of a man's malingering, the first responsibility in such a case would rest with the doctor who would be able to tell what the actual state of the man's health really was. Secondly the employer could require the opinion of another medical man; he could take the worker to court, or avail himself of other steps he could take. As a matter of fact, the employer is amply safeguarded and, for that matter, so is the employee who also has his rights under the Act.

There is provision for the worker requesting a lump sum payment within a certain period, but I cannot see that very much is to be gained from that. It would be in the case quoted by Mr. Chamberlain, of the Tramway Employees' Union. I do not see how any man could allow matters to drift beyond six months before claiming compensation. In any case the Act provides for the necessary action to be taken and if a worker were prevented from continuing his employment for, say, two months and he had been in receipt of £16 a week, he would probably get another £32 on the scale provided for lump-sum settlements. At the present moment I am dealing with the case of a man who has lost the sight of an eye. I visited him in Kalgoorlie recently and during the course of conversation I told him he was foolish to go to work. A medical man in Perth had been consulted and had told the man to return to him in 15 months' time. When I was informed to that effect I was astounded. The Act provides that no action can be taken for compensation after 12 months have elapsed, and yet this doctor told the man to return to him in 15 months' time. I pointed out to the man that if he died that day his wife and children would not receive a penny on account of the loss of his eye. However, I referred him to a medical man who said that he would operate but he did not think he would be able to restore more than about 5 per cent. of the sight of the eye. As a matter of fact, I understand the eye will have to be removed. That man, in view of the circumstances, had to wait in Kalgoorlie till somebody gave him a lead, and now he finds he will be blind for life in one eye.

That is an illustration of what can happen. If that man had died that day, his wife and family would have received nothing, although if action were taken within

a period of three months a sum of £375 would have been paid by way of compensation. The amendment in the Bill will deal with such cases. In the case I have quoted the circumstances clearly indicate that the man was honest in his intentions and believed that in 15 months time the sight would be restored to his eye by the medical man in Perth. This man thought he would get better and in the meantime would endeavour to improve his position, believing he would still get his compensation. I have been successful in other cases in getting compensation amounting to £300 odd paid to workers who have lost an arm or who have suffered some other similar injury. Within a few months I have been able to secure for them the statutory relief provided in the Third Schedule dealing with miners' phthisis. That shows that it is possible for a man to get compensation for injuries received under the Second Schedule and still get compensation under the Third Schedule.

Hon. H. Seddon: But that is quite a different matter.

Hon. C. B. WILLIAMS: Yes, and I do not suggest it is not right. Mr. Seddon and Mr. Heenan know the position, but some members of the House may not be aware of it, so I am merely drawing attention to the fact. With regard to the increase in the compensation payable from £3 10s. to £4 10s., it is well known that the cost of living has increased by upwards of 33 per cent. yet the rate of compensation at £3 10s. has remained stationary for many years. I agree that the compensation payment should not be so great that a man should expect to live on it alone, but nevertheless I would not like to live in Kalgoorlie or Leonora on the basis of compensation at the rate of £4 10s. per week when my average earnings formerly had probably been from £12 to £15 a week.

On reading the reports in "Hansard" and also in the newspapers, I ascertained that provision was made regarding artificial limbs or other mechanical contrivances that might be required by injured workers. Up to £30, I understand, could be provided for a wheel chair and up to £10 for mechanical contrivances. In another place the Minister gave an assurance that those amounts would not be taken out of the £100 provided for medical and other expenses, and that if the

position was not quite clear he would cause necessary amendments to be moved when the Bill was before this House. I hope the Chief Secretary will be able to inform members on that point, respecting which I am not at all satisfied. I do not suggest that the provision regarding the payment of hospital fees is not fair or above board, for I have not dealt with cases under that heading. I know that £100 is provided to meet hospital and medical expenses and I am also aware that where the injuries suffered by a man have necessitated attention extending over 12 months or more, the extra amount beyond £100 has had to be paid. However, I have not heard of any case where the workers' hospital accounts have not been paid by the State Insurance Office.

The clause dealing with total incapacity for work is a very good provision. If a man is injured slightly, however, and does not leave work because his injury is slight, he should still be furnished with medical attention. Clause 18 saves nothing to any employer; any saving that results from it benefits the insurance companies. The amount of compensation for total incapacity, I observe, remains at £750, notwithstanding the increase in the weekly payments. Very rarely have I known a lump sum settlement to be made within the six months period; and when an unfortunate injured worker seeks a settlement after the lapse of six months, he is charged four per cent. and five per cent. in the calculation of present values—not two per cent. as stated by a Minister in another place. In Kalgoorlie Warden Geary fixed the interest in a lump sum case at four per cent. A later warden increased the rate to five per cent. If a man entitled to £650 compensation chooses to accept a lump sum rather than carry on at £3 10s. per week, he can probably buy a home and thus save the payment of rent.

The insurance companies always pay the amount of a lump sum composition after a period representing so many weeks at £3 10s. per week. Ten years ago different rates applied. Some men got the maximum, and some did not; and if it would take 10 years to exhaust the composition by weekly payments, it would mean that the man would receive only about £400 as composition. Insurance companies never seem willing to take anything except the longest possible period

before making a lump sum composition. The Bill provides that if a man has £650 coming to him, he shall not receive less than £650. If he has a balance out of the £650 coming to him, the Bill provides, he shall receive that balance without any deduction whatever.

Hon. W. J. Mann: Is the hon. member convinced that that is so?

Hon. C. B. WILLIAMS: Yes. Paragraph (g) of Clause 10 proposes the following amendment:—

(g) In Clause 18 by deleting the words "the lump sum shall be assessed upon a calculation by the Government Actuary of the present value of the balance of compensation still payable or likely to be payable to the applicant under the Act by way of weekly payments. No deduction of any nature or kind shall be made by the Court from such actuarial assessment for any reason whatsoever," and substituting "the lump sum shall be the sum ascertained by deducting the total amount received by the worker as weekly payments from the maximum sum of seven hundred and fifty pounds."

The paragraph means what it states. In my opinion the provisions of the Bill do not go half far enough, but still the measure represents a little way further along the track.

HON. W. J. MANN (South-West): There have been so many excellent speeches delivered on this Bill by members in close association with workers' compensation, that I do not intend to take up much of the time of the House now; but there are some general observations I would like to make regarding the trend of workers' compensation. I agree that most of the provisions of the Bill are reasonable from the employee's point of view, and therefore I consider that I can support them; but I am rather concerned at the ever-rising imposts on industry and on employers through workers' compensation legislation. It has also been suggested that the whole incidence of workers' compensation should be reviewed. That suggestion I regard as highly appropriate. Workers' compensation has grown from the comparatively small things we first introduced, to a very large and all-embracing function. If business men had only workers' compensation to contend with in the way of social services which they are expected to provide, there would not be much trouble; the employers would not be feeling the pinch, so to speak. But there are so many

other directions in which men engaged in business are called upon to bear expense. I think that without endangering workers' compensation some better method could be devised than that which places the whole burden on the employers.

I am hopeful that some day the Government will see the need for reviewing the whole subject, with a view to arriving at a more equitable formula. The State should play a greater part in providing for matters of this description. There is only one clause about which I have any doubt. That clause refers to the case of a man reaching the stage when he would be due for compensation, though not as a fully disabled worker. Such a man should receive the whole amount at which his case was assessed. From the early part of the Bill it appears that no deduction is made in such cases. From a later part of the Bill it appears that certain deductions will be made. If the Minister, who knows workers' compensation much better than I do, is prepared to convince me that the position is not as it appears, I shall be satisfied. There is a reference in the Bill to massage. That is not included in the list of allowable deductions for income tax. There are deductions for fees of the doctor and charges of the chemist, but no provision is made for the case of a person who is sent to a masseur by his medical man.

I know of three cases of the kind. A woman was advised by her medical man to have a course of massage spread over quite a period. That massage cost £24. Her husband has no possible chance of securing any reduction of his income tax assessment for massage, although that is, I contend, a perfectly legitimate medical purpose. In another case the man tells me that he endeavoured, through an income tax agent, to secure a deduction of that kind. Again, a masseur carrying on the practice of his profession in St. George's-terrace, tells me that at the request of patients he endorses his accounts "Sent to me by Dr. So-and-so," indicating that the treatment was carried out by direction of a medical man. The injured man I am alluding to told me that nevertheless the item was disallowed.

I am informed—and I believe the information to be correct—that insurance companies include sums paid for massage in their disbursements which are allowed by the Taxation Department. I do not know

whether the State Government can do much in the matter; but it should give serious consideration to the point with a view to action being taken to afford taxation relief to injured workers or any other people who are ordered to take a course of massage.

HON. A. THOMSON (South-East): I do not think there is a member of this Chamber who is not sympathetic towards an injured worker and is not desirous of ensuring that such a worker shall not be placed in a bad position. In my opinion even if the total amount of compensation is paid to an injured worker, it does not really compensate him for the pain and suffering he goes through. But, as was pointed out by Mr. Mann, the load is apparently becoming greater on industry. I know that the Government, time and again, has endeavoured to bring a great deal more insurance under the control of the State office. When it is a matter of compulsory insurance for the protection of the individual, I consider there should be a compulsory pool. That is preferable to the expense incurred in the issuing of policies by different companies, and the payment of commission to agents to secure business, such expense being a charge against industry. I hope members will not think I am flogging something which has been dealt with so fully, but it is a fact that sworn evidence was submitted to a Select Committee showing that this insurance business could be run much more cheaply if a pool were established.

Some of the charges by private insurance companies, which are based on the risks taken, are justified, because the companies must protect themselves as far as their financial liabilities are concerned. I think that the employees themselves should, perhaps, be called upon to pay a small moiety towards the cost instead of the whole amount being borne by the employers who, after all, add the charge to the cost of production. If a pool were established to deal with all compulsory insurance, the cost could be very materially reduced. We have been told by the insurance companies that they do not want to undertake workers' compensation because it is not a payable proposition. Of course, no money can restore a man or woman injured in industry to the same degree of health and strength enjoyed before the accident. It

might seem that I am advocating State trading, to which I am opposed, but I point out that I am dealing with something which is compulsory and I offer my suggestion for the serious consideration of the Government. If a joint committee were appointed to go into the matter a scheme should be evolved that would materially reduce the high cost and increase the benefits to injured people. I support the second reading.

THE HONORARY MINISTER (in reply): I appreciate very much the sympathetic manner in which this measure has been received. The speeches on the second reading were on a very high plane. Mr. Bolton and Mr. Dimmitt, from the employers' standpoint and with very wide experience, understand the impact of this legislation upon industry in this State. I do not agree with many of their conclusions, but both members have the right to expect that their views will receive careful consideration. Mr. Bolton is one of the biggest employers in this State and his reputation as an employer is very high. They are both to be complimented on their expressed desire to do everything possible to protect and compensate the genuinely injured worker. Their contention that everything should be done to bar all possible avenues of exploitation of the Workers' Compensation Act by unscrupulous persons—a percentage of whom exist in all classes of society—is very sound.

I wish to compliment Dr. Hislop on the finest and most informative address he has ever delivered in this Chamber. His intimate professional knowledge of the operations of the Workers' Compensation Act, its strong points and its weaknesses, and his recommendations for improvement, deserve the utmost consideration by the Government and this Chamber. The first-class debate for and against the second reading was of a very high order, and was reminiscent of the debate which took place when this legislation was before the Legislative Council in 1925. At that time the late Dr. Saw was a dominating figure in this Chamber on all matters concerning medical services and the medical profession. The present Workers' Compensation Act was made possible by the persuasive and incisive eloquence and logic of the late Dr. Saw, and his high standing in the medical profession.

Hon. T. Moore: Hear, hear!

The HONORARY MINISTER: Members of this Chamber, and well-informed members of the public of all political parties hoped that when Dr. Hislop entered Parliament he would occupy the same exalted position as did the late Dr. Saw. Dr. Hislop's contribution on the second reading of this Bill is a stepping stone to that objective. Mr. Bolton protested against an important Bill of this character being left till so late in the session. Admittedly, it would have been better had it been introduced earlier, yet there is ample time to discuss the comparatively small amendments in the measure. Because an unavoidable delay occurred, which was beyond the control of the Government, the Minister in another place, in order to give members an opportunity to study the measure, forwarded copies of his second reading speech to all members of this Chamber. This was appreciated by some, and objected to by others. Personally I thought it was an excellent idea. It was very helpful to me in introducing the Bill to this House, and it must have been of great advantage to all members, as obviously the written word explaining the various amendments, reinforced by the spoken word of the Minister introducing the Bill, must help to clarify the various clauses of the measure. The innovation was helpful and the Minister's action should be appreciated by all of us.

Hon. L. Craig: Suppose the Bill had been drastically amended in the Assembly?

The HONORARY MINISTER: Fortunately it was not.

Hon. G. B. Wood: It might have been.

The HONORARY MINISTER: I suppose the Minister in another place anticipated that it would not be drastically amended. Mr. Bolton questioned the sincerity of the Government in introducing contentious legislation during the war period. A decision to introduce this measure was arrived at only after careful consideration. The comparatively few amendments in the Bill are overdue and should not be considered as very contentious. Mr. Bolton also questioned the right of the State Insurance Office to pay the claims of tributers earning up to £500, when £400 is the limit in the Act. The answer is that the omission of tributers in the last amendment to the Act was an unfortunate one recognised by the State Insurance Office, the mine owners, and the miners. The mine owners pay the premiums for all employees up to £500 and con-

sequently the State Insurance Office can legally pay all claims.

Hon. L. B. Bolton: Not legally, I think. You see what the Auditor General thinks!

Hon. J. Cornell: There is nothing legal about it.

The HONORARY MINISTER: Well, we will say it was a very just action. With regard to the maximum increase of payments from £3 10s. to £4 10s. per week, questioned by Mr. Bolton, the point to be remembered is that in 1925, when the former amount of £3 10s. was decided upon, the basic wage was £4 3s. 4d. Since that time there has been an increase of about 17s. per week. The proposed increase to £4 10s. per week maximum approximates this figure and is both reasonable and just. Another thing about the proposed increase is this: The basic wage increase does not truly reflect the increased cost of living. If the average housewife is asked, she will give a decided opinion on that point. That is another reason why the £4 10s. should be agreed to.

Hon. L. B. Bolton: It would be hard to satisfy them all!

The HONORARY MINISTER: I am talking about the sensible housewives. Messrs. Bolton, Dimmitt and Craig expressed concern at the possible adverse effect upon industrial expansion in this State. I think the answer is that it is now recognised among progressive industrialists, particularly in the bigger concerns, that it pays to look after and provide amenities for employees and safeguards against accidents, and reasonable protection for workers and their dependants engaged in industry for insurance in case of accidents. Mr. Dimmitt suggested the limitation of medical and hospital expenses to £25. This, I contend, would be a reactionary and fatal error and would be just neither to the injured worker, the medical profession nor to the hospital authorities.

Western Australia is a State of tremendous distances and cannot be compared with the pocket-handkerchief States of Victoria and Tasmania. It must be remembered that there has been a tremendous lessening of abuses since the legislation was amended and the medical committee appointed. I listened with intense interest to Dr. Hislop's informative address. The lengthy amendments appearing on the notice paper repre-

sent his considered judgment on the necessary amendments required to improve the Act. The amendments which aim to give all insurance business under the Workers' Compensation Act to the State Insurance Office are entirely acceptable to the Government. The carrying out of this amendment would have the ultimate effect of saving a considerable amount of money to industrial concerns and employers generally, and would have an almost immediate beneficial effect in reducing the abuses of the Act.

The new clause which provides for the setting up and maintenance of an industrial statistical and research department at the State Insurance Office has considerable merit, and I can give an assurance that this matter will be very actively considered before Parliament meets next year. With regard to the other amendments, which are of a very important character and may have far reaching consequences, I would suggest to Dr. Hislop that it would be unwise to proceed with them as considerable inquiry and discussion must take place before finality can be reached, both in this Chamber and in another place. The amendments should be subjected to expert inquiry and investigation. When that has been done, it will be the proper time to deal with them. It will be well to confine our attention to the Bill before the House and postpone his amendments until a comprehensive amending measure is introduced.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Amendment of Section 6:

Hon. L. B. BOLTON: I said in my second reading speech that I was worried about this clause. In order not to be misunderstood, I repeat what I said yesterday, that I have no objection to it if it can be confined to major injuries. If minor injuries are included, the matter is left open to abuse. The purpose of this amendment is to ensure that a worker who loses a limb or suffers an injury will receive all the benefits provided under the Act, including medical and hospital benefits, first aid, massage, etc., together with the weekly payments and, in addition, such other pay-

ments as may be necessary under the provisions of the schedule. The only limit is the amount of £750 provided for fatality under the Act. The amendment means that weekly payments made to a worker suffering such an injury as comes under the second schedule are not to be deducted from the specified sums set out in the schedule for such injuries. The Minister has told us that the other States are now up to our own regarding benefits under Workers' Compensation Acts, but such a proposal as this greatly exceeds in generosity the provisions of any other State Act.

The point is: Where can we draw the line? As an employer I admit, and I think industrialists generally do, that a worker suffering a major injury is entitled to come under the benefits of this new clause, but where are we going to draw the line? I want to direct attention to one other point and that is the insertion of the words "or partial incapacity." The Act does not contain the words "or partial" but simply provides "total incapacity." I shall be glad if the Minister will explain why those words are included. I have a suggestion to make, which is that the Committee vote against this clause. The other place will not agree to that and, as a result, we shall have a conference and it might be possible for the conference to agree to where the division shall take place. I hope that the Honorary Minister will consider my suggestion and that the Committee will agree to it.

Hon. J. G. HISLOP: This is a difficult clause to understand. It contains two additions to the section in the parent Act. We have the words "or partial" before the word "incapacity," and also after the words "the said table" the words "except in the case where the total of seven hundred and fifty pounds would be exceeded otherwise." The words "or partial incapacity" should be included in this clause. I take it that the words mean this: If one takes out a sickness or accident policy with a private company, one receives so much compensation for the time one is confined to one's home or hospital, and when one is able to get about the amount becomes less, because one is then only partially incapacitated.

Hon. L. B. Bolton: I do not agree with that. If a man is at home, he still draws the full weekly allowance.

Hon. J. G. HISLOP: Mr. Bolton is wrong, because this states, "during any period of partial or total incapacity." I take it that is a time when an individual is not working but is partially incapacitated. The parent Act provides, "Nothing in the said table shall limit the amount of compensation payable for any such injury during any period of total incapacity." That might lead to a certain amount of difficulty, because the individual will be totally incapacitated, strictly speaking, while he is in hospital, but will not be when he is able to walk about.

Hon. L. B. Bolton: That is totally wrong.

Hon. L. Craig: It does not mean that at all.

Hon. J. G. HISLOP: If that is so, then why the words "total or partial" at all? Why not simply use the word "incapacity"? The second portion of the clause is even more difficult because under this heading a man could lose an index finger and, if he were ill for a long period, he might receive his £150, plus a large sum. He might receive his £150 even though quite a considerable amount of money has been paid for treatment.

Hon. C. B. Williams: Under the Act it is subject to ratification at six months.

Hon. J. G. HISLOP: The point I want to make is this: If the total of £750 is not to be exceeded there is the possibility that a man with an injury to a finger could use quite a lot of the £750 so that anything up to £250 or £300 of that £750 might be spent on the finger.

Hon. C. B. Williams: How could a man spend £250 within six months? The employer can cancel that obligation, at law, either before or within six months.

Hon. J. G. HISLOP: The sum of £150 is the compensation for the finger. A man who sustains such an injury could be in hospital for four months and might have penicillin, which is a very expensive drug. He could easily use £250 on an injury to a finger. The medical expenses may have been high and the four months in hospital would add considerably to the costs. But a man who receives an injury resulting in total incapacity may be in hospital for a long period, and that amount is deducted from his £750. If a man is in hospital for a long

period and is eventually incapacitated, under present conditions the amount of money given to him by way of compensation is deducted from his £750. That will not be the case under this clause. I am pointing out the disparity. I have seen a man receive £75 for the loss of a finger.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. G. HISLOP: The clause means that a man who has a minor injury, no matter how long he is sick, will be guaranteed his lump sum compensation, but a man who has a long and serious illness will not be guaranteed compensation, because the total amount would cease at £750. I do not think the clause will achieve what is intended. We should not pass legislation that protects a man with a minor injury as against a man with a major injury.

Hon. L. B. BOLTON: I move an amendment—

That in line 6 before the word "injury" the word "major" be inserted.

I think this would overcome the difficulty as regards minor and major injuries, because it would be left to the court to decide on the medical evidence whether it was a major or minor injury.

Hon. E. M. HEENAN: I think the misapprehension arises because paragraph (3) (a) of Section 6 referred to in the clause deals specifically with compensation payable for injuries set forth in the second schedule, and that schedule gives the amount payable for various injuries. It is proposed that a man, during the period of total or partial incapacity, shall be paid £4 10s. a week, and when he is certified as fit to return to work, he will get the amount set out in the second schedule. At present the weekly payments are deducted. There is no need to insert any qualifying word such as "major" or "minor," but it might be advisable to delete the words "or partial" in line 7.

The HONORARY MINISTER: The word "partial" covers an injured person who cannot resume his former occupation but can undertake work of some sort. I agree with Mr. Heenan's interpretation.

Amendment put and negatived.

Hon. J. G. HISLOP: I move an amendment—

That in line 7 the words "or partial" be struck out.

The words are unnecessary.

Hon. C. B. WILLIAMS: The term "total incapacity" is quite clear. It means that a man is incapacitated and cannot carry on his occupation. He is totally incapacitated when he is injured and cannot engage in his occupation.

Amendment put and a division called for.

The CHAIRMAN: Before tellers are appointed, I give my vote with the ayes. My reason is that the Honorary Minister has said that he is in some doubt. If he wishes the word to be restored, he can recommit the Bill.

Division resulted as follows:—

Ayes	14
Noes	13
Majority for	1

AYES.

Hon. C. F. Baxter	Hon. F. E. Gibson
Hon. L. B. Bolton	Hon. J. G. Hlalop
Hon. Sir Hal Colebatch	Hon. W. J. Mann
Hon. J. Cornell	Hon. H. S. W. Parker
Hon. C. R. Cornish	Hon. H. Seddon
Hon. L. Craig	Hon. H. Tuckey
Hon. J. A. Dimmitt	Hon. F. R. Welsh

(Teller.)

NOES.

Hon. J. M. Drew	Hon. A. L. Loton
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	Hon. A. Thomson
Hon. W. R. Hall	Hon. C. B. Williams
Hon. V. Hamersley	Hon. G. B. Wood
Hon. E. M. Heenan	Hon. H. L. Roche
Hon. W. H. Kitchin	

(Teller.)

Amendment thus passed.

Hon. L. B. BOLTON: I move an amendment—

That in lines 10 to 12 the words "except in the case where the total of £750 would be exceeded otherwise" be struck out.

Hon. G. Fraser: You are now going to provide for payment of an amount beyond £750.

Hon. L. Craig: Yes.

Hon. L. B. BOLTON: I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Hon. L. B. BOLTON: I understand the Honorary Minister will recommit the Bill. I ask the Committee to vote against the clause. Mr. Heenan a minute or so ago said that all the minor injuries specified will be made major injuries, and that will impose a huge burden on industry. I think we should have a definition of what are major and what are minor injuries.

Hon. C. B. WILLIAMS: Mr. Bolton is barking up the wrong tree. I do not think Mr. Heenan said that what are now minor

injuries would afterwards be deemed to be major injuries.

Hon. E. M. Heenan: I did not say the injuries were minor injuries.

Hon. C. B. WILLIAMS: Why then did not the hon. member object when Mr. Bolton said so?

Hon. E. M. Heenan: I will explain later.

Hon. C. B. WILLIAMS: Mr. Heenan should have corrected Mr. Bolton, not me. The loss of the joint of a finger may be a minor injury. In fact, most mineworkers have lost some portion of their fingers. But the accident may extend to the loss of a hand or an arm. How are we to define "major injury"?

Hon. E. M. HEENAN: May I explain my position? I do not recall saying that these were minor injuries. The clause affects a vital principle, and to my mind it is one of the most beneficial of the amendments proposed. We do not wish to use the words "minor" and "major."

Hon. L. B. Bolton: I do.

Hon. E. M. HEENAN: As Mr. Williams has pointed out, the loss of a joint of a finger—I do not know whether Mr. Bolton would describe that as a major or a minor injury—may incapacitate a man for two or three weeks. It is quite conceivable, as Mr. Williams remarked that such a small accident might have serious repercussions. As the clause stands, it is clear and simple.

Hon. G. FRASER: The whole clause is at stake. It provides that an injured worker shall receive his weekly payments as well as a lump sum. That is the point at issue. Mr. Bolton's idea is to defeat the clause and put the legislation back where it stands today. Mr. Bolton desires the clause to be defeated and to substitute in its place something about which he is at present not sure. We have made up our minds, and what we want is the clause as it stands.

Hon. L. CRAIG: I think Mr. Heenan is right. The second schedule specifies the injuries. As all except two of the specified injuries involve the payment of compensation exceeding £100, surely they should be classed as major injuries.

Hon. H. S. W. Parker: Would the loss of portion of a thumb be a major injury?

Hon. L. CRAIG: That is not specified in the schedule. All the injuries set out in the schedule will totally incapacitate a man for work. We have eliminated from the clause the words "or partial," and I think that is

right. This clause will not benefit the worst form of injury, because the compensation is limited in any case to £750.

Hon. W. J. MANN: May I draw attention to the fact that at the bottom of the page of the second schedule the principle of partial loss is provided for? I was wondering whether the Committee had noticed that.

Hon. T. MOORE: There is no ambiguity in the Act, which provides that "any such sum so paid shall be deducted from the compensation payable in accordance with the said table." The amending clause provides that "any sum so paid shall not be deducted from the compensation payable in accordance with the said table." What we are discussing is quite clear. It is whether an injured worker shall have deducted from his total compensation the weekly payments which he has received. Last night we said that he should, and I think that is a fair thing. I hope the Committee will adhere to its decision.

Clause, as amended, put and passed.

Clause 4—Amendment of First Schedule:

Hon. L. B. BOLTON: I move an amendment—

That in line 5 of paragraph (c) the words "or mishap" be struck out.

What is a mishap? It might cover anything. A man might be walking down the factory; his teeth might fall out and be broken. Is that an accident or a mishap?

Members: A mishap.

Hon. L. B. BOLTON: The man should not be entitled to claim for compensation for that.

The HONORARY MINISTER: The object of the inclusion of the words "or mishap" is to cover minor accidents. A mishap might occur when a man was bending over a machine and broke his spectacles. In that case he would be entitled to compensation.

Hon. L. Craig: I would be very suspicious of the inclusion of these words.

Hon. J. G. HISLOP: I support the amendment. Legal members will agree with me that the meaning of the word "accident" has been extended far beyond what was originally intended, and it will possibly be extended still further in the future. Quite sufficient is already covered by the present interpretation placed upon the word "accident" to deal with everything that should be legitimately compensated.

Hon. E. M. HEENAN: The words proposed to be struck out have some significance. When an "accident" happens it is assumed to mean some injury to a man's body.

Hon. L. B. Bolton: That is quite all right.

Hon. E. M. HEENAN: It is conceivable that a man on a battery might have his glasses knocked off and they might be broken. I doubt whether if we agree to the amendment the loss of a man's spectacles would be covered under the Act. A mishap of that sort could hardly be described as an accident.

Hon. L. B. BOLTON: A man may be walking down the factory carrying his glasses in his hand and may drop them. That would be a mishap, not an accident. It should be remembered that under this provision not only have glasses to be paid for but have to be provided.

The HONORARY MINISTER: The State Insurance Office at present replaces and repairs glasses that are broken.

Hon. L. B. Bolton: In that case you do not want the words included in the paragraph.

Hon. L. Craig: But surely that applies where a man has been injured, too.

Amendment put and a division called for.

The CHAIRMAN: Before I appoint the tellers I inform the Committee that I shall vote with the ayes.

Division resulted as follows:—

Ayes	..	..	..	..	14
Noes	..	..	..	..	14
A tie					0

AYES.

Hon. C. F. Baxter	Hon. V. Hamersley
Hon. L. B. Bolton	Hon. J. G. Hislop
Hon. Sir Hal Colebatch	Hon. W. J. Mann
Hon. J. Cornhill	Hon. H. Seddon
Hon. L. Craig	Hon. H. Tucker
Hon. J. A. Dimmitt	Hon. F. R. Welsh
Hon. F. E. Gibson	Hon. H. S. W. Parker (Teller.)

NOES.

Hon. C. R. Cornish	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. A. L. Leton
Hon. G. Fraser	Hon. G. W. Miles
Hon. E. H. Gray	Hon. T. Moore
Hon. E. H. H. Hall	Hon. A. Thomson
Hon. W. R. Hall	Hon. C. B. Williams
Hon. E. M. Heenan	Hon. H. L. Roche (Teller.)

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

Amendment thus negatived.

Hon. J. G. HISLOP: When I spoke on the Bill yesterday I asked the Honorary Minister if he could provide any adequate reason why the hospital charges should vary and why those charges should be less after the lapse of 30 days. We have had no reply. I think it would be possible to leave out the reference to the lessened charges after 30 days.

The HONORARY MINISTER: The reason why the charges vary is that the cost of carrying on a hospital in a country district is more than the cost applicable to such institutions in the metropolitan area. Personally I think the charges should be kept low.

Hon. J. G. Hislop: But why lessen the charges after 30 days?

The HONORARY MINISTER: The idea is to keep down costs.

Hon. J. G. HISLOP: I do not see the necessity for providing reduced charges after the lapse of 30 days. Is that essential? If there is any adequate reason, I shall not further oppose the clause. I cannot see why it should cost the hospital less during the second month than during the first month. Then again in another place the Minister said he would go into the question of making provision for the payment of hospital fees and, if necessary, the matter would be dealt with in this House. It has not been mentioned. It is wrong that hospitals should not be allowed to charge for the use of the operating theatre nor yet for dressings. The whole matter should be put on a proper basis.

The HONORARY MINISTER: The whole idea is to keep down costs to a reasonable figure. My personal view is that the charges should be maintained at the present scale.

Hon. J. G. HISLOP: We have cases in which men are coming in from all parts of the State because of their serious condition, and brought to a city hospital, where they are allowed only 12s. per day, whereas in a country hospital they would be allowed 16s. 6d.

Hon. E. M. HEENAN: Those charges were inserted in 1941, and apparently the differentiation between the rates charged in various parts of the State was agreed upon then; and it is now proposed to increase the rate in keeping, presumably, with the increased cost of living. The great majority of cases apparently are in hos-

pital for a period of 30 days or under, and it is during that period the higher rate obtains. Therefore I expect that is the reason why the great majority of cases are in hospital for 30 days or under, the period of the higher rate.

Clause put and passed.

Clause 5—agreed to.

New Clause:

Hon. J. G. HISLOP: I move:

That a new clause be inserted as follows:—

“(4) Repeal Section 10 of the principal Act and insert the following section in lieu thereof:—

10. It shall be obligatory for every employer to obtain from the State Government Insurance Office a policy of insurance for the full amount of the liability to pay compensation under this Act to all workers employed by him.

Any employer who fails to comply with this section shall be liable to a penalty not exceeding five pounds in respect of each uninsured worker employed by him; and after the date of any conviction for a contravention of this section, he shall from time to time be liable to further penalties not exceeding twenty pounds for every week during which he fails to comply with this section.

This section shall come into operation on the thirty-first day of December, one thousand and nine hundred and forty-five.

I am proposing some new clauses because I consider them within the scope of the Bill, which sets out to amend regulations governing lump-sum compensation. Anything which tends to supervise the expenditure of lump-sum compensation is to be commended. The whole of the work should be under one central office, so as to lessen the number of lump-sum compensations. I hold that we can lessen the number of permanent injuries by investigation and research into industry and the treatment of injured men. With this end in view, the whole of the work should be given to the State Insurance Office. That office's premium for workers' compensation insurance is less than the premiums charged by other insurance offices. I do not accuse industry of failing to protect its workers, nor do I accuse any industry of being negligent; but adequate supervision of all industries would lessen the number of accidents and lessen compensation payments.

The rayon industry is to be introduced into Western Australia. That industry makes use of carbon bisulphide—as dan-

gerous a chemical as a human being can be called upon to use. Regulations should be drawn up by specialists possessing the requisite knowledge, both chemical and industrial, for the prevention of accidents to workers. In America it was found that when carbon bisulphide was used in the rayon industry, there were numerous cases which were affected from a nerve point of view, and the cases of poisoning by carbon bisulphide when the nerve was destroyed were very considerable. The workers should be protected against that sort of thing. While workers' compensation is spread around among 50 or more insurance offices, we cannot give the treatment needed. We did at one stage carry out investigations into the handling of lead, endeavouring to prove that by the constant handling of lead the individual was eventually affected. The only way we could attempt to prove our case was to carry an instance to the workers' compensation court, a very difficult procedure. If the matter were in the hands of a central board, the necessary examination could take place, and we could then find out whether any occupation gave a hazard to the worker which we could prevent.

We have seen numbers of cases of arsenical poisoning from the Wiluna mines, but we do not know exactly what happened in the case of the arsenic firm at Wiluna, because that firm carried its own insurance. It would appear, however, that the firm must have had some better method for protecting its workers, possibly because of the fact that they were known to be handling arsenic whilst the miner was handling it as a sort of by-product. Further investigation could have altered considerably the number of cases of chronic arsenical poisoning. An interesting problem is that of aluminium oxide in the prevention of silicosis. It has been suggested of late that a patient suffering from silicosis can be treated and improved by inhalation of gas containing a small amount of aluminium oxide. A central body could investigate the use of aluminium oxide in mines where men suffer from silicosis.

Again, I recall the case of a man who was afflicted with poisoning by arseniuretted hydrogen gas. This gas is a mixture of arsenic and hydrogen when there is insufficient oxygen. It is a deadly gas to inhale; a very small amount will end in

death, and the death is a very painful one to die. Having found the method by which this arseniuretted hydrogen was accidentally produced, we advised the mine; and naturally, as one would expect, the management took our advice; but within a short time a case nearby also occurred, and just recently I saw a third case. This one, however, was of such a mild character that it recovered. The percentage of recovery from poisoning by arseniuretted hydrogen is so low as to make it one of the most dangerous gases met with in industry. I consider that, in order to protect the worker, we should be able to investigate these industries much more completely than we do today, and we could investigate for industries the economic loss they suffer from injuries to workers, so that not only the worker but also the employer would be assisted. While we have all our injured men insured and treated by numerous companies, we will never make any headway in this State. I appeal to the Committee, therefore, to agree to a further investigation being made into the prevention of illness and injury in industry. I trust the Committee will accept this method of making progress, which will redound to the credit of us all.

Hon. C. F. BAXTER: Dr. Hislop has set out to show to the Committee that it will be a better scheme if all insurance is forced into one channel—the State Insurance Office. Members know that will not be so. Workers' compensation insurance is no good to any company, for no company makes any profit out of it; indeed there is a heavy loss.

Hon. G. Fraser: Then they should not object to having the business taken away from them.

Hon. C. F. BAXTER: Will the hon. member be quiet? He is always talking like a parrot.

The CHAIRMAN: Order! The hon. member must not refer to another member as a parrot.

Hon. C. F. BAXTER: The companies always make a heavy loss on workers' compensation, but they accept this form of insurance in order to keep all insurance business together, so that insurers will be able to go to one place to do every type of insurance. The rates are just the same. The benefits Dr. Hislop talks about would not exist. Those who have had experience of insurance generally will know that there is

not the same, and cannot be the same, difficulty with regard to claims on companies as there must be in connection with the State Insurance Office. Many thousands of pounds are paid out annually by insurance companies which legally need not be paid.

The State office would not and could not pay those claims because, if there is any doubt, such claims must be referred to the Crown Law Department before there is a settlement. For a long time we have had to fight against attempts to gain a monopoly for the State office. Continually we have heard people talking strongly about the encroachment of the Commonwealth Government on the activities of private firms, and yet we find Dr. Hislop advocating in this Committee an extension of the State Government's activities. Every avenue of Government enterprise has been tried and with what result? Failure! The State office has never had to have an actuarial department for this business, because it has followed the basis established by the private companies which have, over the years, built up a system at considerable cost and trouble. I hope the Committee will not take the proposed new clause seriously.

Point of Order.

Hon. L. Craig: I would like a ruling on this. It seems to be that the new clause is outside the scope of the Bill which deals entirely with payments that have to be made to workers and has nothing to do with what offices shall conduct the insurance.

Hon. C. F. Baxter: The Title is open.

Hon. L. Craig: I do not think it is. I would like a ruling.

The Chairman: Where a Bill has an open Title as a Bill to amend a certain Act I have allowed amendments to other parts of that Act. Where a Bill has been to amend a certain section or sections of an Act, I have confined discussion to that section or those sections. That has been the procedure over the years. The matter is in the hands of the Committee, however. If members think that the proposal is not good or not opportune they can vote it out.

Committee Resumed.

Hon. G. FRASER: I thought the House would accept this proposal with open arms because, right through the years, when workers' compensation proposals have been brought before the Council, the main ob-

jection has been the increased burden on industry. Dr. Hislop appears to me to be showing members a way in which additional benefits may be given without the burden on industry being increased, because with one office handling the whole business the cost must be lower. The Select Committee had definite evidence from the tariff companies that they could not conduct the business under a certain percentage—I think it was about 30 per cent.—while the non-tariff companies said they were able to do it for 10 per cent.

Hon. J. A. Dimmitt: You could reduce charges by forming a national panel of doctors.

Hon. G. FRASER: Dr. Hislop has shown us a way to reduce cost to industry and is to be congratulated for the excellent manner in which he dealt with the subject from the health point of view, disregarding considerations of £ s. d., and I hope there will be many speeches from him on similar lines. My experience has been different from that of Mr. Baxter. During my 16 years here I have handled thousands of workers' compensation cases both with private companies and with the State Insurance Office, and I have always received much more sympathetic consideration from the latter than from the former. If a proposition on these lines were adopted much of the good outlined by Dr. Hislop would be achieved. The cost must come down.

The trouble today in the handling of workers' compensation business is that so many companies deal with it that they must, when deciding on what premiums shall be charged, take the maximum that the Act permits. To be on the safe side they must make the rate as high as possible to cover hospital benefits. If one firm alone handled the business over a number of years it could assess the average cost, but with 50 or 60 companies handling it, that is not possible because they deal with so few cases. The burden on industry that we have heard so much about in recent years could be lowered by doing this. I hope the Committee will agree to this amendment.

Hon. T. MOORE: I do not twist, and I am certainly in favour of the State Insurance Office getting all the business. I remember when the establishment of the State Insurance Office was first proposed

by the Government and rejected by this Chamber. We now find that it is something we are proud of. It does the bulk of this business. It took over the mining companies when no other insurance office would do their business. I have heard Mr. Baxter speak about the wonderful private insurance companies. Let me give one experience that I had when acting for one unfortunate man. I interviewed the manager of an insurance company and he had to agree with me that the case was in keeping with the Act but he said, "You know, that is an anomaly in the Act." I said, "You admit it is in the Act and that you are liable?" He said, "Yes." I said, "Well, you pay"—and he paid all right.

Hon. C. F. Baxter: A big company and a little manager.

Hon. T. MOORE: Apart from that, I have had a fair deal from the companies when I have had to get cases straightened out. I hope that the Committee will do the right thing. Mr. Baxter said that the rich companies did the work, not because they hoped to get anything out of it, but because what they lost on the merry-go-round they picked up on the swings. He also spoke about the large staffs that they carried. We do not want large staffs.

Hon. C. F. Baxter: I mentioned the actuarial staffs.

Hon. T. MOORE: We do not want them to be large either. Let us get rid of these large staffs and set up one good office such as we have. Dr. Hislop has had more to do with this matter than any of us, and he knows the office that is giving the greatest satisfaction to the people concerned. Why should any private company derive profit out of such a business?

Hon. J. A. Dimmitt: Why should the hospitals expect to get profits out of workers' compensation?

Hon. L. Craig: And why the doctors?

Hon. T. MOORE: Does Mr. Dimmitt want the hospitals to do the work for nothing? The hospitals have been underpaid in the past. The country hospitals have to maintain large staffs because they do not know when they will get cases. I hope that the Committee will do the right thing.

The HONORARY MINISTER: This amendment is acceptable to the Government. Mr. Baxter made a big mistake in his criticism of this because the manager

of the State Insurance Office is the only actuary in Western Australia.

Hon. C. F. Baxter: I did not say Western Australia.

The HONORARY MINISTER: The hon. member said that the State Insurance Office was following blindly on the other companies. This amendment will, if carried, be the foundation of the big reform that Dr. Hislop desires in the Workers' Compensation Act in the future. Unless this is carried he can make very little progress. I strongly recommend it.

Hon. H. S. W. PARKER: The State Insurance Office is hidebound; it is bound to the letter of the law. It cannot go outside it.

Hon. L. B. Bolton: It does.

Hon. H. S. W. PARKER: It should not, because the law officers of the Crown direct it. It would be interesting to know how many cases they have contested with and without success in the courts. If the State Insurance Office desires to make an ex gratia payment, it is unable to do so because of the Auditor General, and that is the trouble with all State trading concerns. I agree with the principle enunciated, namely, that there should be a general fund, but not through the State Insurance Office. State officials might administer that fund, but that is different from insuring with the State Insurance Office because, by virtue of the statute under which it works, it is bound by the letter of the law.

Hon. E. M. HEENAN: The principle involved in this amendment is repugnant to many members but I think Dr. Hislop has put up an unanswerable case for workers' compensation to be controlled by one institution, and that institution should be the State Insurance Office. That office is not vastly different from a private office in the way that Mr. Parker stated. If a case is at all doubtful the manager refers it to the Crown Solicitor. I assume that the private companies have their legal advisers and act somewhat similarly. The State Insurance Office has the merit of having an agency in Kalgoorlie. I do not know whether that applies in other important centres. Many of the private companies are located in Perth. If the State Insurance Office took over all this work it would be able to expand and set up offices in all the principles centres in the State and so

give a much better service to the community than the private companies can do.

Hon. T. Moore: Mr. Baxter says that they do not want this business.

Hon. E. M. HEENAN: I understand that workers' compensation business is not profitable so I imagine there would not be any great regret on the part of the private companies in handing it over to one central body such as the State Insurance Office.

Hon. L. B. BOLTON: I emphasise that, like Mr. Moore, I have not twisted in any way. I am as strongly opposed to State trading today as I have always been and always will be. The Federal people are socialising and nationalising first this and then that so it seems to be only a question of time when these things will not matter very much to us. I say again that the people of this State are very fortunate in having a Legislative Council. Doubtless Dr. Hislop is an idealist and some of his dreams will come true some day. I oppose the amendment.

Hon. H. SEDDON: The whole of the business should not be sidetracked and shot into the State Insurance Office. Mr. Moore referred to the inauguration of insurance for the goldminers. At that time the companies were out to quote. Investigations were made by Mr. Bennett on behalf of the Government and the companies asked that the information should be made available to them. Their request was definitely refused by the Minister in charge, whereupon the companies refused to quote. In that way the companies were placed by the Government at a disadvantage. Here is an opportunity for the Government to show its sincerity. Let it establish a research fund and a committee on the lines suggested by Dr. Hislop. Then, when the report was made available, the premiums could be reduced. Until then I regard Dr. Hislop's proposals as premature and will vote against the amendment.

Hon. E. H. H. HALL: Those who have had any association with people who have come under the Act feel that they are entitled to all possible consideration. We ought to be prepared to alter our opinions from time to time. I am open to conviction and therefore shall support Dr. Hislop in his laudable desire to bring about a worth-while improvement in workers' compensation.

Hon. G. W. MILES: In the past I have opposed State trading, but I commend Dr. Hislop for his amendment. He has shown a way out. The complaint has been that improvements to the Act have cast an extra burden on industry. The figures quoted by Dr. Hislop last night showed that the State is running workers' compensation business at a profit, and if his ideas can be put into effect, the cost of this social insurance will be reduced. I favour private enterprise, but I do not favour monopolistic insurance companies bleeding the taxpayers of the State. There are 60 insurance companies with 60 offices and 60 staffs.

Hon. H. S. W. Parker: You are wrong there.

Hon. G. W. MILES: Well, say 50. The people have to pay for them. The rate charged in the North was 40s. to 90s. per cent., which was daylight robbery. Marine insurance, Fremantle to Port Hedland, was 16s.

Hon. H. S. W. Parker: On a point of order has this anything to do with workers' compensation?

Hon. G. W. MILES: It has to do with insurance. A non-tariff company provided cover from Perth to Fremantle, Fremantle to Port Hedland and Port Hedland to Marble Bar for 3s. 6d.

The CHAIRMAN: Are those companies doing workers' compensation business?

Hon. G. W. MILES: Yes; and fire insurance was reduced from 50s. to 90s. down to 20s. to 40s.

Hon. L. B. Bolton: Did you use the State ships?

Hon. G. W. MILES: Clearly people in the back country are being charged higher rates for their insurance than they should have to pay. I support the amendment.

Hon. C. F. BAXTER: If people can get a better deal at the State Insurance Office, they are open to take their business there. Yet we have members who talk of freedom supporting a proposal to compel everybody to go to the one office. I ask members not to deprive people of their freedom to transact their business where they wish.

Hon. J. G. HISLOP: If those who desire to give the worker everything possible are shown a method by which it can be given and save the industries they represent some amount of the premiums they are paying, they should support the amendment. On

the figures supplied by the Select Committee the companies, for an equal amount of business, lost a sum almost equal to that which the State Insurance Office has been able to pay. Therefore it would appear to me that, but for the State Insurance Office being in existence during that period, the workers would have suffered considerably because the companies would not have been able to take the business, and either industry would have had to meet the loss or the worker would have had to go without his compensation.

Hon. C. B. WILLIAMS: I support the amendment. Mr. Seddon told only part of the story of mining insurance. If the State office had not been in existence and taken over the insurance business, there would have been no goldmining industry. That was in 1926. The Golden Horseshoe closed down and did not reopen because it could not meet the premiums required at the time. The Government took over the insurance and paid the first year's premiums. Last year the Government paid £25,000 to men taken out of the mines from 1926 to 1932. We have been paying £50,000 to £60,000 because the insurance companies would have nothing to do with the business. It is all very well to say that the companies were denied the information prepared by Mr. Bennett. Even the State Insurance Office could not undertake the business without Government assistance.

Hon. H. SEDDON: I wish to correct a statement made by Mr. Williams. The sum of £25,000 is paid out of the funds of the State Insurance Office into Consolidated Revenue.

New clause put and a division called for.

The CHAIRMAN: Before tellers are appointed, I give my vote with the ayes.

Division resulted as follows:—

Ayes	..	..	..	14
Noes	..	..	..	14
				—
A tie	..	..	..	0
				—

AYES.

Hon. J. Cornell	Hon. E. M. Heenan
Hon. J. M. Drew	Hon. J. G. Hislop
Hon. G. Fraser	Hon. W. H. Kitson
Hon. F. E. Gibson	Hon. T. Moore
Hon. E. H. Gray	Hon. H. L. Roche
Hon. E. H. H. Hall	Hon. C. B. Williams
Hon. W. R. Hall	Hon. G. W. Miles
	(Teller.)

NOES.

Hon. C. F. Baxter	Hon. A. L. Loton
Hon. L. B. Bolton	Hon. W. J. Mann
Hon. Sir Hal Colebatch	Hon. H. S. W. Parker
Hon. C. R. Cornish	Hon. H. Seddon
Hon. L. Craig	Hon. A. Thomson
Hon. J. A. Dymally	Hon. H. Tuckey
Hon. V. Hamersley	Hon. F. R. Welsh
	(Teller.)

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

New clause thus negatived.

New clause:—

Hon. J. G. HISLOP: I move—

5. That a new clause be inserted as follows: Insert new section in the principal Act after Section 26 as follows:—

26A. (1) Whenever the moneys payable in pursuance of the provisions of paragraph (c) of the proviso to paragraph (b) of clause (1) of the First Schedule to this Act are insufficient to meet the expenses actually incurred by the worker in respect of the medical, surgical and other services performed for the worker of the nature therein enumerated any person to whom such worker is indebted for the performance of any of the services enumerated in paragraph (c) of the said proviso may make a request in writing to the committee to determine the manner in which the moneys payable by virtue of the provisions of paragraph (c) of the said proviso (which are not by the said paragraph specifically allocated) shall be distributable amongst the persons who have performed the aforementioned services and the determination of the committee shall be final and conclusive.

(2) Upon receipt of such request the committee shall proceed to such determination and may require any person towards whom the worker has incurred liability in respect of such medical, surgical or other services as aforesaid to submit to the Committee full details of the services performed by such person on behalf of the worker and may require such person to appear before the Committee and to supply such further information as may be required.

(3) The provisions of Section twenty-eight of this Act shall apply to the exercise by the Committee of its powers under this section.

(4) The Committee may determine that the claim of any creditor may be paid at a higher pro rata rate than the claim of any other creditor.

26B. (1) There is hereby established a Committee (hereinafter referred to as "the Court Advisors' Committee") consisting of the members from time to time of the Medical Register Committee (other than the chairman thereof).

(2) The Court Advisors' Committee shall establish and keep a register to be known as the Court Advisors' Register. All medical practitioners who are registered, or who become registered, under the provisions of the Medical Act, 1894, may, at the discretion of the Court Advisors' Committee, be registered under the provisions of this section. The name of any medical practitioner appearing on the Court

Advisors' Register may be removed at any time at the request of such medical practitioner or at the discretion of the Court Advisors' Committee.

(3) In any proceeding under this Act in a local court in which it appears that a conflict of medical evidence is likely to arise either party to such proceeding, or the magistrate before whom such proceeding is to be heard, may apply to the Court Advisors' Committee to appoint a person whose name appears on the Court Advisors' Register (hereinafter referred to as "the Court Advisor") to be present at the hearing, and thereupon the Court Advisors' Committee shall make such appointment.

(4) It shall be the duty of the Court Advisor to advise the magistrate as to the credence to be given to any medical evidence submitted at the hearing but the magistrate shall not be bound to accept the opinion of the Court Advisor thereon.

(5) The fee payable to the Court Advisor shall be such amount as the magistrate before whom the proceeding is taken shall decide and shall be payable by the party against whom the decision lies.

(6) Provision may be made by regulations, to be known as the Court Advisors' Register Regulations—

- (a) for regulating the meetings and proceedings of the Court Advisors' Committee and the conduct of the business thereof;
- (b) enabling the Court Advisors' Committee to establish a register providing for the registration of medical practitioners, the removal from the register of the name of any medical practitioner as a consequence of any decision of the said committee, or any request of the medical practitioner, and the re-registration of any medical practitioner whose name has been removed;
- (c) providing for the fees and expenses payable to the members of the Court Advisors' Committee and with respect to establishing and maintaining the register;
- (d) for generally carrying into effect the functions of the Court Advisors' Committee under this Act.

I explained the subject-matter of these proposed new sections very fully last night. The only question involved is the method by which the £100 is to be divided on a pro rata basis when the amount expended by the worker in medical expenses exceeds that provided in the Act.

The HONORARY MINISTER: I oppose the amendment. Nevertheless, I congratulate Dr. Hislop on the study he has devoted to the preparation of the proposed new sections, which will receive the careful consideration of the Government. I am taking a conservative view, as I consider this

matter should be the subject of an inquiry by experts. It is hardly fair to bring it forward at this late stage of the session. I ask the Committee to reject it.

Hon. G. W. MILES: I am astounded at the attitude of the Honorary Minister. This Chamber has been designated a democratic body. The Government apparently does not want the Council to get the credit for this socialistic legislation; evidently the Government wants to introduce it. I support the amendment.

New clause put and negatived.

Title—agreed to.

Bill reported with an amendment and the report adopted.

BILL—PARLIAMENTARY ALLOWANCES AMENDMENT.

First Reading.

Received from the Assembly and read a first time.

Second Reading.

THE CHIEF SECRETARY [9.31] in moving the second reading said: This is a Bill to deal with the allowances of members of Parliament and is introduced in response to representations made by members of all parties in Parliament. The Bill provides that the variation in the cost of living as disclosed by the declaration of the basic wage from time to time shall apply to Parliamentary allowances in just the same way as they apply to the salaries of officers of the Public Service. Members are, of course, aware that from 1930 to 1936 there were reductions in the Parliamentary allowances just as they applied to the salaries of public servants and, indeed, to all sections of the community. Those deductions were effected under the Financial Emergency Act. In 1931 members of Parliament agreed voluntarily to a reduction of 10 per cent. in their allowances. Finally under the Financial Emergency Act that deduction was increased to 20 per cent. In 1936 the reductions were restored and Parliamentary allowances have remained at the one figure ever since. Since 1936 public servants have been subject to the variations in the cost of living figures to which I have referred. If the Bill is agreed to, the net result will be that the Parliamentary allowances will be increased by £75, that being the difference between the

position that obtained in 1936 and that existing now.

I feel sure that every member will agree that those members of Parliament who have no other source of income than their allowance must experience very great difficulty in carrying out their duties in the way the electors would desire. More particularly does that apply to country members. It is not necessary for me to tell members that when the Commissioner of Taxation has finished with their allowances they are reduced to a figure which makes it very difficult indeed, particularly for those who have to rely on their allowance alone, to carry out their duties with satisfaction to themselves and to their electors. I do not know that I need say any more on the subject. I feel that the proposal in the Bill is reasonable and can be justified up to the hilt. I trust the House will accept that view and agree that the time has arrived when the allowances of members of Parliament should be increased as suggested in the Bill. Of course, if the Bill is agreed to the variation in the cost of living will continue to apply and should there be a decline it will be reflected in a reduction applying to our allowances. It will apply just as at the present juncture increases in the cost of living will affect our allowances. I move—

That the Bill be now read a second time.

HON. H. S. W. PARKER (Metropolitan-Suburban): I am afraid that I cannot support the Bill. I certainly agree with the Minister that country members should receive a larger allowance than metropolitan members. I also agree that the present allowance is not sufficient in view of the fact that some members have to live in one part of the State for six months and elsewhere for the remainder of the year.

Hon. C. F. Baxter: It is the travelling that costs so much.

Hon. H. S. W. PARKER: That is so. I agree that the present allowance is not sufficient. I am sorry a more comprehensive Bill has not been introduced and that the Government has not seen fit to increase the salaries of Ministers. I consider they are inadequately remunerated.

Hon. L. Craig: They will receive the same increase.

Hon. H. S. W. PARKER: Yes, but I am speaking about the amount set aside for

Ministerial salaries, which is quite insufficient. I trust the Government will consider that question, and possibly the advisability of a re-allocation of Parliamentary allowances. As a metropolitan member I feel that I cannot vote for an increase in the allowance to be paid to myself.

HON. L. CRAIG (South-West): I oppose the Bill purely on a question of principle. I agree entirely with what the Chief Secretary said about the need for certain members receiving a larger allowance. What I do not agree with is that the present is an opportune time for such legislation. Under the National Security Regulations people in positions similar to that of a member of Parliament have their salaries pegged. The basic wage increase applies to some sections of the community but the man in business is not allowed any increase in his salary. In 1936 when the reductions were effected, people engaged in industry had their salaries reduced and suffered then just as members of Parliament did. The National Security Regulations pegged salaries and I do not think that members of Parliament are entitled to increase their salaries, even to the extent suggested, until the Commonwealth Government allows people engaged in private enterprise to increase their salaries. I feel it is not right for Parliament to do something which the Commonwealth Government does not allow people to enjoy who are similarly situated to us.

Hon. C. B. Williams: Except when an anomaly can be proved.

Hon. L. CRAIG: At present people similarly circumstanced to ourselves are not permitted to enjoy an increase in their salaries. Parliament should set the example and members should not take advantage of their position. I admit that the need for an increase in the allowance is apparent and that many members are not receiving sufficient to enable them to carry out their duties satisfactorily. A principle is involved, and I must reluctantly oppose the second reading of the Bill.

HON. C. B. WILLIAMS (South): As a country member who has lived in the city during the last two or three years I have much pleasure in supporting the Bill, and I make it clear that in doing so I am not committing any breach of faith with my electors. Those who are governed by indus-

trial awards or agreements can secure an increase any day if they can prove that an anomaly exists.

Hon. L. Craig: I was talking about people not governed by Arbitration Court awards.

Hon. C. B. WILLIAMS: We know that there are plenty of officers in the Civil Service governed by an award of some kind who are receiving £1,000 or more, and yet they get the £75, whereas members of Parliament received £600 in 1928 and they receive £600 now. When the Commissioner of Taxation's requirements have been met and other commitments as well, nearly 33 per cent. of our allowance has gone west. I appreciate all that Mr. Craig said. As for my own position I notified members of my Labour council 12 months ago that under no circumstances could they expect me to go to Kalgoorlie for electioneering purposes unless they were prepared to foot the bill. As a matter of fact, all we get after our taxation and other expenses are paid is £8 10s. a week. My council accepted my view that it is utterly impossible for a country member to travel about electioneering. In my province I would have to travel to Southern Cross and on to the South Australian border, out to Ravensthorpe, out to Newdegate, Lake Camm—how could it be done? It would be utterly impossible. If I were to travel my province it would cost me at least £5 or £6 a week and even then I would not be able to entertain friends except with a cup of tea—and they would have to supply the tea! That is true. Suppose I were to go to Norseman? It would take me two or three days to get away from the town. The same would apply if I were to go to Esperance. It is not right. I was talking to one man who when he heard about this proposal thought it was absolutely scandalous. I explained the position to him, and he said, "Look at all the perks you have!"

Members: What are they?

Hon. C. B. WILLIAMS: I have not enjoyed any "perks"; I do not know what they are. I agree that the opposition to the Bill is based on a matter of principle and is not due to any suggestion that the increase is not necessary. Every other Parliament in Australia has increased Parliamentary allowances except Tasmania. Of course, the Commonwealth Parliament has not done anything of the sort, but I do not think more than 15 or 16 members of either House

of Parliament in the Federal sphere are not on some committee or board, from which they probably draw more money in travelling allowances and so on than we get as members of Parliament. They receive up to five guineas a day for travelling expenses, and I am given to understand that these Federal "perks" are not taxable, which means that they represent very decent increases in salary. I hope members will agree to the second reading of this Bill. I am perhaps the only member of this House who has to rely solely on his Parliamentary allowance. I may be blamed for that, seeing that I have not taken up a farm or bought a pub.

Hon. A. Thomson: You would be worse off if you had a farm.

Hon. C. B. WILLIAMS: At any rate I have made my position clear. I certainly will not spend a penny in travelling round the countryside; there is nothing in it. I support the Bill with great pleasure.

HON. H. SEDDON (North-East): I intend to support the Bill. My reason for doing so is that I consider, having regard to the trend of the cost of living that has taken place since members of Parliament received the last increase in their allowances, the present Bill is justified. There has been a lot of argument as to the effect of the Commonwealth regulations, but the fact has to be faced that although prices were supposed to be fixed and although the National Security Regulations were supposed to peg salaries, there has been an increase in the cost of living. We all know, from our own personal experience, beyond any doubt that the cost of living has increased. Any family man knows that; or, if he does not know it, his wife will make it very plain to him. The people of this State should recognise that that is an equitable measure to pass so far as this Parliament is concerned. If the increase set out had been more than the increase in the basic wage, it would not have been justified. I intend to support the Bill.

Question put and passed.

Bill read a second time.

In Committee.

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

Third Reading.

THE CHIEF SECRETARY [9.47]: I move—

That the Bill be now read a third time.

HON G. W. MILES (North): I merely wish to raise the point whether it is necessary to have an absolute majority for a Bill increasing members' allowances.

The **PRESIDENT**: No. That is not necessary. The Bill in no way affects the qualifications of members of Parliament in the sense in which the word "qualifications" is used in the Constitution.

Question put and passed.

Bill read a third time and *passed*.

BILL—LICENSING ACT AMENDMENT.*First Reading.*

Received from the Assembly and read a first time.

Second Reading.

THE CHIEF SECRETARY [9.48] in moving the second reading said: This is a measure to amend Section 98 of the Licensing Act. The amendment is necessary because when the Act was amended in 1923 it provided for the taking of a local option poll in 1925, and in every fifth year thereafter. If we carry out that provision, it will be necessary to take a poll during next year. I feel sure that in view of the existing circumstances, particularly those pertaining to the war, no good purpose would be served by taking the poll next year. Therefore this amending Bill is brought forward which, if agreed to, will mean that there will be no local option poll taken for a further period of five years. I move—

That the Bill be now read a second time.

HON. J. CORNELL (South): I second the motion. I consider there is ample occasion for postponing the poll.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time and *passed*.

BILL—ROAD CLOSURE.*First Reading.*

Received from the Assembly and read a first time.

Second Reading.

THE HONORARY MINISTER [9.52] in moving the second reading said: By this routine Bill authority is sought to effect the closure of certain roads in the metropolitan area, which in two instances will facilitate the operations of industrial concerns situated adjacent thereto; and, in connection with an R.A.A.F. establishment at Merredin, to close roads within an area to be leased to the Commonwealth Government. The first proposal in the Bill relates to land at South Perth. In April, 1937, the whole of Lot 20 of portion of Swan Location 38a was resumed at the request of the South Perth Road Board, for the purpose of extending Market-street to connect with View-street. This extension does not necessitate the use of the whole of the land, and the road board desires to sell to the owner of the adjacent Lot 19, the portion of the road not so required. The resumption expenses were met by the road board, which is therefore entitled to the proceeds of the proposed sale. The owner of Lot 19 has agreed with the road board to purchase the strip of land for the sum of £10. The sale cannot be effected under the provisions of Section 29 of the Public Works Act, since the strip of land was included in the original declaration as a road. Hence Parliamentary authority must be obtained for its release so that it may be disposed of.

It is further proposed to close that portion of Lancelot-street which lies between Bracks-street and Napier-road, North Fremantle. The land on each side of the street at this point is held by the Shell Company of Australia, which desires the closure of the street in order that it may purchase the land. The North Fremantle Municipal Council is in agreement, as the street carries little traffic apart from that in connection with the company's activities, and therefore its retention as a public way is not justified. To offset the closure of the road, the local authority considers it desirable that Irene-street, which is at present only 33 feet wide and provides the most convenient approach to the industrial premises lying between the railway line and the sea, should be widened. For this purpose the company

has agreed to transfer to the council a strip of land 16½ feet wide on its Irene-street frontage for the full distance between Napier-road and Bracks-street, and to defray the cost, estimated by the council at £500, of reconstructing and widening the roadway in Irene-street. The Surveyor-General and the Town Planning Commissioner are in agreement with the whole proposal; and as the local authority also agrees I trust that Parliament will approve. The advantages to be derived from the widening and reconstruction of Irene-street, without cost to the council, are undoubtedly in the public interest.

Another proposal in the Bill relates to an area of land in the Mosman Park Road District, the acquisition of which is desired by Hoskins Foundry Limited, in connection with the erection of new engineering works. The land selected by the firm, with the concurrence of the Surveyor-General and the Town Planning Commissioner, comprises portion of Stone-street, and a small area of land on the side of the street opposite a reserve. The proposal for these engineering works was originally unacceptable to the road board, which was reluctant to extend its industrial area to include this land. The board's opposition has now been withdrawn, and it has agreed, by resolution, to permit the extension and to allow the erection of the engineering works. However, before a lease of the land can be granted, it is necessary to effect the closure of that portion of Stone-street between Hanlin-street and Hancock-street as is proposed by the Bill. To provide the access to adjacent properties at present afforded by Stone-street, it is proposed to extend Hancock-street. Most of the new road will be through Crown land, but the firm has agreed to pay the cost of the necessary resumption of some private land for road purposes. The Mosman Park Road Board, the Surveyor-General, and the Town Planning Commissioner are all agreeable to the proposed closure.

The final clause in the Bill deals with the closure of roads in the Merredin townsite. In exercise of powers conferred by National Security Regulations, the Commonwealth Government entered into possession early in 1942, of certain land at Merredin, including both private and Crown lands, and also the roads and streets embraced within the area. The land was required for the

establishment of an R.A.A.F. stores depot. The Lands Department and the Town Planning Commissioner were opposed to the permanent alienation of any of the Crown land taken over; and the Premier, in a letter addressed to the Prime Minister, suggested that a lease of the area might be acceptable to the Commonwealth Government. This proposal was agreed to, the terms finally arranged being for a lease of 25 years, subject to determination five years after the conclusion of the war; the lease to be rent-free for the duration of the war, and thereafter at a rental to be agreed upon. The Bill seeks to effect the closing of the roads that have been occupied by the Commonwealth, so that the area concerned may be leased together with adjacent reserved land and unsubdivided Crown land. Those are the proposals in the Bill. Plans showing the localities concerned will be laid on the Table for the information of members. I move—

That the Bill be now read a second time.

HON. G. FRASER (West): There is one portion of the Bill that I intend to oppose and that is the part relating to the closure of portion of Lancelot-street, North Fremantle. This street runs through the Shell Company's property. That company has the land and buildings on both sides of the street, and if the street is closed it means that one of the thoroughfares leading to the houses on the other side of the works will be closed. For some years the company has been endeavouring to have the street closed. The local governing authority for some time refused to accede to the request but recently, I understand, gave way. It is hard for members who do not know the district to visualise what would happen if the proposal were agreed to. At one time the portion beyond the Shell Company's works contained a number of houses which, during the years, have been purchased by the company, and there are now not more than half a dozen served by the street.

However, the street connects up with the overhead bridge across the railway and there is a fear that with the closure of the street the bridge will be removed. Apart from its use to residents, the street gives access to the beach for a number of residents on the opposite side of the line. With the removal of the bridge, there will be no

official crossing over the railway in that portion of North Fremantle from Congdon-street to John-street, about three-quarters of a mile, and the people fear they will be forced to travel much longer distances. There are not many residents in the street—only about half a dozen, but the street is used by other people.

Hon. H. Tuckey: What is the prospect of more houses being built?

Hon. G. FRASER: None, because the Shell Company, during the years, has been purchasing the properties in that street and even some of the houses that remain occupied belong to the company. As the works have progressed, the residents have disappeared; at one time there were 30 or 40 people living there. I have been requested by a large number of residents to oppose this closure and intend, in Committee, to move for the deletion of this clause.

HON. F. E. GIBSON (Metropolitan-Suburban): Like Mr. Fraser, I know nothing about the matters in the Bill except the one to which he referred. Regarding that, I feel it would be a great mistake if the House refused to agree to the measure. The houses referred to by Mr. Fraser will not be occupied for any length of time and there is no possibility of increased building. The hon. member is anticipating trouble when he suggests the Railway Department may close the bridge if this street closure is agreed to. When introducing the measure, the Minister pointed out that most people in North Fremantle are anxious to see the clause passed and I hope the House will agree to it.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Closure of portion of Lancelet-street, North Fremantle:

Hon. G. FRASER: I desire to move to delete Clause 3.

The CHAIRMAN: The hon. member cannot do that. He will have to vote against the clause.

Hon. G. FRASER: That is so. I would point out that I happen to be the only resident member of the district, and am more

in touch with the people in that area than is any other member of this Chamber. I have had a large number of requests to oppose the closure.

The HONORARY MINISTER: I am indebted to Mr. Gibson for his remarks on the matter. Due credit must be given to Mr. Fraser, but I think that people are unnecessarily alarmed regarding the possibility of the overhead bridge being closed. We must encourage industries and we can rely on the wide-awakeness of the North Fremantle Municipal Council which has agreed to the proposal. There are only four or five residents actually affected, and I can give an assurance that there is no possibility of the people being deprived of the bridge.

Hon. G. FRASER: I point out that the company has occupied and utilised both sides of the street for a large number of years, so there is no question of holding up industry.

Clause put and passed.

Clauses 4 and 5—agreed to.

First, Second and Third Schedules, Title—agreed to.

Report, etc.

Bill reported without amendment and the report adopted.

Bill read a third time and *passed*.

BILLS (4)—FIRST READING.

1, Industrial Arbitration Act Amendment.

Introduced by Hon. J. A. Dimmitt.

2, Criminal Code Amendment. (Hon. H. S. W. Parker in charge.)

3, Optometrists Act Amendment. (Hon. J. Cornell in charge.)

4, Reserves.

Received from the Assembly.

BILL—TOWN PLANNING AND DEVELOPMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. V. HAMERSLEY (East) [10.14]: I obtained the adjournment of the debate in order to look more closely into the matter. On further acquaintance with it, I see nothing to prevent the Bill being passed. It proposes to grant facilities for cutting up and re-classifying certain land in various

areas and making provision for residential houses and flats. I would be inclined, if it were possible, to insist that a little addendum be made that none of the rooms in such places should be less than 10 feet from floor to ceiling. That may have nothing to do with this Bill, but in a climate like ours we must safeguard that aspect. In some cases the houses are such hovels that no self-respecting individual could be expected to rear a family in them. That sort of thing accounts for much of the sickness that prevails. I support the second reading.

HON. H. S. W. PARKER (Metropolitan-Suburban): I made inquiries about this matter and I found that it was essential that the principal Act be amended by the passing of this Bill. There was a flaw in the Town Planning Act, and this rectifies it.

Question put and passed.

Bill read a second time.

In Committee, Etc.

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

Bill read a third time and transmitted to the Assembly.

BILL—UNIVERSITY OF WESTERN AUSTRALIA ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY [10.20] in moving the second reading said: Members are no doubt aware that in 1941 the Government appointed a Royal Commissioner in the person of Mr. Justice Wolff, to investigate and inquire into, report and advise upon the condition of the University in this State; and that his report and recommendations were submitted in 1942. That report comprises approximately 150 pages of interesting data and information, and indicates the widespread nature of the inquiry made by the Commissioner not only in this State, but in all States of the Commonwealth, where he personally contacted those people associated with the various universities. Arising out of the report and recommendations made, this Bill is now submitted. Some of the Commissioner's recommendations have been adopted in their entirety, whilst others have been adopted in a modified form.

Before dealing with the Bill I desire to give to members some information concerning the establishment of our University. In

1904 the University Endowment Act was passed. Under that Act a trust was created to deal with the lands granted by way of endowment for university purposes, the idea being to use the funds derived through these endowment lands for the financing of the University when it was established. In 1909 a Royal Commission was appointed to inquire into the possibility of establishing a university. That Commission recommended that a university be established, that no fees be charged, and estimated the annual cost at £13,650. In 1911 the University of Western Australia Act was passed, its purpose being to establish, incorporate and endow the University of Western Australia.

At that time no site had been secured, but ultimately a site at Crawley, which had been purchased by the Government at a cost of £27,000, was set aside for university purposes. Subsequently buildings were erected on the Crawley site for the biology and geology sections, at a cost of approximately £19,000. As a result of a bequest by the late Sir Winthrop Hackett, further buildings were erected and a permanent university was thus established on the Crawley site. These buildings are known as the Hackett Buildings, and an amount of £25,000 was made available by the Government to assist financially their erection. The Government is also obliged to repay to Trust moneys advanced by the University the sum of £74,000, being the cost of a science building erected in 1936, and the agriculture building completed in 1938. In all, the Government has found £135,000 towards university buildings, both at Irwin-street where the University first made its small start, and at Crawley, which, with the amount of £27,000 for the purchase of the Crawley site, makes a total of £162,000.

Since the establishment of the University the Senate has drawn more and more heavily upon the Government for financial assistance. This arises out of increased activity and to the extension of such activity to spheres not at first anticipated. In submitting its report in 1909 the Royal Commission expressed the hope that financial support would be forthcoming from those who were interested in the University, and the constitution of Convocation—to which I shall refer later—as recommended by the Royal Commission was deliberately designed to encourage those interested in the University teaching to be-

come associated with the institution. However, apart from the gifts of the late Sir Winthrop Hackett and Mr. R. J. Gledden and other bequests for specific purposes—none of which has assisted in the ordinary administration costs of the University—no substantial financial help has been forthcoming. In 1940 a Bill to amend the University Act was introduced in the Legislative Assembly by the then Leader of the Opposition, Hon. C. G. Latham. Briefly, its purpose was to grant to the Government greater representation on the Senate of the University. The sponsor of the Bill indicated that it was aimed at securing good management which ought to exist in such an institution.

Various speakers during the debate indicated the disappointment and dissatisfaction which existed in regard to the conduct of University affairs, and the Premier, after saying that it appeared that Ministers, members of Parliament and the general public seemed to favour an inquiry, undertook to appoint a Royal Commissioner for the purpose of such an inquiry. On this undertaking the Leader of the Opposition withdrew his Bill. The Government appointed Mr. Justice Wolff to carry out that inquiry and I have already mentioned that he submitted his report in 1942. No doubt members have read that document. It was intended to introduce legislation in 1943 to give effect to some of the recommendations of the Royal Commissioner but on account of the curtailment of the session due to the imminence of the general election, the legislation which had been prepared was held in abeyance until this session.

The Royal Commissioner's report covers a wide field of inquiry, and relates to a number of matters which are more or less of a domestic nature affecting the University's administration, and which do not call for legislative action. Several matters, however, require legislative attention. Therefore, we have this Bill. Briefly stated, these matters affect the constitution of the Senate; the constitution and powers of Convocation; the financial assistance to be given to the University by the Government; the power of the Senate to invest its trust moneys in the erection of revenue-producing properties on its own endowment lands; and to the auditing of the University's accounts by the Auditor General.

Dealing with the constitution of the Senate, the Royal Commissioner pointed out that the University of Western Australia is in a different category from those in other countries, because of the fact that our University is so largely financed from Government funds. He also criticised the undue power given to Convocation in regard to the election of Senate—a matter which is dealt with by the Bill. I propose to refer to the important part taken by the Senate and Convocation in University affairs. Under the provisions of the parent Act the governing authority of the University is comprised of the Senate and Convocation. At present the Senate consists of 18 members, six of whom are appointed by the Governor, the remaining 12 being elected by Convocation. Professors, lecturers and other salaried officers of the University may be appointed or elected to the Senate, but not more than three such persons may be members at the same time. The present tenure of office of persons appointed or elected to the Senate is, in each case, six years, retirement being on a system of rotation.

Convocation consists of all graduates of the University, all members and past members of the Senate, and, in addition, all individual donors who have made gifts to the University amounting in the aggregate to not less than £100. The Senate is charged with the general government of the University, and for this purpose is empowered to make what are known as statutes. Convocation has not the right to initiate legislation, but it is provided that every proposed statute as passed by the Senate must be submitted to Convocation for its consideration, after which Convocation, in returning the proposed statute, may suggest amendments. If the amendments are acceptable to the Senate the statute as amended is deemed to be approved.

It is provided in Section 32 of the Act that if the Senate passes any proposed statute which Convocation disallows or returns with amendments which are unacceptable to the Senate, and that body after an interval of three months again passes the statute with or without the amendments originally suggested by Convocation, and the latter still rejects the measure, the Governor may convene a special meeting of the Senate to consider the statute as last proposed by the Senate and any amendments made by Convocation. If the proposed statute in this

form is affirmed by two-thirds of the members of the Senate present at the meeting, it shall be deemed to be passed by the governing authority. Members may recognise a somewhat close analogy between the procedure in the University and the procedure in our Parliamentary practice. It is not to be inferred from the somewhat elaborate provisions in the Act in regard to its government that the University is an autonomous community. All statutes, before acquiring the force of law must be approved by the Governor, and a statute is liable to annulment by either House of Parliament.

I have thus briefly outlined the system of University government in order to give members some idea of the way it functions at the present time, and because it is proposed by this Bill to make certain modifications in respect to it. These proposed modifications are made after considering the Royal Commissioner's recommendations, and after considering the Senate's views on the matter. The first of these proposals deals with the reconstitution of the Senate. The number of members will be increased from 18 to 21, and in place of the two classes as at present, namely, those appointed by the Government and those elected by Convocation the new body will embrace five classes, as follows:—

- (i) Six persons to be appointed by the Governor.
- (ii) Six persons (other than persons holding any salaried office in the University as a dean of faculty, professor, lecturer or assistant lecturer but not part-time lecturer) to be elected by Convocation;
- (iii) Two persons (being persons holding a salaried office in the University as a professor, an associate professor, lecturer or assistant lecturer, but not as a vice-chancellor or part-time lecturer) to be elected by the persons holding the various salaried offices aforesaid;
- (iv) The Under Treasurer of the State *ex officio* or, whenever for any reason he is unable to act, the person whom the Under Treasurer by writing under his hand appoints as his deputy; the Director of Education *ex officio*; the Vice Chancellor of the University *ex officio*; and
- (v) Four persons to be selected and co-opted as members of the Senate by the other members.

The constitution of the Senate follows the principles laid down by the Royal Commissioner, and the only difference between the

Senate thus constituted and the one as asked for by the Senate in the discussions which the Government has had with that body, is that the Senate requested two members to be members of Parliament, one to be elected by each House of Parliament. The Government considered that this would not be a wise choice, but that if there were members of Parliament interested in the work of the University and otherwise suitable, they could be co-opted by the Senate under the powers of co-optation, provision for which has been made. It is proposed that the retirement of appointed and elected members of the Senate shall be in rotation, and it is considered that the structure of such a body as set out in the Bill will make for greater flexibility and wider representation in the interests of all concerned.

The Bill proposes to reduce substantially the powers of Convocation. As I have already indicated, Convocation at present is part of the governing body of the University, the government being in the hands of the Senate and Convocation. At present statutes passed by the Senate have to be approved by Convocation before they can be submitted to Parliament for final approval. It is proposed to remove this power from Convocation, but to impose on the Senate an obligation to submit to Convocation any new statutes or amendments to existing statutes which the Senate desires to see effected. If Convocation is not agreeable to the Senate's proposals, the Senate in submitting the statute to Parliament for confirmation must state its reasons for overriding Convocation's objections. There are provisions in the Bill designed to impress upon members of Convocation the responsibilities which membership of the graduate body imposes upon them.

There has been evident amongst the graduate body a definite indifference to University affairs, which it is considered calls for statutory action, and it is therefore proposed by the Bill that non-attendance at meetings, or failure to vote at elections during a prescribed period of five years, will constitute a default justifying the removal from the roll of the name of a member. The Bill then provides the necessary procedure for such removal. This provision is not to apply until after the war. It is appreciated that Convocation can and should make a valuable contribution in an advisory capacity to the government of an institu-

tion with which all its members have had close contact for a number of years, and it is hoped that the provisions which are contained in the Bill and are supported by the recommendation of the Royal Commissioner will have the effect of removing from the official roll of membership the names of those graduates who, by their apathy, have displayed a lack of interest in the University and to retain the names of those who are interested.

There are provisions in the Bill dealing with University finance. It is proposed that the annual appropriation from Consolidated Revenue to meet establishment and management costs shall be fixed at £40,000. Provision has also been made that any amounts additional upon this may be appropriated by Parliament. The amount of the annual grant has been the subject of much discussion between the Government and the Senate. The Senate has asked that an amount of £48,000 be provided, but it is regretted that the Government cannot see its way clear to agree with that request. The fact that the amount of the appropriation falls short of the £48,000 asked for by the Senate does not indicate that the Government is not in sympathy with the University. It is readily agreed that the Senate could use the additional moneys profitably, but the needs of the University must be considered in relation to the other social services which the Government is called upon to finance from Consolidated Revenue.

Many aspects of community welfare, whose requirements are more immediate than those of the University, may readily be enumerated. The extension of facilities for technical education, the raising of the school-leaving age, the improvement of our schools in the remoter parts of the State, the provision of food for the children of indigent parents, increased medical and dental treatment for school children—all these, and perhaps many more, are felt to have a more urgent claim for financial assistance. It must be remembered, too, that in past years the Government has had to find money for the extension of University activities which could hardly have been envisaged when the institution was established over 30 years ago. The history of Treasury aid to the University demonstrates that the successive Governments have been fully alive to the value of higher education, and the present

Administration is no exception in this regard.

I have said that provision has been made in the Bill for additional amounts to be made available as may be appropriated by Parliament. That means that these additional amounts will need to be discussed and voted by Parliament. The intention of this provision is clear. The ultimate responsibility for the financing of the University must rest with Parliament, but Parliament can only decide what amounts should be available to the University on the recommendation of the Treasurer and in the light of the whole of the needs that have to be financed by the Government. In the 30 years the University has been in existence the Government grant has more than trebled, yet in the same period expenditure on technical education has barely more than doubled.

One of the difficulties in which the University finds itself has arisen from the fact that some years ago the University received grants for specific purposes, which it utilised to undertake long-term obligations. The source of revenue having ceased, the obligation remains. It is because of this past policy that the Government is most desirous that the University's future financial needs be closely scrutinised by Parliament. There is a provision in the Bill relating to the investment of trust moneys on improvements of University lands for the purpose of deriving income. During the course of the evidence taken by the Royal Commissioner, it was suggested on behalf of the Senate that power should be given to the Senate to invest its trust moneys on revenue-producing buildings to be erected on University endowment lands. This request was carefully considered by the Royal Commissioner and recommended by him subject to certain safeguards, the necessary provision for which has been made in the Bill.

The recommendation of the Royal Commissioner that the accounts of the University be audited by the Auditor General has been adopted in the Bill. In this way Parliament will be appraised of the financial operations of the University. Those are the principal proposals in the Bill, and I trust this Chamber will agree to them. They are aimed at providing a more efficient administration of University affairs and also at providing fin-

ancial accommodation within the limitations imposed on the Government, having regard to the financial needs of the very many services which the Government is called upon to undertake in the general interest and well-being of our community. I may add for the information of members that the total payments out of revenue for University purposes annually are as follows:—

	£
University Building Acts, 1930 and 1938	6,845
On £162,000 spent on Buildings and Crawley site, Interest and Sinking Fund, 4½ per cent.	7,290
	14,135
Plus Annual Grant	40,000
	54,135

By way of comparison, I point out that in Queensland, with double our population, the sum of £59,000 was spent last year. This represented a grant of £40,000, plus a special grant of £19,000. If this Bill be agreed to, we shall, in the light of that comparison, show up very fairly. I desire also to make another comparison. The Education Vote for the State for this year is approximately £890,000. If one is to believe the statements made by members of this Chamber when discussing education matters, there is room for a considerable increase in our general vote for education, quite apart from the University. That is one of the main reasons why it is not possible for the Government at present to agree to increase the grant of £40,000 mentioned in the Bill to the larger sum asked for by the Senate. There are one or two other minor matters dealt with by the Bill that I have not touched upon, but I think I have covered the more important amendments. I do not propose to take the Bill into Committee tonight, and I would suggest that, if members have any amendments they desire to move, these be placed on the notice paper. I move—

That the Bill be now read a second time.

On motion by Hon. J. A. Dimmitt, debate adjourned.

House adjourned at 10.50 p.m.

Legislative Assembly.

Thursday, 7th December, 1944.

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

QUESTIONS (9).

WHEAT.

(a) *As to Transport to Coast.*

Mr. PERKINS asked the Minister for Railways:

(1) Is he aware that the railways are six weeks behind in the supply of trucks for wheat to stockfeeders?

(2) Is he aware that port reserves are continually being drawn upon and that shortly the position will be bare boards at the ports and all wheat stocks stored at country sidings?

(3) Is he aware that, unless the recent weekly tonnage hauled by the railways from country sidings to ports is considerably improved upon, there will still be a considerable tonnage of wheat left in country bins on the 1st November, 1945, notwithstanding that a very ready immediate market exists for all wheat available at Western Australian ports?

(4) What steps are being taken to remedy the very serious lag in weekly tonnages hauled by the railways?