

Legislative Council

Wednesday, the 12th November, 1958.

CONTENTS.

QUESTIONS ON NOTICE :

Esperance, shipment of gypsum and copper ore	2126
Epsom Avenue flats, demolition and re-erection	2126
Kellerberrin Hospital, erection of theatre block	2126
Dental clinics, proposals for country towns	2127
Drilling, results of Government-assisted operations, etc.	2127
Water supplies—	
Badgingarra towns site bore	2127
Boring in Kalannie area	2128
Drainage, Morley Park and Brown's Swamp	2127

QUESTIONS WITHOUT NOTICE :

Ministerial appointments, congratulations	2128
Dental clinics, use by private citizens	2128

RESOLUTION :

Legal Practitioners Act, amendment of Barristers' Board Rule 30	2133
---	------

MOTION :

Abattoirs Act, disallowance of Regulations Nos. 2A and 2B	2134
---	------

BILLS :

Long Service Leave, Assembly's message	2126
City of Perth Parking Facilities Act Amendment, 3r., passed	2128
Wheat Industry Stabilisation, 3r., passed	2128
Cancer Council of Western Australia, report	2128
Licensing Act Amendment, recom.	2128
Land Act Amendment (No. 3), 2r.	2128
Government Railways Act Amendment (No. 2), 2r., Com., report	2129
Workers' Compensation Act Amendment, 2r., defeated	2129
State Government Insurance Office Act Amendment (No. 2), 2r.	2132
Marketing of Eggs Act Amendment (Continuance), 1r.	2133

ADJOURNMENT, SPECIAL

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

LONG SERVICE LEAVE BILL.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 1, 2, 5 to 10, 14, 15, 16, 18, 19, 21 to 25, 31 and 33 made by the Council, had disagreed to Nos. 3, 4, 12, 20, 26, 27 to 30, and 32, and had agreed to Nos. 11, 13, and 17, subject to further amendments.

QUESTIONS ON NOTICE.

ESPERANCE.

Shipment of Gypsum and Copper Ore.

1. The Hon. G. BENNETTS asked the Minister for Railways:

In view of the anticipated heavy shipments of gypsum and copper ore at Esperance, will the Minister inform the House when the Harbour and Light Department will take over the facilities at that port, in order that arrangements can be made for better loading facilities?

The Hon. H. C. STRICKLAND replied:

The volume of trade over Esperance jetty would need to increase substantially before the additional expense, which would be incurred by handing over to Harbour and Light Department, could be justified.

EPSOM AVENUE FLATS.

Demolition and Re-erection.

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

(1) Is it a fact that some flat buildings situated in the Epsom Avenue area are being demolished and re-erected in Stanton-rd., Redcliffe?

(2) If so, is it realised that the area of Stanton-rd., is a residential area of high standard, and that the re-construction of flats from the Epsom Avenue area will reduce such standard?

(3) To what extent is it intended that these flats will be demolished?

(4) In what other areas, if any, is it intended to reconstruct such buildings?

The Hon. H. C. STRICKLAND replied:

(1) Two blocks of quadruplex flats are being resited from Ascot to other parts of the Belmont Road District. The buildings are being re-erected as duplex accommodation, and one of these latter units is being erected in Stanton-rd.

(2) The duplex unit will be of a standard similar to other buildings in the area, which are predominantly timber-frame asbestos commission homes.

(3) The two blocks referred to above are being re-erected as an experiment to determine costs. If successful, other buildings will be removed for re-erection in the metropolitan area and country. The idea is to improve the Ascot area by replacing some of the flats with individual homes.

(4) Not finalised at present.

KELLERBERRIN HOSPITAL.

Erection of Theatre Block.

3. The Hon. L. C. DIVER asked the Minister for Railways:

(1) Is there any possibility of the early preparation by the Public Works Department of a sketch plan for a theatre block

at the Kellerberrin Hospital, as requested by the hospital board?

(2) If not, is an estimate of cost, based on sketch plans previously prepared, possible?

(3) If so, what is the amount of the estimate?

The Hon. H. C. STRICKLAND replied:

(1) Sketch plans are scheduled to be prepared in February, 1959.

(2) As sketch plans prepared in 1948 are no longer satisfactory to the Medical Department, there would be no point in preparing an estimate on these.

(3) See No. (2).

DENTAL CLINICS.

Proposals for Country Towns.

4. The Hon. J. M. THOMSON asked the Minister for Railways:

Further to previous questions relating to dental clinics—

(1) What are the proposals by the Australian Dental Association regarding towns not served by practising dentists or clinics?

(2) What is the Government's attitude to such proposals in respect of the towns referred to in my question on Thursday, the 6th November, 1958?

The Hon. H. C. STRICKLAND replied:

(1) and (2) These relate to the establishment of railway clinics, and the proposals are still under consideration.

DRILLING.

Results of Government-Assisted Operations, etc.

5. The Hon. J. D. TEAHAN asked the Minister for Railways:

(1) What are the results to date of Government-assisted drilling operations at—

- (a) Morgans;
- (b) Agnew;
- (c) Day Dawn; Great Fingall mine;
- (d) Bernacura?

(2) Has consideration been given to drilling the old Menzies Consolidated G.M. Lease at Yundaga?

The Hon. H. C. STRICKLAND replied:

(1) (a) Three holes were drilled. Results were disappointing.

(b) Four holes were drilled. An ore body 525 feet long and 14 feet wide with an average grade of 5.1 dwts. per ton was indicated at a vertical depth of 240 feet.

(c) The first hole intersected a body of quartz and a deviation from this hole also cut some quartz. The second hole cut a body of

quartz at 3,349 feet. The hole will be continued to 4,200 feet, and is now at 4,011 feet. There was some free gold in the core, but the values are erratic. Detailed results have been published. Some further sections have been sent for assay. Some deviations will be made from this hole after it has reached target depth.

(d) Three holes were drilled and indicated some payable ore at a bore hole depth of 76 feet, which is now being developed by mining.

(2) Geological and other data relating to this mine are being examined.

WATER SUPPLIES.

Badgingarra Townsite Bore.

6. The Hon. A. R. JONES asked the Minister for Railways:

(1) Is the test of the bore at Badgingarra townsite complete?

(2) What was the result of the bore in regard to—

- (a) gallonage per day;
- (b) quality of water?

(3) If successful, is it the Government's intention to equip the bore and so make water available to the public?

The Hon. H. C. STRICKLAND replied:

(1) No. An attempt to set a sand screen at the bottom of the casing was unsuccessful, and this work is still proceeding.

(2) (a) No test can safely be made until the screen is in position.

(b) Total solids 26 grains per gallon. Sodium chloride 19 grains per gallon.

(3) No. The department's funds and objectives provide for drilling for water at geologically selected sites, but not for equipping wells.

DRAINAGE.

7. Morley Park and Brown's Lake.

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

When does the Government intend to commence the drainage of the Morley Park area, and also the area known as Brown's Swamp?

The Hon. H. C. STRICKLAND replied:

Morley Park drainage cannot be considered until the Brown's Lake portion of the scheme is completed. Work has commenced on the Brown's Lake portion.

WATER SUPPLIES.*Boring in Kalannie Area.*

8. The Hon. A. R. JONES asked the Minister for Railways:

(1) When did the No. 2 water boring plant commence work in the Kalannie area?

(2) Upon whose property was the work commenced?

(3) How many bore holes have been drilled to date?

(4) How many of such bores have been successful?

(5) What depths have been reached?

The Hon. H. C. STRICKLAND replied:

(1) The 23rd September, 1958.

(2) W. R. McPharlin.

(3) Three.

(4) Two (one hole abandoned at 30 feet following difficulty in driving casing).

(5) Thirty feet, 125 feet, 97 feet (Kalan-
nie).

QUESTIONS WITHOUT NOTICE.**MINISTERIAL APPOINTMENTS.***Congratulations.*

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

Will the Minister accept my congratulations upon his elevation to the position of Leader of the Government in the Legislative Council; and will he convey to his colleague the hon. Mr. Wise, my congratulations upon his appointment—or perhaps I should say his reappointment—to the position of Cabinet rank?

The Hon. H. C. STRICKLAND replied:

I certainly thank the hon. member for his congratulations; and I shall convey his remarks to the hon. Mr. Wise.

DENTAL CLINICS.*Use by Private Citizens.*

2. The Hon. J. M. A. CUNNINGHAM asked the Minister for Railways:

Is it the practice of the Government to permit ordinary private citizens to make use of the dental clinics in towns where they are established, if there is no resident dentist?

The Hon. H. C. STRICKLAND replied:

While not being able to answer the question authoritatively, I have known of that practice being carried out in certain areas, but I could not say, without making inquiry, that it is the practice of the Government. I imagine the Government would be only too anxious to assist in the direction that the hon. member desires.

BILLS (2)—THIRD READING.

1. City of Perth Parking Facilities Act Amendment.

2. Wheat Industry Stabilisation.
Passed.

CANCER COUNCIL OF WESTERN AUSTRALIA BILL.*Report.*

Report of Committee adopted.

LICENSING ACT AMENDMENT BILL.*Recommittal.*

On motion by the Hon. A. F. Griffith, Bill recommitted for the further consideration of new Clause 3.

In Committee.

The Hon. W. R. Hall in the Chair; the Hon. A. F. Griffith in charge of the Bill.

New Clause 3:

The Hon. A. F. GRIFFITH: I move an amendment—

Insert after the word "the" in line 2 of paragraph (b) the words "third paragraph of the."

At the moment the paragraph does not read correctly.

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

Bill reported with a further amendment.

**LAND ACT AMENDMENT BILL
(No. 3).***Second Reading.*

Debate resumed from the previous day.

THE HON. R. C. MATTISKE (Metropolitan) [4.50]: When the hon. Mr. Diver introduced this short measure he explained that the principal purpose of it was to validate an act which was being made in good faith in the Mt. Marshall electorate, and under which an area of land was being set aside for club purposes. The club, also acting in good faith, had spent a considerable sum of money on the premises and had then found, when applying for a licence, that, in the opinion of one of the counsel opposing the licence, the club did not have sufficient title to the land. Hence the necessity for this Bill.

While I agree entirely with the principle contained in the measure, and have no desire to oppose it, from inquiries I have made so far, in the limited time at my disposal, it would appear that by inserting a fairly general subsection in the Land Act, difficulties may arise in the future. For that reason I will continue to pursue my inquiries, and if they confirm what I have found out up to date, it may be

necessary for me to submit, for the consideration of the House, a slight amendment to the Bill to restrict its operation to the particular purpose of permitting the club in the Mt. Marshall electorate to proceed. I do not intend to oppose the Bill. I support it, and I shall pursue my inquiries with a view possibly to submitting an amendment in the Committee stage.

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

GOVERNMENT RAILWAYS ACT AMENDMENT BILL (No. 2).

Second Reading.

Debate resumed from the previous day.

THE HON. A. F. GRIFFITH (Suburban) [4.52]: So far as I am concerned, the explanation given by the Minister in introducing the Bill is a satisfactory one, and I support the second reading.

Question put and passed.

Bill read second time.

In Committee.

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

WORKERS' COMPENSATION ACT AMENDMENT BILL.

Second Reading—Defeated.

Debate resumed from the previous day.

THE HON. E. M. HEENAN (North-East—in reply) [4.55]: In my opinion, this Bill is one of the most important that the House has been called upon to deal with in the present session. I regret to have to express the opinion that I am afraid such an important measure has not received the consideration it deserves. I am grateful that the hon. Dr. Hislop who has always evinced keen interest in matters appertaining to workers' compensation, and the hon. Mr. Mattiske made worthwhile contributions. The hon. Mr. Jones, the hon. Mr. Logan, the hon. Mrs. Hutchison, the hon. Mr. Bennetts and the hon. Mr. Teahan also made contributions of interest. I am not sure whether any other hon. members spoke—

The Hon. F. R. H. Lavery: The hon. Mr. Garrigan did.

The Hon. E. M. HEENAN: Yes, that hon. member made a worthwhile contribution on the section appertaining to miners' diseases. As various speakers have pointed out, workers' compensation is a matter that calls for a good deal of study. This is by no means a simple measure, and it is one to which almost every hon. member should have made some contribution, especially those who are opposed to it.

The Government makes no apology for the fact that workers' compensation, and its progressive improvement, has been in the forefront of its programme. When the Government was re-elected a couple of years ago, one of the foremost platforms of its policy was the progressive improvement of the Workers' Compensation Act. We feel that we have a duty to the public, generally, to carry that policy into effect. That is why year after year Bills are brought forward with that aim in view. Surely, no one will contend that we have arrived at the stage where we have an ideal Workers' Compensation Act! Yet, when this measure is presented to the House, we have the hon. Mr. Mattiske, presumably speaking on behalf of the party he represents, alleging that the Government has introduced it for political purposes.

That sort of argument is not justified, and is a most unworthy one to put forward. This is not a political measure; it is part of the platform and policy of the Government, which policy has been placed before the public and been endorsed by them from time to time.

The Hon. A. F. Griffith: Hon. members here make speeches as individuals and not always on behalf of the party.

The Hon. E. M. HEENAN: The hon. Mr. Mattiske went on to say that he had conducted considerable research into the measure. I am sorry that he is not here this afternoon, because if he did conduct considerable research into this measure he would find out that what is termed the journey clause, or the "to and from" clause, is an aspect of workers' compensation that has been adopted in every other State of Australia, except South Australia. It has also been adopted almost universally in the U.S.A.

The Hon. A. F. Griffith: The hon. Mr. Mattiske is here; he was only absent for a moment.

The Hon. E. M. HEENAN: Now that the hon. Mr. Mattiske is in his seat I will repeat what I have been saying with reference to the comment made by the hon. member to the effect that he had carried out exhaustive research into the measure. Had he carried out the research he claims, surely it would have revealed the fact that this "to and from" clause, which has been debated over the years, has been accepted in every State of Australia, with the exception of South Australia, as part and parcel of workers' compensation Acts.

The Hon. R. C. Mattiske: Despite that, it has been rejected by this House.

The Hon. E. M. HEENAN: The same principle has been adopted almost universally in America. Surely we are not going to deny a second reading to a Bill which contains such a provision!

Surely a provision of that nature is something that ought to be carefully considered; something that we should debate very fully. If it is wrong, then I can understand anyone voting against it. If it can be established that the cost will be exorbitant, and ruinous, and that it will cause unemployment, let the hon. Mr. Mattiske establish that fact.

The Hon. R. C. Mattiske: You are wasting the time of the Chamber.

The Hon. E. M. HEENAN: I have authentic figures to show that the inclusion of this provision in workers' compensation Acts elsewhere in Australia has meant only an increase of 3.64 per cent. in premiums paid, and .059 per cent. of wages paid. In actual figures it amounts to just over £5 for each £10,000 paid in wages.

The Hon. R. C. Mattiske: We have discussed all that in previous years.

The Hon. E. M. HEENAN: Accordingly, if industry pays £10,000 in wages, this provision will put that amount up only another £5. Those are figures that have been given to me as authentic, and I offer them to the hon. Mr. Mattiske, and other hon. members, to enable them to check to see whether they are erroneous or not. If they are erroneous, hon. members will have plenty of opportunity to prove it to the House. If, however, they are correct, that is the end of the argument that the inclusion of this provision in the Act will be ruinous to industry. That argument at once goes out.

The Hon. R. C. Mattiske: Was that information available last year?

The Hon. E. M. HEENAN: It has been made available to me today.

The Hon. R. C. Mattiske: Why was it not submitted to the House last year?

The Hon. F. R. H. Lavery: You said you made all the inquiries.

The Hon. E. M. HEENAN: The hon. member said he had done a great deal of research into this, and surely that research would lead him into questions of cost. He should be able to answer the questions for himself. The "to and from" clause has been adopted in every State in Australia, with the exception of South Australia. I think that proves it has some merit. We at least are called upon to give it careful consideration. If my figures are correct, the cost will be very small. If the arguments adduced are correct, I think we should adopt the provision. It is one important aspect of the Bill. If hon. members vote against all the others, this alone would justify the passing of the second reading of this Bill.

I said I was grateful to the hon. Dr. Hislop for the attention he has given to this Bill. That does not convey the idea, however, that I agree with his arguments

or conclusions. He referred to Section 8 which deals with industrial diseases, and argued that the removal of the three-year period would open up all sorts of avenues for exploitation and so forth. I give the hon. Dr. Hislop all credit for the attention he has given to the measure; his reading of it has probably induced him to draw those conclusions. But in answer to the hon. member's fears, I would say that firstly the amendment applies not to industrial diseases generally but only to silicosis. Secondly, once contracted, silicosis is often progressive, and it is not uncommon for a man to leave the mines in good health, and good condition, and deteriorate more than three years—even up to 10 years—later, without any more contact with dust.

I think the hon. Dr. Hislop will know whether that statement is correct or not. We Goldfields members, from our experience, know that it is a true statement of fact; but, of course, the medical profession are more well aware of it than we are. Thirdly, under the Bill, the worker, with reference to any claim, can be made to show where he worked after leaving the mines, and thus any further dust contact will be disclosed.

Fourthly, the Act already contains employment provisions apportioning the liability between all employers in whose employment the worker has contracted the silicosis. In view of these points, therefore, how is it possible that any injustice could arise out of removing the three-year limit? I say that the inclusion of the arbitrary three-year period has imposed great hardship and injustice on a number of men who have worked in the mines but have left them, presumably, clear of dust. But silicosis is a progressive disease which develops years after the three-year period has expired, and when the miners go for an examination, they find to their great travail that they are dusted but are outside the period in which they can claim compensation.

I could name three men in this position at the present time, and I am sure that Goldfields members, like the hon. Mr. Garrigan—who is dusted himself—could mention many more. This is a great injustice which is being done at the present time, and I earnestly hope that that clause in the Bill will be passed.

Hon. members will also recall that the hon. Dr. Hislop said there was something sinister—or that the results could be far-reaching—about the deletion of "by accident" in the definition of "injury." The information that has been supplied me indicates that the speeches delivered in this House reveal needless panic due to misunderstanding by hon. members. It is thought it would place us in the same position as Victoria where the Act does admit liability for injuries in no way caused by the employment.

There is an important difference between the provisions in the Bill now before the House and the Victorian measure; and this should be noted because I think it is where some of the opposition has come from. It has come from the misapprehension of certain hon. members who, having given the matter consideration, believe that our proposal is on all fours with that in the Victorian measure. That is not the case at all. If this Bill is adopted it will still be necessary to prove that the injury had some casual connection with employment. The injury will still have had to occur during the time of employment, but that will not be sufficient, as there has to be some causal connection between the employment and the accident.

The Hon. J. G. Hislop: You will not want the Third Schedule if you put this in to the measure, will you?

The Hon. E. M. HEENAN: Yes, I think the Third Schedule will still be necessary. That interpretation of the law has been established by the Privy Council, and of course it is binding on the courts in this State.

The hon. Dr. Hislop also expressed fears that this Bill would become law by assent and not by proclamation. His fear was that it would cause hardship to some of the insurance companies. There again, his fears are not warranted. As hon. members know, there is a Premium Rates Committee which has agreed with the insurers on a system of fixation which allows for all contingencies, including increased outstanding liability due to registration, whether retrospective or otherwise.

The Hon. J. G. Hislop: They will still have to pay the premium next year.

The Hon. E. M. HEENAN: Oh, yes. That is probably so.

The Hon. J. G. Hislop: Someone has to pay it.

The Hon. E. M. HEENAN: But the Premium Rates Committee is already dealing with situations like that. The hon. Dr. Hislop was also concerned that the reference in the Bill to the adjustment between the female and the male basic wage is going to have some deleterious effect, but that is not the case at all. It is merely to correct an anomaly, and there is little or no significance in it.

The hon. Dr. Hislop also mentioned Clause 20, which deals with a man who, although physically ready for work after an accident, is without work because of the injury, although he has genuinely searched for employment. I believe that anyone who has had experience of workers' compensation and has acted for either employers or employees, knows quite well that in certain cases a man recovers from

an accident but is unable to find employment again—probably because he is less efficient or some reason like that. But no matter what the reason be, he has, through no fault of his own, lost employment because of the accident. It has to be proved, of course, that he has genuinely sought employment, but surely, if this is done, he has a right to be compensated? Is there anyone who will argue that that is an imposition on industry?

The hon. Dr. Hislop criticised Clause 20, but, on analysis, it amounts only to what I have said. If hon. members think it goes too far, they can vote against it, but surely such a clause does not justify the Bill being defeated on the second reading. The hon. Dr. Hislop also said that the suggested increase in the Second Schedule payments would represent an increase of 25 per cent., but that is not so. As the hon. Mr. Mattiske pointed out, the £2,400 is already up to £2,660, or something of that nature, and so an increase to £3,000 would not be very great.

I think all hon. members are in favour of increasing the medical and hospital benefits, because they know that £150 does not go far when one is in hospital; and that treatment by specialists and others soon reaches a figure of £100.

The Hon. L. A. Logan: But you are seeking an unlimited liability.

The Hon. E. M. HEENAN: I can appreciate the hon. member's fear and there might be some merit in placing a limit on the figure, if that is thought necessary.

The Hon. G. Bennetts: It should be left to the board to decide.

The Hon. E. M. HEENAN: There are safeguards against impositions by hospitals or doctors, although I do not think any hospital would hold a patient longer than necessary, and I do not think any doctor would continue treatment solely to make money. There have been such people but, thanks to the B.M.A., that sort of conduct is no longer tolerated. I think both the hon. Mr. Mattiske and the hon. Dr. Hislop suggested that there should be a Royal Commission or other inquiry into this question, but that is only procrastination, as, in recent years, we have had both a Royal Commission and a Select Committee inquiring into these matters, and there is also available for study the findings of inquiries in all Australian States, in New Zealand, in the U.S.A., and in Canada. It is therefore hardly conceivable that any further inquiry could elicit much more information than is already available.

The Hon. R. C. Mattiske: Do you believe that the present Act—

The PRESIDENT: Order! This is not question time. The hon. member will proceed.

The Hon. E. M. HEENAN: Admittedly the Bill comes nowhere near the ideal, but in view of past experience we dared not propose more. If Opposition members are genuine in their avowed desire to see an indirect cover, they should accept the more modest proposals now put forward. A study of the speeches of Opposition members during this debate indicates that they do not want a full and genuine inquiry. The only change they desire is to deny to workers the principles of workers' compensation, universally accepted since the 19th century, and to compel the worker to contribute towards his own compensation. The contributory scheme is a matter of policy, but it is in direct opposition to the accepted principle of workers' compensation, which is that the employer shall compensate the worker for injuries sustained through his employment.

As a representative of the Goldfields, I earnestly hope that the provisions relating to silicosis and the "to and from" clause will become law now that I have—I hope—exploded the fallacy that they would entail a heavy financial imposition on industry. The other provisions of the measure undoubtedly deserve careful consideration also. In the past, the Government has been criticised for bringing this legislation down late in the session, but on this occasion it is before us in ample time and its provisions do not require a vast amount of research. The hon. Dr. Hislop and the hon. Mr. Mattiske have suggested that the measure is difficult, abstract and confusing, and contains dire possibilities and probabilities; but that is not so.

I hope that the somewhat inadequate arguments I have put forward will carry to hon. members the conviction that the measure warrants passing through the second reading stage, in order that it may be further analysed in Committee.

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

Ayes—10

Hon. G. Bennetts	Hon. R. F. Hutchison
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. W. R. Hall	Hon. F. J. S. Wise
Hon. E. M. Heenan	Hon. F. R. H. Lavery

(Teller.)

Noes—14

Hon. J. Cunningham	Hon. R. C. Mattiske
Hon. L. C. Diver	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. A. L. Loton	Hon. F. D. Willmott
Hon. G. C. MacKinnon	Hon. C. R. Abbey

(Teller.)

Pairs.

Ayes.	Noes.
Hon. W. F. Willsees	Hon. J. Murray
Hon. G. E. Jeffery	Hon. L. A. Logan

Majority against—4.

Question thus negatived.

Bill defeated.

STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT BILL (No. 2).

Second Reading.

THE HON. H. C. STRICKLAND (Minister for Railways—North) [5.34] in moving the second reading said: This is a small Bill which seeks to grant to the State Government Insurance Office authority to issue insurance cover for school children and students on an equal basis with a private insurance company. As hon. members are aware, one private company is already operating in this field on a 24-hour, 7-day a week basis. There is a possibility, too, that other private companies may decide to compete.

It may be thought that the object sought by the Bill could have been achieved by amending the wording of paragraph (b3) of Section 2 of the Act which empowers the State Government Insurance Office to transact school children's insurance. A close examination of the provision, however, proved that this could not be done. The paragraph in question is rather long and it confines the activities of the Government Insurance Office to specific forms of insurance for school children. In order that hon. members may thoroughly understand the paragraph I will read it—

(b3) indemnifying the parent or guardian of a child or a person enrolled at a university as an undergraduate against moneys paid by him or on his behalf in respect of medicines, medical or surgical requisites, medical, surgical, dental, optical, hospital nursing or other necessary treatment supplied or given to the child or the person or services of whatever description, including first aid, ambulance or other transport service to carry the child or the person to a place of treatment, where the moneys are so paid as a result of the child or the person suffering bodily injury by accident whilst he is—

(i) attending a school or a university in which he is enrolled as a pupil or as an undergraduate, whether for the purpose of receiving instruction at the school or university or attending a sport, activity or other entertainment organised by the school or the university authorities; or

(ii) travelling to and from his place of abode to the school or the university or other place for the purpose of

receiving instruction, attending a sport, activity, or other entertainment organised by the school or the university authorities at the school or the university or place, as the case may be; and where death results from injury the moneys so paid for the burial of the child or the person. In this paragraph "child" means a person under the age of twenty-one years.

The Bill proposes to delete that paragraph and to insert the one set out in the Bill. It is a very simple and concise paragraph and, in effect, it does all those things which the existing provision does, or which it was considered it would do. It was thought that the paragraph now in the Act was very wide and broad in its scope, but it has since been found to be extremely restrictive regarding the insurance cover for a school child for 24 hours. It restricts the coverage from the time the child leaves home to travel to school to the time it reaches home again from school.

So, in order that the State Government Insurance Office may be on the same mark as that on which the private insurance company is at present operating, and as that on which others which may enter the field of insurance for school children would be working, it is proposed to insert this simple paragraph in the Act in lieu of existing paragraph (b3). The proposed paragraph reads as follows:—

(b3) In relation to personal accident insurance in respect of any person who is a student or trainee of any educational or training institution.

If this provision is agreed to, it will waive the restriction at present in the Act. I am sure there will be no objection raised by hon. members against the State Government Insurance Office undertaking to provide this type of insurance.

When a measure, much wider in scope, was introduced in the early part of the session, it contained several provisions designed to give the Government Insurance Office authority to undertake general insurance business. If the Bill had been passed, the State Insurance Office would have been able to conduct life assurance business. Because it did not meet with the entire approval of the hon. members of this Chamber, the Bill was completely rejected, but the hon. Mr. Griffith advised the House that if a measure was introduced to cover only school children and students, it would gain his approval. When one examines the cumbersome phraseology of the existing paragraph (b3) in the Act and compares it with the

paragraph proposed in the Bill it is very difficult to disagree with the intention of this measure. I move—

That the Bill be now read a second time.

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

MARKETING OF EGGS ACT AMENDMENT (CONTINUANCE) BILL.

First Reading.

Received from the Assembly, and on motion by the Hon. H. C. Strickland (Minister for Railways) read a first time.

LEGAL PRACTITIONERS ACT.

Amendment of Barristers' Board Rule 30.

Message from the Assembly requesting the Council's concurrence in the following resolution now considered:—

That new Rule 30 of the Barristers' Board, made under the Legal Practitioners Act, 1893-1950, as published in the "Government Gazette" on the 28th May, 1954, and laid upon the Table of the House on the 22nd June, 1954, be amended as follows:—

Add to paragraph (i) the passage—

provided however, that an articulated clerk whose principal does not practice within fifty miles of the General Post Office of Perth shall not be required to attend any lectures.

THE HON. J. D. TEAHAN (North-East) [5.48]: I move—

That the resolution be agreed to.

The object of this resolution is to obviate the need for articulated clerks to attend lectures which are given for their benefit at some place far removed from where they are serving their articles.

The Hon. H. K. Watson: What does Rule 30 say?

The Hon. J. D. TEAHAN: I shall read it out presently. It is necessary for articulated clerks to attend 80 per cent. of the lectures. That is all right for those who are engaged in the city or its precincts, but in the case of articulated clerks at, even Northam, which is about 60 miles from Perth, such attendance is well-nigh impossible. Perhaps that is the reason why there are no articulated clerks in country centres.

I know that in New Zealand, articulated clerks living ten miles or more from where lectures are given, are not required to attend lectures. That position has obtained for many years. No action has been taken to repeal that provision, so it must be working satisfactorily. It

is thought that ten miles is too short a distance for this State, in these days of easy and fast travel, and that a distance of 50 miles is more reasonable. I am strengthened in my belief in this resolution, because it has received favourable consideration from all parties in another place, where it was considered that it contained nothing detrimental which would affect the qualifications of articulated clerks.

The Hon. J. G. Hislop: Will the articulated clerk be able to attend Parliament as well?

The Hon. J. D. TEAHAN: In this case no consideration is asked for attendance in Parliament. Kalgoorlie is a big centre with a number of practising lawyers, but there are no articulated clerks. One legal practitioner told me that he would take on at least one articulated clerk if Rule 30 were amended. At this stage I would like to read Rule 30, which states—

30 (i) The Board may for good cause shown excuse an articulated clerk from attendance at any lecture or lectures, but subject thereto an articulated clerk shall not be deemed to have attended the lectures provided in any subject unless he shall have attended at least 80 per cent. of the number of lectures provided in that subject in any year.

The Hon. A. F. Griffith: If an articulated clerk lives 50 miles away, he will not have to attend any of the lectures.

The Hon. J. D. TEAHAN: He will still have to pass the prescribed examination. This motion does not relieve him of the responsibility of having to pass examinations. I hope the House will concur in the resolution.

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

ABATTOIRS ACT.

Disallowance of Regulations Nos. 2A and 2B.

Debate resumed from the 9th September on the following motion by the Hon. L. A. Logan:—

That Regulations 2A and 2B made under the Abattoirs Act, 1909-1954, as published in the "Government Gazette" on the 15th August, 1958, and laid on the Table of the House on the 19th August, 1958, be and are hereby disallowed.

THE HON. H. C. STRICKLAND (Minister for Railways—North) [5.50]: It is some time since this motion to disallow the regulations applying to the Midland Junction Abattoir Board was moved. To refresh the memory of hon. members, the motion has as its object, the removal of a restraint which the Government desires to place upon the Abattoir Board in relation to the banking of its funds.

The setting up of the Abattoir Board early in 1953, but late in the regime of the previous Government—I know it was a matter with which you, Mr. President, were closely associated—was probably the last act of the McLarty-Watts Government in Executive Council during the term of office of that Government. That Government chose the personnel of the board as follows:—

Mr. Johnson, closely associated with the Liberal-Country League.

Mr. Evans, also associated with that party.

Another gentleman representing the producers and who, I would say, represented the Country Party.

The Hon. L. A. Logan: Be careful!

The Hon. H. C. STRICKLAND: I do not know why I have to be careful.

The Hon. L. A. Logan: Because you are wrong.

The Hon. H. C. STRICKLAND: In what respect?

The Hon. L. A. Logan: In respect of the last-mentioned representative.

The Hon. H. C. STRICKLAND: I might be wrong. The third member represented the producers even if he was not representative of the Country Party. If that is so, it seems a mistake was made. Looking through the files, which I examined very closely in 1953, when I became Minister, I found the first document was a request from the primary producers of this State asking the hon. Mr. Garnett Wood to set up an abattoir board with a majority of producer-control. That was the first document on the file. Perhaps when the hon. member replies he will tell us how the board finished up with no primary-producer representation.

The Hon. L. A. Logan: I did not say that.

The Hon. H. C. STRICKLAND: The hon. member agrees that two of the members were L.C.L. supporters.

The Hon. H. K. Watson: What authority have you for saying that about Mr. Evans? I suggest you are right off the beam.

The Hon. H. C. STRICKLAND: I hope he supports the Labor Party then. To get away from personalities and politics, the hon. member in introducing this motion traced the history of the board, but he did not do so accurately.

The Hon. A. F. Griffith: You think it has been a good board?

The Hon. H. C. STRICKLAND: If the hon. member were to ask for the files to be tabled to make the position clearer he would gain some information from them. He would be able to see that time and time again pressure was brought to bear on the Minister for Agriculture of the day to take certain action. The Minister took

the matter before Cabinet on many occasions, but on each occasion he went away disappointed. The final act of the McLarty-Watts Government, in Executive Council, was to appoint the Abattoir Board.

The Hon. A. F. Griffith: Do you think it was a good board?

The Hon. H. C. STRICKLAND: I am not saying it is not. The hon. member seems to have predicted what I was about to say. The original board proved to be satisfactory. To use the hon. member's own words, it was a good board, if he means from an administrative point of view.

The Hon. A. F. Griffith: I asked whether you thought it was a good board.

The Hon. H. C. STRICKLAND: I replied in the affirmative and for this reason: It is significant that during the five-year term of the original board, the members of which could not by any means be expected to adhere strictly to the views and policies of the Labor Government, no attempt was made by its members to transfer its banking account from the Treasury to the Commonwealth Bank. That did not happen once while Mr. Evans was chairman, and Mr. Johnson, President of the L.C.L., was a member. Not one of the three members attempted to remove the board's funds from the Treasury. They realised that the Treasury supplied all the funds to meet the losses and debits. They had no argument with the Treasurer whenever they required funds.

The hon. Mr. Logan implied that the Treasurer handed out funds in dribs and drabs. That is absolutely incorrect. Had there been any difficulty in obtaining funds, it is certain the original board would have taken action to ensure that it received sufficient funds. The hon. member accuses the Treasurer of handing out finance to this board in dribs and drabs.

The Hon. L. A. Logan: I said, handing it out to this board.

The Hon. H. C. STRICKLAND: The same Treasurer has been in office all through. I think the hon. member is drawing on his imagination; perhaps he has not consulted the previous members of the board to find out how they did get along when they made requests for funds.

No matter what Government is in office, is it reasonable to expect the Treasurer to agree to the funds of all boards and institutions to be transferred to the Commonwealth Bank, or a private bank? What purpose would the transfer serve? It has been proved beyond doubt that there has been no difficulty in obtaining funds from the Treasurer. That has been borne out by the experience of the original board. There has been absolutely no difficulty or argument between the Treasurer and the board.

The Hon. G. C. MacKinnon: That does not mean it would be a good idea.

The Hon. H. C. STRICKLAND: I do not know about that. It is not a sound idea. The principle is the thing. It is certainly not a sound principle to expect the Treasury, no matter what Government is in power, to supply more than £1,000,000 for the erection of a modern abattoir and saleyards, and then have the account transferred to a bank, thus taking the revenue away from the Treasury from where it passes through the normal channels into its own particular trust fund.

A big principle is involved in this matter, and it does not only concern the Abattoir Board. What would be the position if every other board and institution decided to do the same thing? Is the Treasury merely to be an institution which finds all the capital for a start and meets any losses that may accrue—and do accrue in numerous cases? At the moment this institution begins to show a profit, or pay its way, the Chairman of the Board decides that the money should not go through the normal Government channels—where it has gone ever since Government has been Government—but should be transferred to a bank.

What is likely to be the outcome of such a policy if that principle is adopted? What is likely to happen in the long run? It could have a disastrous effect upon any Government; and I say that whatever is behind this move is hard to understand, because the previous board, as it was constituted, saw fit never to query the practice and principle of paying its funds into its account at the Treasury. This was the position for five years. Then, all of a sudden, a new, incoming chairman decides to make a change. Because of some technical point in the Act, he thinks he should make a change and does so.

The Under Treasurer advised the Treasurer of the danger involved in such a principle and suggested that he regulate against the action, because the chairman had refused point blank to do otherwise or be reasonable about the matter.

The Hon. A. F. Griffith: So the Treasurer says, "I will fix you and force you to pay into a fund."

The Hon. H. C. STRICKLAND: What action would the hon. member take with one of his customers? It is only a matter of being reasonable and I consider that the action is very hard to follow. First of all the chairman decides on the course he will take and then action is taken in this Chamber to disallow the regulations. What is to be gained by denying the Treasury in all justice, the right to look after the money of a Government institution; one on which over £1,000,000 has been spent in recent years on reconstruction?

Sitting suspended from 6.5 to 7.30 p.m.

The Hon. H. C. STRICKLAND: I was questioning the objective that was sought to be achieved by the motion. I explained that all the motion could do would be to allow the Abattoir Board to take its banking business from the Treasury and give it to some banking institution. It can achieve nothing else. Should the abattoirs show a loss, it will be most unlikely that the board would go to the banking institution for an overdraft; and, if it did, it would be most unlikely that it would get an overdraft without a Government guarantee. So, what is to be gained by passing the motion?

The Hon. J. G. Hislop: If the amount is paid into the Treasury—

The Hon. H. C. STRICKLAND: The Grants Commission must take this factor into consideration. This is just one institution which desires to part from the Australia-wide—and, indeed, world-wide as far as I know—principle that Government institutions do their banking through the Treasury, which is the correct authority.

Should all the Government institutions, like the Abattoirs Board, seek to withdraw their funds from the Treasury and bank through an account with a private bank, then the Treasury funds would diminish. My information is that as Western Australia is a claimant State on the Commonwealth, through the Grants Commission, it is essential that any profits made by State utilities be taken into the Consolidated Revenue Fund each year. If the Government neglects to do this, the State is penalised because the grant to the State is reduced by the amount of the profit which should have been taken into revenue.

Over the years, the Treasury has made available to this concern, more than £1,000,000. Now that the abattoir is commencing to show a profit—although it is only a slight profit—the board, in its wisdom or otherwise, desires to remove its funds from the Treasury. It wants to do this for no reason whatever. There has not been any cause for complaint; no restriction has been placed on the use of the funds.

The assertion has been made, of course, that the profits are appropriated by the Treasury. Well, they do go into the consolidated funds, but they pass through an account into the Treasury funds, just as, if the board's desires are granted, they will pass through the Commonwealth Bank into the Commonwealth Treasury funds. That is the only difference. It has been said that the profits have been appropriated to Consolidated Revenue. Since the board has functioned, its profits have not been very great. Its first year of operation was 1953-54. The figures for the abattoir are as follows:—

Year	Loss £	Profit £	Earnings £
1953-54	3,248	—	210,658
1954-55	—	663	405,706
1955-56	—	28,207	466,505
1956-57	—	2,395	492,585

Hon. members will note that in the first year the board showed a loss. The profit in 1954-55 represented .16 per cent. of the earnings; in 1955-56 it represented 7 per cent. of the earnings; and in 1956-57 it represented .5 per cent., or one half of 1 per cent.

The Hon. L. A. Logan: How much was placed in the reserve account, and not shown as profit?

The Hon. H. C. STRICKLAND: These are the actual profits.

The Hon. L. A. Logan: What was put into reserve?

The Hon. H. C. STRICKLAND: These are figures supplied by the Under Treasurer, and I do not think he would put up figures which could be disputed. The hon. member mentioned that other abattoirs, conducted under the "old regime," showed a loss. The figures concerning other abattoirs are as follows:—

South Fremantle Abattoirs—

Year	Profit £	Loss £
1953-54	13,092	—
1954-55	4,848	—
1955-56	793	—
1956-57	—	3,868

W.A. Meat Export Works—

Year	Profit £	Loss £
1953-54	476	—
1954-55	11,134	—
1955-56	3,067	—
1956-57	10,640	—

So hon. members can see that the W.A. Meat Export Works have made profits of various amounts, but the South Fremantle Abattoirs have gone from a profit to a loss in the last two years. When hon. members are making up their minds on the motion, the only question which they should consider is that of the principle involved. Should a concern which has had over £1,000,000 of the taxpayers' money—provided by the Treasury—take its banking from the Treasury? Should it deprive the Treasury of the benefit of the turnover of its cash; its finances? If it is showing a profit, well and good, but if it is showing a loss, it is still well and good, because the Treasury will have to find the money to meet that loss. If the board went to a private bank—it has not done so, but has gone to the Commonwealth Bank; or it desires to—and it found itself in difficulties, there is not the slightest doubt that it would not be able to secure any credit from the private bank unless a guarantee was given by the State Treasury.

Surely it is only reasonable and commonsense to leave the account where it has been ever since the abattoir has been in existence, and where all other concerns of a similar nature carry their accounts!

A few of them do show profits, but others show losses. Several show losses after depreciation and sinking fund have been taken into account. How would they get on if they took their accounts to a private bank or to the Commonwealth Bank? The State would be seriously embarrassed, and the Grants Commission would take an unsympathetic view of such an action. As a consequence the State, generally, would be penalised. I am hoping that the hon. Mr. Logan might consider withdrawing his motion.

THE HON. C. R. ABBEY (Central) [7.42]: I am sorry to say I disagree entirely with the Minister. The 1952 Act—incidentally the Minister told us that the board was created by a previous Government—created the Abattoir Board as an autonomous body. I want hon. members to remember that. It was created as an autonomous body to conduct properly the affairs of the abattoir and to run the stock sale yards on business lines. The prime purpose was for the board to conduct the abattoir on business lines. Unless the abattoir is so conducted, the price paid by the wholesale butchers for the slaughtering of the stock must be greatly affected, with a consequent rise in the price to the consumer.

I stress the competent manner in which the board has carried on during the reasonably short period it has had the opportunity to conduct the affairs of the abattoir. I know, from personal experience as a stock-owner, and as a stock-seller, that the yards and the abattoir have been carried on in a most efficient manner, and I am sure that if the board is given the opportunity to do as it wishes, it will continue to carry on its business in the same way.

The board wishes to extend the yards to handle the constantly increasing numbers of stock that come forward each year. I would like to give hon. members the figures, but unfortunately I was not able to obtain them today but the numbers of stock coming into Midland increase considerably each year. During the last stock-selling season—mostly in October—there were quite a few yardings of between 50,000 and 53,000 head. This means that the facilities are badly strained. Had it not been for the forward thinking of the abattoir board, there would have been great confusion.

The board already has in operation modern freezing facilities, which it is extending to cater for the greatly increased numbers of stock. I commend to hon. members the idea of making an inspection of the abattoirs, because they will then see just what goes on. The handling of offal at the abattoir is a feature which enables the abattoir board to keep its killing charges down to a reasonable level.

They are also supplying a service to the exporters of boned mutton and beef. This is a new service, and approximately 6,000 surplus sheep each week are handled without a great deal of loss of revenue to the producers. Had this service not been available—and I repeat it is a new service—farmers could have lost on those surplus sheep. Instead of getting only 2s. or 3s. a head they are getting roundabout £1 a head for them. Boned mutton and beef is exported to America for the manufacture of hamburgers; and that, of course, means a dollar gain for this country. This market is quite helpful in absorbing any large over-supply of stock; such as we had this year.

I am informed that at a conference of representatives of all abattoirs in the Commonwealth, held in Western Australia last year, a comparison of costs in the various States showed that the treatment costs in Western Australia per head of stock slaughtered were the lowest in Australia. That is something for which the board, which has been handling the position over the last five years, can be justly proud.

The Hon. H. C. Strickland: It was because of the manager.

The Hon. C. R. ABBEY: The board brought the abattoir to such a stage of efficiency that its handling costs were the lowest in Australia.

The Hon. H. C. Strickland: That was so before the board operated. The manager was responsible for it.

The Hon. C. R. ABBEY: Yes, the manager brought the works to such a state of efficiency, under the control of the board, that it has benefited both the consumers and producers of stock in this State. At the same time the abattoir made a profit.

The Hon. G. E. Jeffery: It speaks well for the workers.

The Hon. C. R. ABBEY: It speaks well for their co-operation, and particularly for the chain killing system which caused quite a lot of strife when it was first introduced. That system has meant the efficient handling of stock, and I am very glad that the workers saw the light and that the system was adopted. This has benefited the consumer.

The profits—mentioned by the Minister—of £28,207 8s. 2d., for the year ended June, 1956, and of £2,394 9s. 3d. for the year ended June, 1957, were paid into Consolidated Revenue at the direction of the Under Treasurer. When asked for the reason for this the reply was that it was the policy of the Government. I guess that is quite true. But I am sure that had those accounts been shown as a credit against loan commitments, the present position would not have arisen. The position is that these two amounts of roughly £30,000 were paid into the Consolidated Revenue fund, but were not

shown as a debit to the Treasury; and no credit was allowed against the loan commitments. That is a most iniquitous position and only means that added interest has to be paid by the Abattoir Board. That, in the future can only mean a rise in costs.

The Hon. H. C. Strickland: Do you think the Commonwealth Bank would alter the loan commitments?

The Hon. C. R. ABBEY: As the hon. Mr. Logan mentioned in his speech, according to informed legal opinion, the Act gives neither the State Treasury nor anybody else the right to appropriate any part of the fund, whether such fund represents profits, reserves or other items. I am sure that if the Treasury or the Government were challenged on that matter they would find themselves in a ticklish situation, and possibly it would be better to agree to this motion.

The Hon. H. C. Strickland: Why did the board challenge the Treasurer?

The Hon. C. R. ABBEY: Because the amounts have been taken away and have not been allowed as a credit against loan commitments. That was the reason for the transfer of the account in the first place. I am assured that an approach was made to a private bank and it was prepared to make quite large advances against assets to allow the board to extend much needed facilities. Had that transfer been permitted, this position would not have arisen.

The Hon. F. J. S. Wise: I would suggest that no private bank could make an advance against the assets.

The Hon. C. R. ABBEY: The Minister said that certain profits had been made since the board took over. Those profits have shown quite a considerable rise and point to the fact that the board has carried out its functions and duties efficiently. Of course, credit must also be given to the manager who, I should say, is one of the most efficient that the State has ever had in charge of any of its abattoirs.

The abattoirs of this State are a necessary adjunct to the stock-raising industry, and they must not be crippled in any way. The action taken by the Under Treasurer would have a crippling effect and one that we as a Parliament should consider very carefully. I hope that the move made by the hon. Mr. Logan will be agreed to by the House because I am sure it will assist the board to continue to carry out its functions successfully. I support the motion.

THE HON. F. J. S. WISE (North) [7.54]: I am afraid I cannot allow the remarks of the hon. Mr. Abbey to pass without some comment. I am privileged to speak with some authority on the subject of the abattoirs of Western Australia having had ministerial responsibility

for the Midland Junction Abattoir for over 10 years, and having been asked by private enterprise to take over some works which were in a sorry mess when conducted by them: and having also been the Minister responsible for putting the Albany meat works into such a position that private enterprise was attracted once again to buying them.

That magnificent enterprise, the Robbs Jetty undertaking, which had a capital of under £200,000, and which had no chance whatever of reimbursing its initial capital to the sponsors, was, in the late 1930's, in such a mess that the then directors came to me as Minister for Agriculture and asked me whether the Government would take them over. The shares of that company were then on the market at 2s. 6d.

The Hon. J. M. A. Cunningham: That would be following the depression years.

The Hon. F. J. S. WISE: It was well after the depression years. That enterprise was being run by worthy citizens who could not carry the burden which was associated with the handling of such abattoirs. I referred the request to the Government on the understanding that if any shares changed hands during any stage of the negotiations, we would not proceed any further. Following an assessment of the value, the Crown was able to take over and pay to those concerned 20s. in the £ for their investment. Today that enterprise has grown from something worth £178,000 to something approaching £2,000,000; and it has given a remarkable service to the community of Western Australia at a very cheap rate.

The Midland Junction Abattoir, the subject of the motion, has been an investment of successive Governments in Western Australia, on behalf of the people of Western Australia, particularly the primary producers. Through the years there have been many complaints and much cavilling about the yarding fees. But after all it was initiated as a Crown instrumentality, continued and maintained as such, and it rendered to both consumers and producers alike a remarkable service. It is all tommyrot to suggest that any outside bank could advance money on the assets of the Midland Junction Abattoir and Saleyards. It is a Crown possession and it is a matter of Crown ownership.

As the Minister pointed out, there are only two aspects of this matter. One is the question of principle and the other is the question of responsibility. The matter of principle lies in the fact that although successive Governments of different complexions continued to maintain this instrumentality for the good of the State, one Government decided to change the method of control and vested that control in a board rather than in a manager. All of the present-day trouble, which is the reason for this motion, has stemmed

from that action. It is a matter of principle that the person who pays the piper at least should have a right to call some of the tune. The State Treasury should by right be the repository of all earnings, just as it is the authority which makes good any deficits and arranges for any moneys required for improvements, meeting losses or insuring that an interest and redemption fund is secure.

If some other body is interested in it—and it is one which has no interest in that regard—what does it matter if an autonomous board is set up if it has not a sufficient sense of responsibility to ensure that the Crown has its rights regarding any money earned by the instrumentality being banked in the Treasury?

On the question of responsibility, as distinct from principle, I suggest the board is going outside its rights and authority in not insuring with the State. Never mind any argument that may be advanced on the fantastic idea of State ownership bordering on socialism and so on; that has nothing to do with it. This is an organisation which is being efficiently managed by a manager who is paid about £1,500 or £1,600 a year.

The Hon. H. C. Strickland: More than that I think.

The Hon. F. J. S. WISE: I am speaking of the manager, and not the controller, but I will give the exact figure in a moment. This is a most efficient organisation which has, as its sole purpose, the provision of the necessary services to the rural community. It ensures the cheapest put-through of cattle of all kinds. The manager's salary is £1,404 and the controller's salary £1,660. The only point at issue is that the State has a vast sum invested—as it has for example in the State electricity undertaking—thereby giving the public a service which no private enterprise could undertake with the attendant risks which apply to all States.

I suggest as a matter of principle, and as a matter of responsibility, that the board should be expected to respect the Government's right of ownership, and to take advice on the matter as to where its money should be banked. It will gain no advantage whatever by its action, but will, if it continues on the present basis, render to the State a tremendous service when matters of State accounts are being examined by such an authority as was referred to by the Minister to see whether the State should be penalised. I hope the motion is either withdrawn or defeated.

THE HON. L. A. LOGAN (Midland—in reply) [8.3]: As some time has expired since this motion was introduced on the 9th September, it is possible that hon. members will have forgotten the reason

for its introduction. I moved that Regulations 2A and 2B made under the Abattoirs Act and laid on the Table of the House on the 19th August be disallowed.

For the information of hon. members I will read the regulations in question. Regulation 2A reads as follows:—

The fund shall be kept at the Treasury and all money belonging to the fund shall be placed to the credit of an account at the Treasury to be called the Midland Junction Abattoir Fund.

Regulation 2B states—

The fund shall be operated in the same manner as money in the Public Account.

The reason for the introduction of this motion is that the Abattoir Board was supposed to be working under an Act of Parliament—an Act that was passed by both Houses of Parliament of this State. The board wanted to work under that Act but it was refused by the Minister, and not permitted to work under the Act in question. The Government realised it was wrong, and that the board was right. If that were not so, the Government would not have brought in these regulations. That was one of the reasons why the motion was introduced.

The members of the board realised that they had a job of work to do, and surely members who are set up in responsible positions to work under an Act of Parliament should be permitted to carry out the provisions of the Act under which they are working. If they do not carry out the provisions of the Act, then they should be sacked. The previous board did not do anything about the matter—though the Minister should not forget that it did discuss the position. Whether the chairman did not wish to create a disturbance, I do not know.

When the chairman was changed, however, the board decided that it would abide by the Act. Surely that is the function of the chairman and the members of a board. One of the reasons that made the board take this action was that the profits they were making were being paid into the Treasury. They were receiving no credit for them at all. It is true that they were being loaned money, but the interest on that loan money was building up year after year. Any efficient board making a profit likes to see a reduction of the loan capital; and it has a right to ask for that.

Every day of the week we hear the State Government slinging off at the Commonwealth Government, because it uses its own revenue for public works, and because it loans money to the State on which the State must pay interest. This is exactly the same principle. Here we have a board making a profit, and despite that fact the

interest rate on the loan capital is increasing year after year. In 1955-56 the interest on the loan was something like £31,000. In the year 1956-57, it had increased to £47,589. But the board had not been given any credit for the amount of profit that had been made. This board has done a very good job, in conjunction with the manager and the controller, in bringing the Midland Junction Abattoir up to a high standard of efficiency; and it thought it should at least be given some credit for the amount of work it was doing, and the amount of profit it was showing each year.

I think it was justified in demanding that, and in forcing the issue. I do not think there is any doubt that it is prepared to pay money into the Treasury provided it gets credit and is allowed to operate as an autonomous body. But, if the board wants to make any alterations to the Midland Junction Abattoir it must go to the Treasury, and if the Treasury gives it the O.K. it can have the job done. But on many occasions this has been denied the board. Accordingly it is not an autonomous body. Apart from all this, the board has no control whatever over any work that is done by the Public Works Department. Those are arguments put forward by the board in support of the contention that it should be permitted to do the job it wants to.

The Hon. H. C. Strickland: How did the board make a success in the previous five years?

The Hon. L. A. LOGAN: It was apparently subservient, and was prepared to carry on.

The Hon. F. J. S. Wise: For the previous 25 years.

The Hon. L. A. LOGAN: At that time the set-up was entirely different. It was not until March, 1953, that this board came into operation at all. So, the hon. member was actually referring to the old board. I was talking about what happened prior to 1953. I think the hon. Mr. Wise confirmed that the board was not doing any good at that time, and I give the Government credit for taking the abattoir over and placing it on a sound financial footing. There is nothing wrong with that. I think the Minister mentioned that the loan fund was over £1,000,000, but the figures I have here are somewhat different. Perhaps he has the latest table.

When I moved the motion I also asked why the 1957 report had not been tabled. I do not know yet whether it has been tabled, because I cannot remember the Minister replying to that point. In dealing with matters like this, the reports should be up to date. The Minister also said he was giving the profit figure for the year 1955-56 as £2,397. In an endeavour to set aside some money, the board created a reserve fund which, I understand, was in

the vicinity of £30,000. It was not shown as a profit but as a reserve. The only profit shown was £2,397.

The Hon. H. C. Strickland: The Treasurer accepted that.

The Hon. L. A. LOGAN: He took it from the reserve account; he did not accept it. So, actually, the profit for that year was £2,397, plus the reserve fund, which went into the Treasury. Accordingly, I think the board had a perfect right to endeavour to become autonomous. Might I ask the Minister what happens to the Metropolitan Transport Trust? It is set up as a board and, as the Minister has said time and time again, it is a free and independent board. Why not let the Abattoir Board be free and independent?

The Hon. H. C. Strickland: It is.

The Hon. L. A. LOGAN: How can it be free and independent when it has to go to the Treasury and ask for cash? How can it be free and independent when it has no control over the jobs that are done by the Public Works Department, or over the amount of money that it costs to do certain jobs?

The Hon. H. C. Strickland: It is looking after £1,000,000 worth of public funds.

The Hon. L. A. LOGAN: I know, and the board is trying to make sure that the money is looked after properly.

The Hon. H. C. Strickland: Someone has to look after the board.

The Hon. L. A. LOGAN: The Minister will not let it look after that amount properly.

The Hon. H. C. Strickland: There is not much sense in your argument.

The Hon. L. A. LOGAN: If a job costs £60,000 or £70,000, no matter where it might be, the board should have the right to call public tenders for that job even if it is only to get a comparison between the Public Works Department day-labour costs, and the costs incurred by a private contractor. But it is not allowed to do that. Yet the Minister says that it is a free and independent board.

The Hon. H. C. Strickland: Quote an instance where it has been refused.

The Hon. L. A. LOGAN: The board has not been allowed to do it.

The Hon. H. C. Strickland: Quote a particular instance.

The Hon. L. A. LOGAN: The board has never been allowed to do this.

The Hon. H. C. Strickland: Who told you?

The Hon. L. A. LOGAN: The members of the board themselves told me.

The Hon. H. C. Strickland: You are briefed by the board.

The Hon. L. A. LOGAN: I know, but surely the board would not tell me that it could not do what it liked, and that it could not call tenders if it was permitted to do so.

The Hon. H. K. Watson: I wonder if the Minister could quote one illustration where the board has been given that right.

The Hon. L. A. LOGAN: The Minister is talking about this board looking after £1,000,000 worth of finance. I want it to do that as I think it is quite capable of doing so, but let it do it in its own way and not be subject to the Treasury. I think that is a feasible argument and I say that if the Transport Trust is going to be allowed to be free and independent, let the Abattoir Board be free and independent, also. That was the intention of the original provision.

The Hon. H. C. Strickland: What is your opinion of the principle, generally?

The Hon. L. A. LOGAN: Providing the board pays the money into its own account in the Treasury and has the right to control its own affairs, subject to the Minister, I think that is all right. The Minister could soon clamp down if he did not approve of any action the board wished to take.

The Hon. H. C. Strickland: That is the situation at present.

The Hon. L. A. LOGAN: If the Abattoir Board were to have an entirely separate account in which it had £1,000, the amount would be shown in the accounts presented to the Grants Commission.

The Hon. H. C. Strickland: You do not believe the Under Treasurer?

The Hon. L. A. LOGAN: Not in that instance! No, I do not! I say that, in my opinion, a credit to any Government organisation or any board that is controlled by Government capital funds must show in any return that the Government presents. Surely the Treasurer has access to all these accounts, but when it comes to the accounts for the Grants Commission I think that is just a pure furphy.

There is no need to delay this matter any longer. I still consider that we must get back to the basis of allowing the board to handle its own affairs, subject to the Minister. It should remain an autonomous body and that could be so if these regulations were not allowed to go through, or rather if they were disallowed. The Minister could still have control.

The Hon. H. C. Strickland: What does "subject to the Minister" mean?

The Hon. L. A. LOGAN: It means this: If the Minister finds that the board is not doing its duty, or if it is misappropriating funds or not functioning correctly, the Minister has the right to do something about it.

The Hon. H. C. Strickland: You disagreed with the Minister in the motion.

The Hon. L. A. LOGAN: Oh yes, I disagreed with the Minister when I moved the motion. Certainly I did, because when the chairman of the board wrote to the Minister and said the board was going to do something, the Minister instead of going to see him sent a message to the board from the Under Treasurer through the bank manager. That is no way to do business. Of course I disagreed with the Minister. I am glad the Minister for Railways made mention of that.

The Hon. H. C. Strickland: "Subject to the Minister" means nothing to you.

The Hon. F. R. H. Lavery: He is helping you.

The Hon. H. C. Strickland: You are a bit confusing.

The Hon. L. A. LOGAN: I think I might correct the hon. Mr. Wise about a statement he made by interjection, when I was introducing the motion. I think he said that the Kalgoolie Abattoirs were running at a profit. According to the Auditor-General's Report on the 30th June, 1957, the profit and loss account of the Kalgoolie Abattoirs shows a loss of £285 for the year ended the 30th June, 1956, and the loss for the 30th June, 1957, was £14.

The Hon. F. J. S. Wise: Quote 1958 which shows a profit.

The Hon. L. A. LOGAN: The Minister has access to that; I have not.

The Hon. H. C. Strickland: You have.

The Hon. L. A. LOGAN: I did not at the time I was quoting the figures for the previous years. The figures I have, indicate that the abattoirs were still making a loss. I therefore say: Give this board the opportunity of carrying on the excellent job it has been doing. I hope and trust this House will disallow these regulations.

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

Ayes—13

Hon. C. R. Abbey	Hon. H. L. Roche
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. L. C. Diver	Hon. J. M. Thomson
Hon. A. F. Griffith	Hon. H. K. Watson
Hon. J. G. Hislop	Hon. F. D. Willmott
Hon. L. A. Logan	Hon. R. C. Mattlake
Hon. G. C. MacKinnon	(Teller.)

Noes—11

Hon. G. Bennetts	Hon. L. A. Loton
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. R. F. Hutchison	Hon. F. J. S. Wise
Hon. G. E. Jeffery	Hon. W. R. Hall
Hon. F. R. H. Lavery	(Teller.)

Pairs.

Ayes.	Noes.
Hon. J. Murray	Hon. W. F. Willesee
Hon. A. R. Jones	Hon. E. M. Heenan

Majority for—2.

Question thus passed.

THE HON. H. C. STRICKLAND (Minister for Railways—North) I move—

That the House at its rising adjourn till 2.15 p.m. tomorrow.

Question put and passed.

House adjourned at 8.25 p.m.

Legislative Assembly

Wednesday, the 12th November, 1958.

CONTENTS.

QUESTIONS ON NOTICE :

	Page
Traffic, affixing mud flaps to vehicles	2142
Overhead crosswalks, cost	2143
Discontinued railway lines, dates of cessation of traffic	2143
Price of superphosphate, check of statement by the hon. member for Nedlands	2143
Transshipment of goods at Kalgoorlie, negotiations for take-over by Commonwealth Railways	2143
Water supplies—	
Reticulation for Cuballing and Papan-yinning	2143
Shortage at Mt. Yokine	2144
Charges for excess water	2144
Pingelly school, tenders for construction of additions	2143
Narrogin Agricultural High School, additions	2144
Country schools, provision of modern toilet facilities	2144
Old East Perth cemetery, control and authority for excavation work	2144
Used cars, lack of engine numbers	2145
Housing—	
Maintenance work on Commission homes and flats	2145
Homes built by Commission	2145
Attendance money, cost of payment to ship painters and dockers	2145
Flats for the aged, naming of block at West Perth	2145
Brown's Lake, effect of draining on properties	2145
Bellevue-Mundaring railway, Royal Commissioner's inquiry into reopening	2145
Government departments, carriage of requirements by rail	2145

QUESTIONS WITHOUT NOTICE :

Sittings of the House, suspension during election campaign	2147
Old East Perth cemetery, avoidance of further disturbance of remains	2147
"NORTH-WEST OF WEST," screening at Parliament House	2147

MOTIONS :

Native Welfare Department files, tabling of papers concerning inquiry	2147
Road transport, restoration of subsidies	2151
Wool, inquiry into cost of production	2150
Esperance land, re-negotiation of agreements for development	2170

BILLS :

Housing Loan Guarantee Act Amendment, (No. 2) 1r.	2147
Marketing of Eggs Act Amendment (Continuance), 3r.	2147
City of Perth Parking Facilities Act Amendment, returned	2150
Wheat Industry Stabilisation, returned	2150
Electoral Act Amendment (No. 4), 2r.	2176
Traffic Act Amendment, 2r.	2178
Electoral Act Amendment—	
2r.	2179
Defeated	2181

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

QUESTIONS ON NOTICE.

No. 1. *This question was postponed.*

TRAFFIC.

Affixing Mud Flaps to Vehicles.

2. Mr. **BRAND** asked the Minister for Transport:

Referring to my parliamentary question of the 9th October, 1958, on the subject, will he inform me whether the expert opinion is available yet on the desirability or otherwise of making it compulsory to affix mud flaps or some similar device to minimise the danger to vehicles from stones flung up by other travelling vehicles?

Mr. **GRAHAM** replied:

Expert opinion has been obtained by consultation between the Main Roads Department engineers, technical officers of the Royal Automobile Club, W.A. Government Railway Road Service, Midland Road Service, Perth Technical School, Institute of Automotive and Aeronautical Engineers and officers of the Police Traffic Branch.

The consensus of opinion is that most damage is caused by the side pressure of tyres on stones, causing stones to fly up at a tangent. Vehicles passing each other in