

Mr. SPEAKER: The hon. member has had a great deal of latitude already.

Mr. WILD: I strongly support the amendment submitted by the Leader of the Opposition. I fail to understand the submissions of the member for Guildford-Midland, in that he considers the worker is being unjustly treated and that, in the opinion of this House, wage and salary-earners and their dependants, by being deprived of all cost of living adjustments, are being called upon to bear more than their fair share. As the member for Boulder has said, I submit that never before has this country enjoyed such prosperity. We are all prosperous. The hon. member mentioned Hearn Industries. He said that that concern had made greater profits than ever. Whom does the hon. member think bought the furniture? Does he imagine that Mr. Hearn bought it from Hearn Bros. and Stead?

Mr. Moir: It would not be the workers on the basic wage.

Mr. WILD: I would ask the hon. member to have a look at the savings banks accounts. Those accounts are not represented by the member for Collie, who has a wheat farm, or by the Minister for Health who has a store or two, or by members on this side who may have properties. Those savings banks accounts are representative of the small people and they have never had money like that before. I certainly oppose the motion submitted by the member for Guildford-Midland and support the amendment.

Mr. SPEAKER: I think I should inform the House that I have already notified the Leader of the Opposition that I am not prepared to accept the amendment which he proposes to insert. The amendment is irrelevant to the motion moved. I do not know whether the Leader of the Opposition has made up his mind or not as to what he desires. If he has not, we will have to wait upon his pleasure.

I would also advise the House at this stage that I have informed the Premier that the words he desires to insert in the next motion are, in my opinion, entirely irrelevant and that he will have to adopt some other means to obtain his desire.

On motion by Mr. O'Brien, debate adjourned.

House adjourned at 9.43 p.m.

Legislative Council

Thursday, 9th September, 1954.

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

QUESTIONS.

HOSPITALS.

As to Nursing Staff, York.

Hon. Sir CHARLES LATHAM asked the Chief Secretary:

(1) What number of nursing staff are at present engaged at the York Hospital?

(2) What are the qualifications of each of the staff?

(3) Has there been any improvement in the qualifications of the staff since the reply given by the Minister to my questions on the 7th July?

(4) If the hospital is not staffed with the requisite qualified staff, will the Minister ensure that York is mentioned when calling for applications for staff additions to government hospitals?

The CHIEF SECRETARY replied:

(1) 8.

(2) 1 matron—double certificated; 7 nursing assistants—1 has 3½ years' experience, 1 has 3 years' experience, 1 has 18 months' experience, 4 have under 12 months' experience.

(3) No.

(4) York is always offered to applicants, and it will be mentioned in the next advertisement.

RAILWAYS.

As to Reorganisation of Perth-Wongan Line Services.

Hon. A. R. JONES asked the Chief Secretary:

(1) Is it a fact that both bus and railway services from Perth, serving the Wongan-Mullewa line, have been, or are to be, reorganised?

(2) If the answer to (1) is "Yes," will the Minister supply the House with answers to the following questions:—

- (a) What train service, both passenger and mixed passenger and freight, operates, or operated, from Perth to serve the Wongan line under the present or old time-table?
- (b) What train service, both passenger and mixed passenger and freight, operates or will operate from Perth to serve the Wongan line under the new time-table?
- (c) What bus service, both passenger and mixed freighter passenger, operates or operated from Perth to serve sidings along the Wongan line under the present, or old, time-table?
- (d) What bus service, both passenger and mixed freighter passenger, operates from Perth to serve sidings along the Wongan line under present, or new time-table?

The CHIEF SECRETARY replied:

(1) Rail and road services on this line will be reorganised because of the introduction of diesel power.

(2) New schedules are being prepared and, when finalised, will be given due publicity. If the hon. member so desires, he will be specially advised of the new arrangements.

ROAD BOARD AREAS.

As to Plans for Local Authorities.

Hon. A. R. JONES asked the Chief Secretary:

(1) What was the general practice by which local governing authorities procured plans of their road board areas from the Lands Department up until recent times?

(2) What was the cost to a local authority for each plan or litho for the years—

- (a) 1930;
- (b) 1940;
- (c) 1950;
- (d) 1953?

(3) Why are plans not readily available to local governing bodies at the present time?

The CHIEF SECRETARY replied:

(1) It has been the practice always for the local governing authorities to procure plans from the Lands Department at cost, which varies according to the amount of information required by the local authority.

(2) Detailed information is not available regarding the cost of special plans, but the prices of lithos are:—

- (a) 1930, 2s. each.
- (b) 1940, 2s. each.
- (c) 1950, 2s. each.
- (d) 1953, 3s. each.

(3) Supplies are made available to local authorities promptly. Where stocks are not available an endeavour is made to provide the required information.

BILLS (2)—THIRD READING.

- 1, Jury Act Amendment.
Returned to the Assembly with amendments.
- 2, Droving Act Amendment.
Passed.

BILL—POLICE ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from the previous day.

HON. C. H. SIMPSON (Midland) [2.25]: Members will recall that recently we had before us another Bill amending the Police Act to deal with vandalism; and by and large, it was accorded a very favourable reception in this House. The Bill now before us is designed to establish a punishments appeal board for the police. Speaking generally, I think the House will agree that the proposal is a reasonable one.

A question that we might be called upon to consider is the method of application rather than any interference with the principle embodied in the Bill. To understand how the new measure would alter the present set-up, it might be worth while to reiterate what the position would be if the Bill were not passed. In regard to the punishment of police officials, or rank and file, the present position is that when an offence is committed by a commissioned officer—that is, one higher than a sergeant—a special board is appointed by the Governor to hear the case. If a verdict of guilty is returned by that tribunal, the Executive Council and the Governor take the necessary action by way of punishment, no doubt after consultation with the Commissioner of Police, and possibly after considering any recommendation he cares to submit. But the final verdict lies with them.

In the case of a non-commissioned officer—that is, one above the rank of constable and below the rank of inspector, up to and including the rank of first-class sergeant—Section 26 applies, under which a board is appointed which has power to impose a monetary penalty up to £5 under the existing Act. The Bill proposes to increase that figure to £15, recognising that money values have changed considerably since the £5 penalty was incorporated in the Act.

The body of the Bill deals mainly with the right of constables to appeal against the punishment that has been meted out to them, and the proposal is to constitute a tribunal along the lines of those provided for the Railway Department and, I understand, for some other Government departments under the Public Service Act. This

tribunal would consist of a stipendiary, police, or resident magistrate as chairman; a representative of the commissioner; and a representative of the employees. The Bill sets out that the stipendiary magistrate, the chairman of the tribunal, shall be appointed by the Governor; a person appointed by the commissioner shall be his nominee; and a member of the Police Force, elected by that body shall represent the police, and shall be elected in the manner prescribed.

Under the existing Act, if a constable is charged, his case is dealt with by the commissioner, who is empowered to inflict a penalty up to £3. The constable may elect to be dealt with by a board, or he may agree to let the commissioner adjudicate. In each instance, the decision is final, and the man has not the right of appeal. It is mainly to correct this state of affairs that this Bill has been introduced to provide for the appointment of a tribunal.

I think we can take the view, that, by and large, the police are a body of men, specially selected and trained, who are required to possess certain physical and educational qualifications, and so on. There are provided within the service facilities which enable them to improve their qualifications if they are looking for promotion. These men are the guardians of law and order; and, as such, are naturally expected to set an example in that regard. They are expected also to be above reproach in their personal conduct, and in their attitude towards the public generally.

There is a tradition in the Police Force which, I am pleased to say, the great majority of the members of that body live up to, and which assumes that their job is primarily to prevent wrong-doing rather than to punish evil-doers; and that their function is in the main preventive, and not punitive. They realise that they are there to protect the public, but not to interfere with them unnecessarily. Their job is to advise, instruct, inform and, generally speaking, to protect the great majority of law-abiding citizens against the small minority of lawbreakers. That, I repeat, is the tradition of their calling; and in the main it can be said, I think, that they live up to it.

Without disputing their right to have a hand in the selection of their representative on the tribunal with which the measure deals, I think we have to take into account the special functions they perform; and we should be careful as to the provision for the selection of the various representatives that go to make up that board. I have tabled a few amendments which I intend to place on the notice paper and the main effect of which will be—if they are agreed to—to secure slight alterations in the method proposed in the Bill for selecting the various representatives.

The measure provides that the stipendiary or resident magistrate shall be appointed by the Governor; and I have it in mind that all of these nominees might finally be appointed by the Governor, subject, in the case of two of them, to a recommendation from the interested parties concerned. There is provision that a person appointed by the commissioner shall be the commissioner's representative; and I think it might be wise to reserve to the Governor—which really means Cabinet or the Minister, because Cabinet nearly always take the advice of the Minister concerned—the right of approval with regard to that nominee.

The amendments which I propose to place on the notice paper provide that the member representing the union shall be selected by the executive of the union and, of course, recommended by the union. My reason for that is that, by and large, the members of the executive of the Police Union—who are, of course, elected by the union itself—are, generally speaking, sound, able and competent men selected to watch the interests of the Police Force as a whole, not necessarily on the question of punishment, but perhaps in regard to promotion, privileges or the resolution of the various differences that may arise between the commissioner and the Police Force as a whole. Generally speaking it is their job to attend to all those features of the police administration which concern the well-being of the union itself, and we can assume that they are trustworthy and competent men of experience who possess the confidence of the union.

The alternative is to follow the course set out in the Bill, which is the method at present in operation in the railways; but we must remember that there are 11 railway unions; whereas the commissioner has only one representative, who deals with all differences, disputes or matters that require consideration. The commissioner's nominee, irrespective of the union concerned in a point at issue, deals with all such matters; but each union has its own representative, in order that he may have a thorough knowledge of the affairs of the body concerned. Let us assume, for instance, that a representative of the W.A.S.R.E., which is mainly concerned with the guards and so on, is not necessarily presumed to have expert knowledge of the affairs of—let us say—the Boiler-makers' Union.

There is obviously wisdom in having a separate representative of each organisation in the case of the railways; but that, of course, does not apply to the Police Union. While the great body of the police are trained in judicial matters, and develop the sort of temperament which makes them adopt a judicial attitude towards affairs which are not their particular concern, it could be that, in a matter which did intimately concern

them, they might select a representative who, in their opinion, would press for their rights before a punishment appeal tribunal, rather than adopt the truly judicial attitude which I believe is desirable in a nominee of that kind.

I have reason to believe that quite a number of the members of the Police Force are in favour of such action being taken. But I think it is a sound principle to leave the selection of the advocate, who is a very important person in the affairs of the union, in the hands of a specially selected body, which derives its authority from the whole of the rank and file of the union, rather than to make it the subject of a popular vote, in which there might be a good deal of lobbying, or perhaps subject to the influence of issues of a temporary nature, which would influence some for the time being and could possibly result in a wrong choice being made of the person to fill this most important post. That, broadly, covers the suggestions I desire to make for amending the Bill slightly in the directions I have mentioned.

The other small amendment which I suggest might be made is to delete a provision which I consider extraneous, and which is found in the provisions of proposed new Section 33E. I refer to the wording which says—

If the non-commissioned officer or constable is punished by the Commissioner or other officer as the case may be, by being discharged or dismissed from the police force, suspended from duty, reduced in rank, fined or transferred by way of punishment, he may appeal to the board in accordance with the provisions of this Act against the punishment and against any decision or finding on which the punishment was based.

The powers of the commissioner are clearly set out in the Act, with regard to what he may do; and, by implication, what he may not do is set out also, because those powers are not stated. One such power is "or transferred by way of punishment." So I would say that if it can be proved that the commissioner has transferred a police officer as a form of punishment—if that is proved to the satisfaction of an authority such as the Minister or the Governor—the commissioner has undoubtedly exceeded his powers.

Hon. F. R. H. Lavery: Then he must often exceed them.

Hon. C. H. SIMPSON: It must be proved that he has done it by way of punishment.

Hon. H. K. Watson: Under the Act he has no power to punish by way of transfer.

Hon. C. H. SIMPSON: That is so. The commissioner must have power to transfer from time to time at his discretion

in order to secure the best results in the administration of the force as a whole; but he has no power to transfer as a punishment. I therefore think there is no reason for including, in the proposed new Section 33B, the wording I have mentioned; because it implies that the commissioner already has a power which, in fact, he has not.

Hon. H. K. Watson: It would open the way to all sorts of appeals, because every man transferred might say it had been done by way of punishment.

Hon. C. H. SIMPSON: That is the danger, as I see it. While I intend to place more amendments on the notice paper, they are simply consequential on those I have outlined; and, apart from the small matters I have mentioned, I feel that the Bill is a reasonable one, and that the constitution proposed for the tribunal is desirable. I will leave debate and decision on the amendments I have outlined until the Bill is in Committee. With those reservations, I support the Bill.

On motion by Hon. H. K. Watson, debate adjourned.

BILL—HEALTH ACT AMENDMENT (No. 1).

Received from the Assembly and read a first time.

BILL—LAND ACT AMENDMENT. *Second Reading.*

Debate resumed from the previous day.

HON. SIR CHARLES LATHAM (Central) [2.41]: The Minister, in explaining the Bill, said its purpose was to permit the Government to dispose of some land originally set aside for land settlement by arrangement with the Commonwealth Government. Evidently that land did not come up to the standard required by the Commonwealth; or else it was thought unsuitable for some other reason. I know that land very well. It is light land, and considerable improvements have been effected on it.

The only objection I have to the measure is that it fixes the price of the land in question at 15s. per acre which, to my mind, is far in excess of what its real value will be for some considerable time to come. Light lands as we know them today have considerably more value than was placed on them in the early days of land settlement in this State. At that time such lands were despised. Today they are capable of growing clovers and grasses, and of being turned into pasture lands more rapidly than in the early days when there was less agricultural knowledge. So although the land is worth only 15s. an acre, I would point out that it will require a good deal of fertiliser, and a long time

will elapse before it will produce a payable crop of either pasture or cereals. I think the price per acre is the only weak link.

Hon. J. G. Hislop: What would it cost per acre to develop the land?

Hon. Sir CHARLES LATHAM: Anything up to £3 an acre today.

The Minister for the North-West: There is no price mentioned in the Bill.

Hon. Sir CHARLES LATHAM: I was told that there was. I thought it was referred to in the notes. The usual custom is to throw land open for sale to competent buyers. It is proposed to offer this land for sale by calling tenders; and if no tenders are received, it will be sold by public auction. Some people think that it is not wise to sell it by tender. There are two avenues of thought; and I am not sure whether I do not support the Government in this respect.

Firstly, the land should be made available in the ordinary way, so that a man with a little capital would have a better chance than if he tendered for it; that is, under a conditional purchase system, to be spread over a long period of years. The period now is much longer than that which appears in the Bill. To take up this land, a man would require a great deal of capital.

I think a dam has been put down on most of the blocks; but whether water is available there, I do not know. The land has to settle down for many years to enable the water to run, unless there is a good, hard, clay surface; and there is not a suitable surface in that area. A good water supply is not available, and I am inclined to think that what is there will be a little salt. Then there is fencing to be done; and I do not think there is any fencing material close at hand. Posts would have to be carted a considerable distance. There is no jarrah, but there is a little white gum and there are a few patches of jam.

Hon. L. Craig: Is there jam in that area?

Hon. Sir CHARLES LATHAM: Yes; there is jam right along the coast. Actually, I mean there is jam between Esperance and Ravensthorpe. There is plenty of gum; and around Ravensthorpe, there is quite a lot of jam. There are small patches of it right through that country. The cost of putting that land into production would not be less than £3 per acre, and I would not be surprised if it cost £5 an acre. There is no doubt about an assured rainfall in that area. However, anybody who took up this land and expected to get a living from it under three to five years would be disappointed. At the end of that period, it would be a safe business proposition.

I know that it was said in another place that the land should be made available under ordinary land settlement conditions. There are people today—such as one farmer who has a great deal of land at Mingenew and who is doing very well on it—who might be prepared to take up this land and establish themselves.

Hon. C. W. D. Barker: What is the maximum acreage a man can take up?

Hon. Sir CHARLES LATHAM: From 2,000 to 2,500 acres.

Hon. F. R. H. Lavery: Some of the blocks are 3,000 acres.

The Minister for the North-West: One man could have the lot.

Hon. Sir CHARLES LATHAM: One man could buy all of it?

The Minister for the North-West: Yes.

Hon. Sir CHARLES LATHAM: Of course, it is subdivided. Each block is to be sold separately.

Hon. C. W. D. Barker: That is no good if a man wants the lot.

The Minister for the North-West: Yes, provided he has enough money.

Hon. Sir CHARLES LATHAM: We have not restricted the Minister in any way as to his disposal of it. A man could not be prevented from starting from block No. 1 and buying right through to block No. 10.

Hon. C. W. D. Barker: Surely that is something we should stop.

Hon. Sir CHARLES LATHAM: There is something to be said for and against it.

The Minister for the North-West: It depends on the quality of the land.

Hon. Sir CHARLES LATHAM: I know the quality. Each block would require a great deal to be spent on it.

Hon. J. G. Hislop: Is there no restriction whatsoever on the amount of land that can be purchased?

Hon. Sir CHARLES LATHAM: I think Subsection (1) of Section 47 of the Act restricts the area to 5,000 acres. Of course, a man could take up 5,000 acres, and each of his sons could take up 5,000 acres also. Unless a man had a great deal of capital behind him when starting off, he would not want to take up 22,000 acres straight away. It would be a long time before he could use the land. There might be some men avaricious enough to buy the lot; and if that were done, it would no doubt relieve the Government of a headache.

The Minister for the North-West: He would have to produce from it, otherwise suckers would grow up.

Hon. Sir CHARLES LATHAM: This land would have to be used very expeditiously. The bush would recover very rapidly; and if a man were not able to deal with the

whole area within a reasonable time, it would revert to the condition it was in before it was ploughed. If it has any mallee through it—in fact, it has—suckers will appear within a very short time.

Hon. C. W. D. Barker: How many sheep will that land carry to the acre?

Hon. Sir CHARLES LATHAM: It might carry two or three to the acre when pastured. It would all depend on the water that was available. I do not want to appear an authority on that land; but from past experience, I would say that when it was well established it would carry two or three sheep to the acre. Underground water could be obtained by boring, but the surface water would be dependent on the nature of the soil; that is, whether it was solid or not. If there are any blocks with rocks on them, they would be suitable for catchment areas. I am going to support the Government in this measure because it has to get rid of the land very quickly; otherwise a great deal more money will be lost than is necessary.

The Minister for the North-West: The amount is £67,000.

Hon. Sir CHARLES LATHAM: That is a substantial sum. The Government is not going to get £67,000 for this land.

Hon. J. G. Hislop: Would it have spent only £3 an acre on it?

Hon. Sir CHARLES LATHAM: Yes; it would not finish there. It would require clearing, the sinking of dams—

Hon. G. Bennetts: Fencing.

Hon. Sir CHARLES LATHAM: Some fencing. I would not be sure. It is some time since I have been there, and very little fencing had been done then. However, probably since then much more of the land has been fenced. It was very disappointing to me to find that a great deal of work had been done without an assurance having been obtained from the Commonwealth that it would share the expenditure. Unless some arrangements are made with the Commonwealth Government, to ensure that it will meet some of the cost, the loss will be great.

I want members to understand that when I estimated what it would cost to effect improvements on that land, I referred to the cost to a farmer who understood it. If that work were done by contract, or by other means, it would be on a 40-hour week basis. No farmer has ever commenced to restrict his hours of labour. He rises at daybreak, and carries on until it is too dark to do any more. That is the secret of successful farming in Western Australia, and I believe it is possible to make a success of that land.

The Government, in accepting tenders, will have to be sure that the successful tenderer is financial enough to make a success of the venture, otherwise the Government will soon find the land back on

its hands. I give the Minister my blessing, and only hope that he will have every success. I am anxious to see the land settled. It is some distance from the railway, but the lambs can be run into the Albany works; and with the ruling price for lambs today, it could be turned into a profitable venture.

HON. L. CRAIG (South-West) [2.52]: I support the Bill, and I entirely approve of the principle contained in it. Apparently an area of 22,000 acres in the North Stirling area was partly developed by the State Government without first obtaining the sanction of the Commonwealth Government, and it had to expend a great deal of money to do it. It has cost roughly £3 an acre for the development to date. The Commonwealth Government has not approved of that development, and the State Government has been left to carry the burden alone. If the Government sells the land at 15s. an acre, a loss will be shown.

Hon. Sir Charles Latham: It can charge for the cost of improvements.

Hon. L. CRAIG: If it sells this light land under those conditions, it will be committed to a great deal of expenditure to finance people who take it up. Today, the cost of the land is only a small proportion of the ultimate cost of developing a farm.

Recently I visited "Brekon" which is being developed under the A.M.P. development scheme; and, in one year, 40,000 acres are being developed. The cost of the land is only a few shillings per acre. When these properties are developed with fencing, provision of water supplies, and so on, very few will be sold for less than £20 per acre. This North Stirling area, when fully developed, will be worth well over £10 and probably £15 per acre. If a property can carry one or two sheep to the acre today, its value can be reckoned at about £10 per sheep area, and it would not be greatly over-capitalised: that is, a value of £10 to carry one sheep. If it were two sheep to the acre, £20 would not be too much to pay.

Hon. J. G. Hislop: Twice as much in Victoria.

Hon. L. CRAIG: A lot of properties there are valuable because of close proximity to towns and transport, and all sorts of factors that it is not possible actually to put a finger on. The point is that if this land is disposed of under the provisions of the Bill, it will be sold to people with some capital, who, I take it, will not want further financial assistance from the Government. To me, that is more important than the loss of a few thousand pounds on the sale of the land. It is all very well to sell an acre at 5s.; but if we are loaded with the responsibility of providing another £15 per acre to finance the man getting the land, we shall be in for a great deal of trouble.

The proposal is to sell this land by tender—or, failing that, by auction—to people who have some capital, and will undertake to finance themselves, mainly through banks—if they are lucky. To sell the land to people with capital is the only way in which the Government can reimburse itself for the expenditure it has already made, and the responsibility for which the Commonwealth is unwilling to accept. The State has either to lose some money or alter the methods of selling laid down in the Act. I do not know what the rainfall of this area would be.

Hon. Sir Charles Latham: It is 16 to 17 in.

Hon. L. CRAIG: Then it has a good future as a mixed farming area. Any land which is not pure sand, but has some clay in it, and an assured rainfall of 16 in., has a very bright future; because land with clay in it, and situated in a safe rainfall area, is limited in the world. I have no doubt that some day that land will have a very high value. I have seen a lot of the Stirling country; and, to my mind, the south Stirling area is the best settlement area of the lot, because of the low cost of development.

Hon. H. L. Roche: What about water?

Hon. L. CRAIG: I do not believe they will not be able to find water. New methods of conserving water have been discovered. I spent a day at a research station north of Sydney, where water is being conserved—by contour ploughing—not in thousands, but in millions of gallons. By running contours around the hills, they are taking water for long distances and filling depressions with large quantities. The North Stirling area has a 16 in. rainfall, mainly within a period of six months. Our land here is different from that in most countries inasmuch as our rain falls in a period of six months. We have heavy falls during the winter; and provided we have the facilities, we can conserve water. There is very little land that will not hold water after a year or two.

In the Eastern Goldfields, some pastoralists have given up erecting tanks and installing troughs, and are digging dams with a blade on a tractor, then boring for water, and turning it by windmill straight into little dams alongside the windmills, which are never turned off. Though, for the first month or two, water seeps everywhere, in a little time the land begins to hold the water; and sheep prefer it to that out of troughs.

That saves money, because no tanks have to be supplied. The water is much cooler than that in troughs with hot winds blowing on top of and underneath them; and sheep, instead of walking around and turning up their noses at semi-warm liquid, walk to the little dams and drink straight away. When we apply commonsense or

science to water conservation, there will not be many parts of the State, where we have a decent rainfall, in which we will not be able to conserve water. I have a tremendous faith in the future of our southern land which has a good rainfall.

HON. H. L. ROCHE (South) [3.5]: I had not intended to speak on the Bill, but I would like to clear up any misapprehension members may have regarding the danger of speculators buying all this land. I think that Sir Charles Latham explained the matter to the House as well as it could be explained—I mean, the whole subject of the disposal of this North Stirling property. But, as regards the danger of anyone taking the lot, I would mention that the Minister in another place was able to assure a questioner that, under the Act, any one individual would be limited to 5,000 acres. The farms in the North Stirling area are broken up, or are proposed to be broken up, into allotments of about 2,500 acres each; and the most that a speculator will be able to secure of this Crown land will be 5,000 acres.

The urgency of the matter lies not so much in what the State will be able to recoup itself—which is desirable—but the danger, mentioned by Sir Charles, that unless the country is disposed of to someone who can handle it who has experience, knowledge, and essential capital, the land will soon revert to nature. While there was a desire in some quarters that this country should be disposed of under the ordinary procedure, through the Land Allocation Board, it does not always follow that the board is in a position to allot the land to people who are best qualified and best equipped, financially and materially, to develop it. If some of this country went to people who were not in that position, we would get into great difficulty in a few years' time; and the State would find itself left with country which had reverted to nature, with the result that just as much would have to be spent to bring it back to its present condition as has already been expended on it.

Under the Bill, the Government stands a much better chance of recouping most of its expenditure. The figure is high, but under conditions under which settlement is now taking place, I do not think it is excessive. Of course, where development takes place through a Government instrumentality, it is always considerably more expensive than when it is done by private enterprise. The future of this land will depend on people obtaining it who can handle it because of the knowledge they possess and the material resources at their disposal. It will also depend on the prices received for the products.

This last is something that is not well enough fixed in the minds of many people. We will have a very successful time with our land development in this State if prices for products remain at a reasonable

level. If they do not, neither this land nor a lot of other land will be successfully developed inside the next 10 or 20 years.

Hon. Sir Charles Latham: Barley and oats should be good down there.

Hon. H. L. ROCHE: Barley will be a very valuable crop. The Commonwealth Government has set a fairly high standard for any land in which it proposes to interest itself financially. People in the North Stirling area, who know the country, have not much doubt about its value. They reckon they know how to handle it. But because there is a little too much mineral content in some of it, the Commonwealth is not prepared to take it on. The local people will be quite ready to do so. Whether barley or oats are grown, or sheep and wool are produced, provided prices remain reasonable, this will be quite a successful proposition in a few years' time.

HON. G. BENNETTS (South-East) [3.10]: I support the Bill. I am pleased to see that a limited amount of this land is to be sold to each purchaser. About four weeks ago a farmer from Victoria travelled with me on the train from Kalgoorlie. He was seeking land in this State for the sons of farmers in Victoria. He had seen the Geraldton district, and was on his way to visit Albany, intending to return to Kalgoorlie via Esperance and then catch the plane back to the Eastern States.

This man informed me that in the Eastern States many wealthy farmers had only small allotments; and they could not acquire land for their sons, who were born farmers and had been on the land all their lives. He thought that Western Australia would provide a future for those boys. I have not seen him since. He intended to come here and meet members of this House who are connected with the agricultural areas, in order to obtain their opinion as to what could be done for the young fellows in the Eastern States.

I think we will find that there are plenty of the same class of people in this State. During the past 12 months, several men have seen me in connection with the acquisition of property at Esperance for their sons. There may be enough people of that kind in Western Australia to take up this land in the Stirling area. But if there is any doubt on that score, I was wondering whether the matter could be publicised in Eastern States papers, in order that we might secure top prices for the land, and recover the expense in which the Government has been involved in connection with it. The sale of the land to men from outside, with vast experience and plenty of capital, should be in the interests of the State.

I understand that some of this land is similar to that in part of my district, which was taken up, developed, and then

neglected, with the result that, in three years, Nature had reclaimed it. It is remarkable what growth occurred in that short time. Unless something is done quickly about the Stirling land, I foresee the same thing occurring there, with a consequent fall in the value of the land.

I was astonished to find that there was no surface or bore water available in the Stirling area. I have always stressed the importance of our developing land where there is plenty of subterranean water and a good rainfall, such as we find in the Esperance area. I hope that in the near future something will be done in connection with the use of that area for land settlement purposes. I support the Bill.

THE MINISTER FOR THE NORTH-WEST (Hon. H. C. Strickland—North—in reply) [3.15]: I am pleased that members, generally, are in favour of the Bill. As some speakers have said, it is essential that something be done for the early disposal of the land that has been referred to. I wish to clear up one point. I did say that one person could buy all the land; but having checked through the Land Act, I find that, as Mr. Roche has said, there is a limit of 5,000 acres with respect to grazing land. There is, consequently, no danger of any one person buying the 22,000 acres.

Hon. J. G. Hislop: That would prevent the A.M.P. Society from taking it over.

The MINISTER FOR THE NORTH-WEST: Yes.

Hon. J. G. Hislop: Is it wise to have that provision in an Act of this State?

The MINISTER FOR THE NORTH-WEST: This will be a special project. The area is limited to 5,000 acres.

Hon. Sir Charles Latham: A syndicate could buy it by purchasing 5,000 acres for each of its members.

The MINISTER FOR THE NORTH-WEST: That is so. These provisions are to ensure that everyone has an opportunity to buy a block of land.

Hon. J. G. Hislop: That clause has prevented insurance companies in this State from acting.

The MINISTER FOR THE NORTH-WEST: It affects only certain lands. Insurance companies could buy other large areas of land at Esperance.

Hon. Sir Charles Latham: By special Act we gave one company a big area of land.

Hon. C. W. D. Barker: How many acres has Mr. Smart got?

The MINISTER FOR THE NORTH-WEST: Until recent years it has been possible to purchase huge areas of land between here and Dongara.

Hon. Sir Charles Latham: The Midland Railway Co. land was not restricted.

The MINISTER FOR THE NORTH-WEST: Any insurance company could have stepped in and done the same as Mr. Smart or anyone else has done in those areas.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; the Minister for the North-West in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Section 83 amended:

Hon. Sir CHARLES LATHAM: This is the important clause. The conditions that the Governor would approve would be those that ensured that the restriction to 5,000 acres applied. The farms are divided into areas of 2,500 acres. The ordinary individual would have quite a lot of work to do in developing that country. I was surprised to know that the cost of the work done was so terrific. I can guarantee that Mr. Smart did not pay anything like this amount to develop his country, which is somewhat similar. I think his costs were about £2 or £2 5s.

The supply of water is not quite as easy as some people would lead us to believe. Salt water is found at a depth of 8ft. or 9ft. There is the possibility of underground water, but to get it costs some money. Water is a big problem in this country. At times there are good summer showers. The best class of barley is produced down there; and oats that have been sent abroad have been used by some of the biggest manufacturers of oatmeal and such foods.

I would not like it to go out that the land will cost the high prices that have been mentioned. The purchaser will assess the value of the work that has been done rather than take the actual cost. The Government would be well advised to accept that price; because, with a successful settlement there, it will gain more than it loses.

Clause put and passed.

Clause 4, Title—agreed to.

Bill reported without amendment and the report adopted.

**BILL—STATE GOVERNMENT
INSURANCE OFFICE ACT
AMENDMENT.**

Second Reading—Defeated.

Debate resumed from the previous day.

Personal Explanation.

Hon. J. McI. THOMSON: When speaking to the second reading of the Bill, I quoted the total incapacity figure that

applies in Queensland, and said that it was £350 less than that in Western Australia. The figure I mentioned was the one that applied at the 10th May of this year; but I find, on checking the position, that I was wrong in stating that the same figure applies now. Queensland has amended its Act so that today that State is paying £600 in excess of what is paid in Western Australia. I made a statement which I have since found was not accurate and I wish to correct it now.

THE CHIEF SECRETARY (Hon. G. Fraser—West—in reply) [3.55]: I listened carefully to the many speeches made during the debate; and I have been surprised at the inaccurate information presented as factual, the wrong premises, and the red herrings that have been dragged across the path of the Bill.

Since the inauguration of the State Government Insurance Office so many new members have been elected to this House that I feel I should acquaint them with the real reason for the establishment of the office. I have, therefore, had the matter investigated, and what I have to say is information extracted from the official file.

On the 23rd August, 1930, then dealing with the question of insurance against mining diseases, the Government Actuary reported in the following terms to the late Mr. Baxter—father of the present member—who at that time was the Minister in charge of State Trading Concerns:

The Hon. A. M. McCallum, Minister for Labour, appointed a committee to investigate the matter. This committee consisted of myself as chairman, the Under Secretary for Mines, and the Secretary of the State Insurance Office of Queensland. An exhaustive examination of all the available data was made and the facts were placed by us before the Accident Underwriters' Association. As a result of the enquiry the committee recommended a rate of £4 10s. per cent. This rate was ridiculed by the Underwriters' Association, who suggested that it was altogether too low. Mr. Strode (representing the Underwriters' Association) does not seem to be correct in stating that the Companies would quote a rate if the Government supplied the required information. The whole of the information available to myself and to the other members of the committee was made available to the Insurance Companies. As they have not made any constructive suggestions from the beginning it seems a reasonable conclusion that they do not know what to do with such facts as are available, or that they are entirely unwilling to do the business.

The following appears in a minute dated the 16th February, 1927, addressed by the Government Actuary to his Minister:—

Of course the main trouble with the Kalgoorlie Office was caused by the fact that the insurance companies cancelled the general accident policies, and the whole of this business had to be tackled from the inception.

At that time the workers' compensation general accident business in respect of mining companies was not proving very profitable; and the companies not only refused to underwrite the industrial diseases risk, but seized the opportunity to cancel immediately their general accident policies.

At this stage I would like to refer to the remarks of Mr. Simpson, who commented on the reason for a similar measure having received the vote of this Chamber at the second reading stage, but having been defeated at the third reading during the last parliamentary session. I think it is obvious that during that session not one word in opposition was raised to the Bill by the Fire and Accident Underwriters Association; but on this occasion there has been violent opposition by way of repeated broadcasts, Press announcements, circulars to chief clerks of the various offices, and the attaching of stickers to renewal certificates forwarded to clients. I wonder what the reason is for the difference in the attitude in the two years!

Hon. C. H. Simpson: That has nothing to do with this Chamber.

The CHIEF SECRETARY: I know; but it makes one very curious, just the same. The Underwriters Association, when left to itself last year, raised no opposition to the Bill, which was a much more violent one than is the present one.

Hon. Sir Charles Latham: Probably there was less danger in it to the association.

The CHIEF SECRETARY: As the relationship between the State Government Insurance Office and the members of the Underwriters Association has in no way altered, one is justified in seeking the reason for such a change of face on the part of that organisation, and in asking what is responsible for the change. It can only be assumed that considerable pressure has been brought to bear on the association by some influential body or bodies; and I might be pardoned for thinking that such pressure could have emanated only from the Chamber of Commerce, and/or the Chamber of Manufactures.

Hon. C. H. Simpson: I would not have a clue.

The CHIEF SECRETARY: We have the clue, because Mr. Logan openly admitted that the Chamber of Commerce had written to him in connection with the matter.

Hon. Sir Charles Latham: Did not the Chamber write to you, too?

The CHIEF SECRETARY: No.

Hon. Sir Charles Latham: Then it made a mistake.

The CHIEF SECRETARY: It did not take this in the manner that many other organisations do, because they communicate with all members of Parliament.

Hon. Sir Charles Latham: The Trades Hall does not.

The CHIEF SECRETARY: But these people pick their marks. They pick only those who they think can use some influence on their behalf; and there is no doubt that they have used their influence to some extent on this occasion.

Hon. C. W. D. Barker: They would not be a pressure group, would they?

The PRESIDENT: Order!

The CHIEF SECRETARY: It is interesting to note that all of the publicity emanating from the Underwriters Association has been directed to people residing outside the metropolitan area, obviously with a view to influencing the country people. I was told, although I did not hear, that even the Citizens' Rights Association, which has been dead since the banking issue a year or two ago, has been resurrected, and has been broadcasting on this question.

Hon. H. Hearn: You are wrong. That is untrue.

The CHIEF SECRETARY: Is that so?

Hon. H. Hearn: I am the president of it; and that is a deliberate untruth.

The CHIEF SECRETARY: I am pleased to hear it.

Hon. H. Hearn: It is a deliberate untruth.

The CHIEF SECRETARY: Not by me.

Hon. H. Hearn: No; but by whoever told you. You are quoting wrong information.

The CHIEF SECRETARY: I am pleased to know that the association is still alive. What is it doing?

Hon. H. Hearn: The Chief Secretary will see, as time goes on.

The CHIEF SECRETARY: We never hear anything about it now. But I am pleased to know that at least one body has refrained from endeavouring to influence people in regard to this matter.

Hon. E. M. Heenan: When is its annual meeting?

The CHIEF SECRETARY: I would not like to be uncharitable.

Hon. H. Hearn: You could not be.

The CHIEF SECRETARY: But one can assume now that its members thought there was no need to do anything about this question, because the president was here to use his influence.

Hon. H. Hearn: That is a testimonial to me.

The CHIEF SECRETARY: From information I have received, I am quite satisfied that the Underwriters Association would

be willing for the State Government Insurance Office to operate in the same manner as the State offices of New South Wales, Queensland, and Tasmania are functioning. If this Bill becomes law the State, the members of the Underwriters Association, and the public generally—particularly farming communities—will benefit.

Reference was made during the debate to the workers' compensation rates being charged by the Queensland State Office which has a monopoly of workers' compensation business. Mr. Thomson was the member who mainly referred to that aspect. But, of course, he has corrected his statement, and I am pleased to know that; because if he had not done so, I had a large list which I intended to quote. When making a comparison with the rates charged in Western Australia, only 15 out of approximately 500 classifications were listed, and that gives no indication of the true position. I had a list drawn up of another 15, and the figures were absolutely astounding. As a matter of fact, in one case there was over 200s. per cent. difference in the rate.

Hon. N. E. Baxter: Did not you do something similar when we were discussing the rents Bill?

Hon. H. Hearn: And you made a mistake in quoting workers' compensation rates.

The CHIEF SECRETARY: We want to have one-track minds; and at the moment we are talking about insurance. We will talk about these other things at some other time.

Hon. A. F. Griffith: You have a one-track mind when it suits you.

The CHIEF SECRETARY: Furthermore, during the last parliamentary session, Opposition members in another place were perturbed at the possibility of all insurers showing very substantial losses because of the absurdly low rates fixed in Western Australia; and it is understood that for the year ended the 30th June, 1954, the loss ratio of insurers will be anything up to 200 per cent.

In regard to Queensland the true position is as follows:—The New South Wales Commission has recently determined reduced premium rates; but in 491 out of 730 classifications, the Queensland rates are substantially lower than those recently declared in New South Wales. The Queensland rates, when compared with those operating in Victoria, are lower in respect of 509 out of 730 classifications. Moreover, the loss ratio in Queensland is substantially higher than that of either of the two States mentioned, as the figures I will now quote indicate—

	Q'land.	N.S.W.	Vic.
	%	%	%
1950-51	53.38	40.80239	48.94
1951-52	64.82	30.24544	44.10
1952-53	70.71	38.42311	66.79

It is unfortunate that accurate information was not furnished to those who are opposing the Bill.

It has already been pointed out that the intention of the Bill is that the State office should be in fair competition with the companies; and if the provisions of the Bill are in any way lacking in that respect, as implied by members, then I am quite willing to consider suitable amendments in the Committee stage.

Some concern was also expressed that the present Bill could be a forerunner to an insurance monopoly for the State office. We must keep in mind that the Bill will extend the franchise of the office to include fire and general accident risks. So far as workers' compensation claims are concerned, the limit of liability is determined by the Act; but the limit of liability in regard to fire business is the value of the property to be insured. This, in some cases, runs into very large amounts, and no office could carry on without reinsurance facilities being available.

I feel quite sure that, if a Government were to submit legislation which would create a monopoly for the State office in respect of those types of business, there would be an immediate reaction with overseas underwriters, who very largely comprise the head offices of the companies operating in this State. That is a most important point. If they refused to accept the reinsurance from the State office, it would be impossible for that office to function. We know that if we were successful in making a monopoly for the State office, we would not be able to carry on.

Hon. Sir Charles Latham: You do not know anything of the sort.

The CHIEF SECRETARY: All right. The hon. member knows; I do not! In dealing with this measure, therefore, opposition members need have no fears whatsoever in regard to a monopoly. Mr. Simpson also stated that reinsurances are effected between the tariff companies themselves, with a result that a great proportion of the revenue is retained in the State.

Hon. C. H. Simpson: I do not think it was me; it was probably another member.

The CHIEF SECRETARY: No.; it was Mr. Simpson.

Hon. C. H. Simpson: I do not remember those words.

The CHIEF SECRETARY: They may not have been the exact words; but the hon. member said, in effect, that reinsurance was carried on between the tariff companies, and therefore the amounts would be retained in the State. That is the substance of the hon. member's remarks. That is not in accordance with the

facts. On the 21st December, 1953, the Chairman of the United Insurance Company stated:—

Because the Australian market could not retain more than a token proportion of the huge liability represented by premiums paid in Australia, overseas reinsurance markets must be used to cushion the effect of the majority of losses with Australia.

It will be observed, therefore, that not a great proportion of reinsurance revenue is retained in the State, but a token proportion only. A further comment was that "turning to the field of insurance we find that private enterprise adequately caters for that." A good deal of lip service is paid to the manner in which the tariff companies serve the community, but it is a fact that their service is not nearly what might be expected of them. I have already dealt with the manner in which they cancelled all workers' compensation general accident policies with the mining companies, and no one has denied that.

For some years efforts were made for a scheme to be introduced which would enable parents to insure against accidents to their children whilst attending school. The rate quoted by the tariff companies was prohibitive. Two years ago an approach was made to the State Government Insurance Office; and all members are aware that a satisfactory scheme has been launched, and over 80,000 parents of State school children are now obtaining an adequate insurance cover for the very low premium of 3s. 6d. per child, with a maximum of 10s. 6d. per family.

Hon. H. Hearn: You had better make it to and from work.

The CHIEF SECRETARY: We would do that, too, if we could. But the hon. member cannot sidetrack me, no matter how much he interjects. I am replying to the remarks made about the service given to the public by these companies.

Hon. Sir Charles Latham: The risk of insuring schoolchildren is not very great.

The CHIEF SECRETARY: Yet this is the service that we hear so much about. Private companies would not grant this cover except at a prohibitive rate. That is the second instance of their service. The first instance was the cancellation of miners' accident insurance.

Hon. Sir Charles Latham: That was because of the additional loading.

The CHIEF SECRETARY: I want to show members how much service the private companies give. Bullets could be shot through that argument.

The PRESIDENT: I would suggest that the Chief Secretary stop trying to provoke arguments. He is replying to the debate.

The CHIEF SECRETARY: I am sorry if I am provocative. I thought I was emphasising certain points. Without the State Government Insurance Office, that scheme would not have been in operation today. The State office has been approached by the Parents and Friends' Association, which is for private schools the counterpart of the Parents and Citizens' Association for the State schools. They have asked for the State school scheme to be extended to children attending private schools and colleges. Unfortunately, the State office has not the statutory authority to extend the scheme to the parents of those children; but if this Bill is passed, that will be immediately arranged.

All local government authorities are carrying an unknown liability in respect of infectious disease cases arising in their districts. In the event of an epidemic in any one district the liability of the local authority could create a serious financial embarrassment. The companies were approached to see if an insurance scheme could be arranged, but they refused to quote. Another instance of the wonderful service that these companies give! The State office was then approached by a number of local authorities, and by the Local Government Association, and it is now in a position to arrange such insurance at a very low premium rate. The low rate for which the risk can be accepted is only because of the possibility of a large number of local authorities accepting the insurance.

Unfortunately, the office has only the statutory authority to grant cover to the local authorities insured through the pool administered by the office. If this Bill does not become law, the remaining local authorities will be out on a limb. They will not be able to secure the cover from the State office; and, as other insurers have refused to quote, it is fairly certain that they will not be able to obtain the cover from the companies.

It was stated that the number of companies operating in Western Australia is adequate to meet its needs, and it is therefore not necessary to extend the activities of the State office. No opposition, however, has been raised to a North American company, with assets exceeding £A200,000,000, becoming established in Perth, which will no doubt result in more money leaving the State.

From information I have received, the members of the Underwriters Association will not be in the least perturbed in the event of the Bill being passed; and the extension of the activities of the office, along the lines indicated, will undoubtedly be of advantage to the State, the members of the Underwriters Association, and to the public generally.

Throughout the debate much was said of the Labour Party's platform. These remarks centre around the question of an

extension of the socialisation policy of this party. The State Government Insurance Office Bill has been before this House on numerous occasions, and each time considerable Press publicity has been given to the respective Bills. The public, therefore, is well aware of the fact that, if at all possible, it is the intention of this Government to extend the activities of the State Government Insurance Office. With that knowledge, the public has seen fit to return a Labour Government to power, and to substantially increase the number of Labour representatives in this House.

It was stated by Hon. L. A. Logan that the local government authorities pool was not of any great benefit to Western Australia. It will be seen to what lengths members will go to try to deride the service given. Surely the hon. member must appreciate that the 123 road boards and municipalities insured with the pool have rendered a substantial service to the rate-payers in their respective districts, as they have been able to arrange a better insurance at a substantially lower initial premium than was previously being paid by them; and have, in addition, received cash rebates of approximately £13,000 to the 30th June, 1954. It is rather astounding that, in spite of what has happened, members will make such statements. If there was no benefit or value, would 123 local authorities take out insurance with the State office?

The hon. member also implied that there was no demand by the public for an extension of the State office's activities. If he can spare the time to interview the manager of the State Government Insurance Office he will be shown hundreds of letters from members of the public asking the office to take over their fire insurance. The statements I am making are not wild; they can be checked by anybody. In addition to these letters, numerous telephonic requests are being received.

The comments of Mr. Baxter regarding the silicosis fund were incorrect, and quite unjustified.

Hon. N. E. Baxter: Therefore the Auditor General's report was incorrect.

The CHIEF SECRETARY: The hon. member may be interested to hear the true facts. Initially all surpluses from silicosis premiums, after payment of claims and administration costs, were credited to the general reserve of the State Insurance Office. When the present manager was appointed, he split the reserve and, with the concurrence and certification of the Auditor General, transferred therefrom to a special silicosis reserve the proportion of the general reserve which represented silicosis surpluses. From then on the whole of the surpluses have been credited to that reserve account, together with all interest earned on the amount of the reserve invested, and not one penny of profit has been taken by the State office.

Hon. N. E. Baxter: I did not refer to it as profit, but surplus.

The CHIEF SECRETARY: In effect, therefore, the State office is acting as trustee for the mining companies; and it is only because of that action taken by the State office that it has been able to create such a substantial reserve which has, with the concurrence of the actuary, made possible a substantial reduction in premiums being paid by the companies. Had the tariff companies been handling that business, there would have been no silicosis fund today, as the amount of the fund would have been distributed by way of profits to such companies; and, of course, there could have been no reduction in premiums. That is a further example of the benefit the State Insurance Office has been to a very large body of employers in this State.

Hon. N. E. Baxter: A big benefit to itself also.

The CHIEF SECRETARY: Who gets the benefit? Is it not the taxpayers?

Hon. H. Hearn: The State office is going to put up a big building.

Hon. Sir Charles Latham: And let it out to the public.

Hon. F. R. H. Lavery: They will say anything to try to get out of it.

The CHIEF SECRETARY: The hon. member also made a number of mis-statements regarding the position which would arise in the event of the State Insurance Office entering into the general field of insurance and a catastrophe occurring. He went so far as to say that the whole of the silicosis fund could be wiped out because of the large amount which the State office would be called upon to pay; and that the office would be bankrupt, and Consolidated Revenue would have to stand the loss.

Hon. N. E. Baxter: What is wrong with that? I still stand by what I said.

The CHIEF SECRETARY: That statement is entirely without foundation as the State office would be in exactly the same position as any other insurer. It has adequate reinsurance facilities available; and to prove my point, it will be necessary for me to disclose the manner in which some of the major risks now insured by the office are handled. The figures I will quote show three of the major risks held; the amounts retained by the office; and the amounts passed to reinsurers, who, incidentally comprise Lloyd's Underwriters, and the head offices of the tariff companies operating in this State.

Hon. Sir Charles Latham: I told you it would still go on.

The CHIEF SECRETARY: If it were not a monopoly it would not go on.

Hon. Sir Charles Latham: It would go on.

The PRESIDENT: Order, please!

The CHIEF SECRETARY: Here are some of the risks taken—

	Amount of Risk. £	Amount Retained by State Insur- ance Office. £	Amount Re- insured. £
South Fremantle Power House	5,700,000	25,000	5,675,000
University of West- ern Australia (Winthrop Hall)	1,325,000	10,000	1,315,000
Royal Perth Hos- pital	1,279,750	25,000	1,254,750

So far as the marine insurance is concerned, it is recognised that what happened about 1912 on the north-west coast could happen again, and total loss of any one of the State steamships would create a substantial drain on the reserves of the office.

Hon. C. H. Simpson: Does not the office reinsure to cover those losses?

The CHIEF SECRETARY: If the hon. member would be patient he would get his answer. I am at the moment dealing with statements made by Mr. Baxter to the effect that the State office would go bankrupt if a catastrophe occurred.

Hon. N. E. Baxter: You are mentioning only a couple.

The CHIEF SECRETARY: I could quote hundreds. I am trying to show what little foundation there is in the statement made by the hon. member. When the measure goes into Committee—

Hon. N. E. Baxter: If it does.

The CHIEF SECRETARY: That is the attitude members adopt, irrespective of the facts, and the good which the Bill might do to the people of the State.

Hon. H. Hearn: Get your cane out!

The CHIEF SECRETARY: Without listening to the debate, members make up their minds definitely to vote against the Bill.

The PRESIDENT: Order! I would ask members to stop interjecting.

The CHIEF SECRETARY: In respect of these risks, therefore, only a very small percentage is retained by the State office. In proof of that statement, I am quoting from an adjustment which has just been received by the office for a net claim totalling £8,618 in respect of damage to the m.v. "Koolinda." Of that amount, the proportion payable by the State Government Insurance Office is £862, the balance being payable by Lloyd's Underwriters and 26 tariff companies in varying proportions. Is the hon. member satisfied that the statements he made were ill-advised?

Hon. N. E. Baxter: No; I am not.

Hon. A. R. Jones: There is no need for it.

The CHIEF SECRETARY: Of course there is! Mr. Simpson expressed the opinion that the State Insurance Office was being administered most efficiently; and I suggest that it would be most inefficient administration if the manager of any insurance office placed the office in the position of jeopardy postulated by Mr. Baxter.

A number of comments have been made regarding the way in which the State Government Insurance Office of Queensland is carrying on its business; but there again the statements are quite untrue. For the last three years that office has renewed all householders' workers' compensation policies without any premium charge whatsoever. Has any private company in this State done the same thing? The State office is able to do it because it is not out to make profits; and accordingly it is able to give free insurance every third year to people in this particular phase of insurance. Is there any insurance company that gives a similar service?

Hon. A. F. Griffith: Can you give us an idea of the amount of premiums paid on insured risks?

The CHIEF SECRETARY: No.

Hon. A. F. Griffith: Is not that important?

The CHIEF SECRETARY: It does not matter what rates are paid; all reinsurers will pay the same rate. Any member who doubts this may see a photographic copy of a letter issued by the office on the 1st June, 1954, which I have here. Again all of its fire policy holders have for nine consecutive years, received rebates of 33½ per cent of the gross premiums paid.

Hon. C. H. Simpson: The original premiums were not very high.

The CHIEF SECRETARY: Not in comparison with the premiums here.

Hon. C. H. Simpson: I thought they were.

The CHIEF SECRETARY: In other words, both individuals and industrial houses in Queensland have received one year's free fire insurance in each triennial period.

When the tariff companies were offered a substantial amount of reinsurance business in respect of the South Fremantle Power House it was refused, mainly because the premium rate charged by the State office was too low, and it was indicated that the rate should be doubled. That would have entailed a considerable increase in the premium being paid to the office of the State Electricity Commission; which in turn would have passed the added liability on to every user of electric current supplied by the commission. That is a further instance where the State office has been of material benefit to the State. It is quite apparent that the tariff companies

are very fearful of opposition from the State office. That is probably the reason for the opposition here.

Sitting suspended from 4.1 to 4.14 p.m.

The CHIEF SECRETARY: I would recall the words of the late Mr. Dunstan—who was a member of the Victorian Legislative Assembly—which will be found on page 1721 of the May, 1946, issue of the Victorian Parliamentary Debates:

I believe that healthy competition between the State Insurance Offices and private Insurance Companies, (vested interests as some people call them) is for the good of the community because any Insurance Office that cannot stand competition has no right to survive.

I feel that the attitude of Mr. Diver to the Bill was somewhat surprising. He admitted that the Government had put forward an acceptable case in support of the measure, and that he believed in healthy competition. He further stated:

Nevertheless, the entrance of the State Insurance Office into this field would not affect the position a great deal, and for that reason I think the Government has presented a fair case to justify the introduction of the measure.

He also stated—

I am not a champion of private companies; I realise they are out for every penny they can get.

In view of those statements, one would have expected the hon. member to give his full support to the measure. But he then proceeded to raise a bogey which, as I have already explained, can never materialise—the closing of all insurance companies, leaving only the State Government Insurance Office in the field.

In view of the experience of New South Wales, Queensland, and Tasmania, where the State Government Insurance Offices have been in open competition with the companies for very many years, such a statement has no merit whatsoever. If such a position were possible, surely it would have been achieved in Queensland where, for very many years, a Labour Government has been in control of the Legislative Assembly, and where no Upper House exists!

Yet we find that in a State like Western Australia, with the perfection of an Upper House, members have the audacity to say they cannot support this measure because it would lead to a Government monopoly. How members can make such weak statements I do not know. Labour Governments have also been elected to the Legislative Assemblies of both New South Wales and Tasmania for many years, but no effort has been made to produce the position visualised by the hon. member.

Dealing with the comments of Dr. Hislop, I should like to state at the outset that, under the State Government Insurance Office Act, taxation is payable to the Treasurer in respect of all profits made by the office. The amount so paid to the Treasurer is equivalent to that which would be paid to the Commonwealth Government by any insurance company under the Commonwealth taxation laws. It is obvious, therefore, that some other reason must be advanced for the financial position of the State office. This is largely due to the lower administration costs. Admittedly premium rates are determined on the basis of a 70 per cent. loss ratio, but the administration costs of the State office in respect of the general accident section of the workers' compensation business is approximately 10 per cent. compared with approximately 35 per cent. for the companies.

Hon. C. H. Simpson: The business comes to the office automatically and that would account for the low administration costs.

The CHIEF SECRETARY: It does not come automatically at all. Furthermore, in most of the classifications in respect of which rates are determined by the Premium Rates Committee, the State office charges up to 20 per cent. below the maximum rates fixed. Dr. Hislop might be surprised to learn that most of the large insurance companies commenced operations with a very small capital, and the huge assets which have been created have therefore been made on the premiums paid to them. Excluding the silicosis fund entirely, the State office has assets exceeding £1,000,000, which would exceed the initial capital of any company now operating here.

I trust that members will vote for the second reading of the Bill and allow an opportunity to discuss it in Committee, where, if necessary, I can allay any fears which members may have, and which may be based on incorrect information that has been given to them. Every point raised during the course of the debate I have answered, and answered in such a way that any member would have difficulty in endeavouring to establish the claims he made previously. I have given full information on all the points raised. I know that Mr. Baxter is worried because certain figures have been quoted regarding the liabilities of the office as against the capital. An examination of the risks taken by the State office would show that no greater risk is accepted by the office than by any company.

Hon. A. F. Griffith: Did I understand you to say that all the State reinsurances were underwritten in London?

The CHIEF SECRETARY: Not all; I said a token proportion only was underwritten in this State.

Hon. A. F. Griffith: What value would reinsurances up to 5½ million have?

The CHIEF SECRETARY: All the offices work on the same basis. The hon. member has been in the business, and should know more about it than I do. The State office carries on under methods similar to those of any company, so nobody can set one against the other in that respect. All take the same percentage risk.

Hon. A. F. Griffith: What business does the office underwrite with other companies in the State?

The CHIEF SECRETARY: There is a free flow of business in the field of insurance.

Hon. A. F. Griffith: Have you any idea to what extent?

The CHIEF SECRETARY: No, except that there is reinsurance to the extent of safety, just as with the companies. As compared with the companies, there is no difference in the methods of reinsurance adopted.

In framing this Bill, we have borne in mind all the objections that were raised in former years. Had a similar measure been presented then, I believe it would have been passed by almost 100 per cent. of the members. We have endeavoured to meet in every possible way the many objections raised over the years by opponents of State insurance; yet we find that members still raise objections. But I believe that I have cut the ground entirely from under their feet. I do not think that any member could refute any argument in the statements I have made. Members have a duty to the State as well as to the interests that are putting pressure on them.

Hon. N. E. Baxter: What do you mean by putting pressure on?

The CHIEF SECRETARY: I do not need to explain that; the hon. member knows.

Hon. N. E. Baxter: I think you should explain it. There is no pressure on me.

The CHIEF SECRETARY: There is the pressure of sectional interests. The Bill has been put up by a Government elected by the people to govern the State. The people knew that if Labour were returned to office, endeavours would be made to reintroduce a measure for State insurance, as well as measures for other purposes; and we ought to be given an opportunity to put our policy into effect.

Hon. N. E. Baxter: Elected by a majority of one.

The CHIEF SECRETARY: No matter whether it was a majority of one or a dozen, the people knew what our programme would be; and I say it is the duty of members to give the Government an opportunity to carry out the policy on which it was elected.

Hon. A. F. Griffith: That is a different tune from that which Dr. Evatt played when he accused the Menzies Government of governing with a minority.

The CHIEF SECRETARY: On the facts presented by me and other speakers, I consider that no member can justifiably cast a vote against the Bill. If the debate were determined by an adjudicator, I am sure that the Government would win hands down on the cases presented. I do not know whether I shall be able to convince any member, because I believe all of them have made up their minds beforehand. However, I suggest that it is not too late now for any member to reverse his vote.

The least we can expect is that the second reading shall be passed and members may then alter the measure in Committee. The Bill cannot be debated in detail until it is taken into Committee, and the various clauses are discussed. I appeal to members to allow the Bill to go into Committee; and I am prepared to guarantee that, no matter what objections might be raised, I shall be able to satisfy them on all points.

The only point I have not dealt with is the prejudice against State trading concerns. All I can say is that we believe there is justification for the Government's entering this field; and I am sure that if the State office is given a chance, the people of the State will enjoy better service than they have received in the past.

I have mentioned three points; and I should like to remind members of them, so that they may satisfy their consciences before they cast their votes. Firstly, are they satisfied with the insurance cover for schoolchildren? The anxieties of parents have been removed by reason of the insurance that has been provided. Would they be satisfied with the position that, if there were no State Insurance Office, there would be no insurance for those children? Despite the opposition of some members to State trading, it is a good thing that this insurance has been provided.

Another point, which led to the birth of the State Government Insurance Office, is the cover provided for employees in the goldmining industry. Do members endorse the attitude adopted by the companies when they cancelled the risks they were holding? Are members happy about that? The action of the companies on that occasion would take a lot of explaining away.

The third point has escaped me for the moment, but it was as sound as the two I have mentioned. I urge members to forget party politics and do something for the good of the State. If a satisfactory service is to be given to the people, it will be given as a result of the passing of the Bill.

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

Ayes	11
Noes	14

Majority against 3

Ayes.

Hon. C. W. D. Barker	Hon. F. R. H. Lavery
Hon. G. Bennetts	Hon. H. C. Strickland
Hon. E. M. Davies	Hon. J. D. Teahan
Hon. G. Fraser	Hon. W. P. Willesee
Hon. W. R. Hall	Hon. R. J. Boylen
Hon. E. M. Heenan	(Teller.)

Noes.

Hon. N. E. Baxter	Hon. A. R. Jones
Hon. L. Craig	Hon. Sir Chas. Latham
Hon. Sir Frank Gibson	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. H. Hearn	Hon. J. McI. Thomson
Hon. C. H. Henning	Hon. H. K. Watson
Hon. J. G. Hislop	Hon. J. Murray
	(Teller.)

Pairs.

Ayes.	Noes.
Hon. J. J. Garrigan	Hon. L. A. Logan
Hon. R. F. Hutchison	Hon. L. C. Diver

Question thus negatived.

Bill defeated.

**BILL—CROWN SUITS ACT
AMENDMENT.**

Second Reading.

Debate resumed from the previous day.

HON. H. K. WATSON (Metropolitan) [4.33]: I have examined this measure, which is calculated to liberalise the circumstances in which a citizen or subject may institute proceedings against the Crown—which, in common parlance, today means against the Government. When introducing the measure, the Chief Secretary explained the development and liberalisation of the rights of a citizen in his relationship to the Crown. For many years the subject had no rights at all; and the Chief Secretary explained that up till the 20th November, 1272—

Hon. Sir Charles Latham: That is a long time ago.

Hon. H. K. WATSON: —the King could be sued as a common person. I hope the Chief Secretary was more correct in his figures and dates on this occasion than he has sometimes been in the past, because if the date were the 19th or the 21st November, 1272, that might alter the course of this debate. For many years the subject could not sue the King at all; but as time went by, there developed a system known as a Petition of Right, whereby the subject could petition the King for the right to sue him; and, as the Chief Secretary has said, the King would then issue a fiat "Let right be done."

I believe that during the constitutional history of Western Australia, there have probably been half a dozen Petitions of Right forwarded to the Throne and certified to by the King. In 1947 all the old systems were consolidated and modified; and by statute, a citizen of Western Australia was given—subject to certain limita-

tions specified in the Act—the right to sue the Crown. In 1954 the Crown, as distinct from in 1272, means not the Sovereign herself—and not the office boy, as Dr. Hislop has just interjected—but really, as the Act describes it, the Crown in rights of the Government of Western Australia. That reminds me that while, in the old days, when it did refer to the Sovereign as such, the dictum was that the Crown could do no wrong, today—referring to the Government of Western Australia as the Crown—it could not be held that even the present Government could do no wrong.

Since 1947 it has been the right of the citizen to sue the Crown or the Government, but that right has been subject to rather severe limitations, due to the following conditions: that within three months after the date when the cause of action arose, notice in writing had to be given to the Crown Solicitor by the prospective plaintiff, stating the date when the cause of action arose and the grounds upon which it was proposed to take action. In addition, the action had to be brought not less than three months after the giving of the notice and within 12 months after the cause of the action arose.

Just what actions are covered by the Bill is not clear to me; and I took the liberty of interjecting, while the Chief Secretary was introducing the Bill, to inquire the general nature of the actions; because, as I have said, up till comparatively recent times, actions against the Crown have been extremely rare, although it appears that in recent years there have been a few such actions or, alternatively, causes for action. Whether they arose in connection with motor accidents or some similar cause, I do not know.

It has been explained to us, however, that there have in recent years been several cases of causes for action against the Crown, in which, because the plaintiffs failed to exercise their rights within the time specified by the Act as it stands, they have been precluded from pursuing those claims. In those cases, we are informed, ex gratia payments have been made where the Crown Law authorities considered that the plaintiff had a case. The Bill proposes to liberalise the conditions under which action may be instituted against the Crown and provides that the time within which an action may be lodged shall be as soon as practicable or within three months, whichever period is the longer after the cause of action accrues. I imagine that the words "as soon as practicable" may give rise to legal argument. It is further provided that the action must be commenced before the expiration of one year from the date upon which the cause of action accrued.

Then—this is really the main object of the Bill—it is provided that the Attorney General may, on behalf of the Crown, consent in writing to the bringing of an action against the Crown before the expiration

of six years after the cause of action has arisen; or, alternatively, the prospective plaintiff can at any time within six years apply to the court; and the court, in its discretion, can grant the applicant the right to institute his proceedings, and have them either upheld or dismissed. If a subject had a genuine case against the Crown, he could, under the Bill, pursue it in much the same way as he could exercise a similar claim against a private citizen: That is, in accordance with the Statute of Limitations, he could exercise his right at any time within a period of six years after the cause of action.

On reading the Bill it is not very clear to me whether Subsection (2) of proposed new Section 6 is mutually exclusive with the next paragraph, or whether the prospective applicant goes to the court after the Attorney General has refused consent. It is not quite clear that the prospective plaintiff has the right to go to the Attorney General and ask him to consent to the application being made at any time within six years; or whether he has the right to go to the court; or whether he goes to the Attorney General and, if he refuses, the plaintiff then goes to the court. I repeat that the purpose of the Bill is to liberalise and extend the time within which anyone who feels he has ground for action against the Government may pursue it and have it heard in a court of law.

On motion by Hon. W. R. Hall, debate adjourned.

BILL—MINES REGULATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. C. H. SIMPSON (Midland) [4.44]: I can support this measure without equivocation or reservation, as it has been introduced to bring into effect the recommendations made as the result of consultations between the department, on the one hand; and the Australian Workers' Union and the Chamber of Mines, on the other. Those three parties have regular consultations to consider the safety measures desirable to be adopted in order to ensure the safe working of mines. Those recommendations, acceptable to all parties, have been incorporated in this Bill, and we have heard them explained during the introduction of the measure.

The first requires inspectors of mines to notify the management of their intention to enter a mine to conduct an inspection. It stipulates that they shall notify either the owner, manager, assistant manager, underground manager, secretary or accountant, or chief engineer of the mine. Actually, that is making statutory provision for something that has been the practice over the years. The parties concerned have thought that it is desirable to have it determined in black and white.

Inspectors, with rare exceptions, extend the courtesy of notifying the managements of the mines that they intend to inspect. In the Act, it is provided that in cases of emergency that obligation could be dispensed with. Even so, I assume that inspectors would take the first possible opportunity to notify the people concerned of their intentions.

The second provision seeks to extend the power of the workmen's inspector. The Act now provides that a workmen's inspector can conduct an inspection and report to his union, but to no other. In the first instance, it was felt that it was advisable to limit the discretion of the workmen's inspector in regard to passing on information to other unions because of the possible assumption that he might convey information that the mine might want to keep to itself.

In actual practice, I do not think that has happened; but this provision has been inserted in the Bill because a workmen's inspector might have reason to deal with failure of machinery which might come within the scope of the engineers' or boiler-makers' union; and it seems only reasonable and commonsense to provide that he shall not be restricted to represent only the A.W.U., but shall furnish a full report to other unions concerned when necessary. In any case, the parties have agreed to this provision being embodied in the Bill.

The third amendment is to provide for the temporary appointment of an uncertificated manager for a period of four weeks instead of two, as now provided. It has been found in practice that a period of four weeks is more desirable to allow a manager to go on holidays. Of course, the Minister has power to approve of an extension should it be considered necessary. The provision will make the Act conform to what has been found desirable in practice.

The final clause relates to Sunday work on the cleaning up of spillage in the shaft. At present, Section 44 lays down fairly rigidly what work may be performed on Sundays. This clearance of spillage is a feature that has been overlooked. The Bill seeks to allow this essential operation to be done on day shift and so avoid possible loss of time by a shiftman man who would otherwise have to wait until an ordinary working day to do that work. This operation would either have to be done at night or on a Sunday, and sometimes it is more convenient to do the work on Sunday. This provision is a very sensible one. I have much pleasure in supporting the measure, and trust it will be acceptable to all members.

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

House adjourned at 4.50 p.m.