Mr. MARSHALL: Yes. Bills for the benefit of the farmer are passed very quickly. We take the same time in passing Bills for the benefit of farmers as the representatives of farmers in another place take to throw out industrial Bills.

Mr. Styants: They would throw them out here if they had the numbers.

Mr. MARSHALL: Members of the Opposition are under no obligation to do anything here. They are in the happy position of being able to sit quietly and not say a word, because they know the bills will be going to their political doom in another place. I do not like this Bill. I said I would oppose it, but, as one Minister has said, what can we do against this formidable crowd?

Question put and passed.

Bill read a third time and transmitted to the Council.

House adjourned at 10.54 p.m.

Legislative Council.

Thursday, 10th November, 1938.

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

QUESTION—STATE TRANSPORT CO-ORDINATION ACT.

Licenses Granted to Hawkers and Others.

Hon. J. M. DREW asked the Chief Secretary: 1, Have any licenses been granted under the State Transport Co-ordination Act, 1933, to hawkers or other persons for the transport from or near the coast of goods for sale within the Cue, Mt. Magnet, Yalgoo, Black Range, Meekatharra, Wiluna and Murchison Road Districts? 2, If so, what restrictions have been imposed on licenses? 3, If restrictions have been imposed, what action has been taken to ensure that they are being observed? 4, What is the number of such licenses operating in respect of each of the road districts referred to?

The CHIEF SECRETARY replied: 1, Twenty-two licenses have been granted for transport to the districts named of goods such as radio sets, small lighting plants and refrigerators, as samples or for demonstration purposes. Only one license is in force for the hawking of goods in those districts (namely, plaster cast ornaments); the loading in that instance is limited to one hundredweight only, additional supplies to be railed. 2, Articles carried for demonstration may be disposed of only in cases of urgency or emergency, in which event similar articles must be forwarded by rail to replace those sold. The object of the condition, where sales in exceptional circumstances are permitted, is to avoid giving the vendor any competitive advantage over local retailers. 3, Licensees are required to submit certified returns showing particulars of the goods consigned by rail, these returns being reviewed by the board before renewal of licenses. 4, The licenses mentioned in the foregoing are each operative in all the districts referred to.

QUESTION—FINANCIAL EMERGENCY AND HOSPITAL TAXES.

Receipts, Monthly Publication.

Hon. H. SEDDON asked the Chief Secretary: 1, What amount was received during the month of October for—(a) Financial emergency tax; (b) Hospital fund contributions? 2, Will the Minister see that his promise, made on the 12th October in answer to a question asked by me, is carried out? The information regarding financial emergency tax and hospital fund contributions was not included in the published reports for October.

The CHIEF SECRETARY replied: 1, (a) £84,351: (b) £19,276. 2, Yes; the information will be included in the printed monthly financial statement, which is pub-

lished about the 10th of each month. It is not available when the Press statement appears on the 1st of the month.

BILL—MINES REGULATION ACT AMENDMENT.

Report of Committee adopted.

BILLS (2)—FIRST READING.

1, Supreme Court Act Amendment.
Introduced by Hon. H. S. W. Parker.
2, Wheat Products (Prices Fixation).
Received from the Assembly.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. J. NICHOLSON (Metropolitan) [4.41]: The Bill has been productive of a fairly extended debate, one which showed that members generally regard its introduction as being harmful to industry as a whole. From certain remarks made by various members in the course of this discussion, I gather that the proposal of the Bill to increase the maximum amount of wages from £400 as provided for in the Act to £500 has apparently been prompted largely by the fact that conditions prevailing on the goldfields necessitate some such increase. It has been pointed out that many goldfields workers are drawing in excess of the annual amount of £400 provided for in the definition of "worker," and have actually had extended to them, in the event of accident or death, the benefits of the Act, although drawing more than the maximum of £400 stated in that definition. Under what conditions the arrangement has been made is a matter lying entirely between the insurers and the insured; but the position in the coastal districts is that the Act must necessarily be adhered to, for if the worker should be receiving more than the stipulated amount of £400 per annum, then clearly he would not be covered by the Act and the insurance policy would not apply.

Whilst recognising the importance of the mining industry to the State, we as legislators must also recognise the importance of the agricultural, the pastoral, and other industries. Certain of our primary industries, such as the production of wheat, wool and so forth, play so important a part in the progress and revenues of our State as well as the Commonwealth, that it is essential for us, in considering any legislation of this nature, to pay regard to whether or not the legislation will make it more difficult for those industries to be carried on. I wish to point out, and especially to those members who are concerned from the standpoint of the mining industry, that we cannot in an Act applicable to the whole State and to the industries of the whole State, single out one industry. The Act must apply to all industries. To differentiate would make the position very difficult indeed, because even in some localities outside what we regard as goldfields districts certain operations in the nature of mining might occasionally be carried on, and these operations might be classified as mining, and questions would arise as to whether the Act was intended to apply in such cases. When we view the matter from that standpoint, we must realise that the proposed amendment increasing the amount from £400 to £500 will seriously affect all industries.

Hon. G. W. Miles: We can alter that in Committee.

Hon. J. NICHOLSON: I wish merely to point out the matter, now that I have the opportunity to do so. The amendment will seriously affect the position, because many industries classed amongst the secondary industries have great difficulty in successfully competing with similar industries in the Eastern States. We are at a disadvantage by reason of Section 92 of the Commonwealth Constitution Act, which provides that all trade, commerce and intercourse between the States is free. That section gives an advantage to the Eastern States, where industries are well established and where working conditions are more favourable. Therefore it is not in the best interests of industry as a whole, nor of the State, that the Legislature should pass laws which are bound to interfere with the progress that everybody desires. No one, I am sure, is more desirous of seeing our industries progress than is the Minister for Employment. I believe he is wholeheartedly doing everything possible to that end. I shall certainly oppose any amendment such as that.

Various other amendments are proposed in the Bill, but I shall not dwell upon them

at this stage, because I realise that the Honorary Minister wishes to make progress with this and other business. I have given notice of an amendment to Clause 5, which I shall explain fully in Committee. I believe such an amendment is desirable in order to help industry. I should be glad if the Honorary Minister would consider, with his colleagues, the definition of "dependants" in the Act. I consider that the definition is too wide, and should be amended to bring it more into conformity with the definition in the New Zealand Act. The definition in our Act reads—

"Dependants" means such members of the worker's family as were wholly or in part dependent upon, or wholly or in part supported by the earnings of the worker at the time of his death, or would, but for the incapacity due to the accident, have been so dependent.

In the New Zealand Act passed some years ago a very wise amendment was made by limiting the meaning of "dependants" to persons really domiciled or resident in the country. I suggest an amendment to make clear that under our definition a dependant must be domiciled and resident in Western Australia at the time of the accident. We have many workers resident in this State whose families live in other parts of the world. Some workers have come from Czechoslovakia, Italy and other European countries, where dependants still reside and are supported by remittances sent by the workers from time to time. The families so supported are not conferring any benefit upon the community here. They are not resident here; they are not consuming any food produced here; they are not wearing any clothing or using any other commodities produced here, but the benefit of the savings of the male parent may be forwarded wholly or in part for the support of those people resident in another country.

Hon. J. J. Holmes: It is said in some cases that the family does not exist.

Hon. J. NICHOLSON: Various suggestions of the kind have been made. A wise proviso has been added to the New Zealand Act as follows:—

Provided that where the Governor is satisfied that by the laws of any other country within the Dominions of the Crown compensation for accidents is payable to the dependants of a deceased worker although they are domiciled and resident in New Zealand, he may by Order in Council declare that dependants domiciled and resident in that country shall have the same rights and remedies under this Act as if domiciled and resident in New Zealand.

Suppose the father of a family had come to Western Australia from New Zealand and was injured in the course of his employment, he would be legally entitled to the compensation prescribed under the Act. If he was killed, his family, although resident in New Zealand, would get the benefit of the compensation. That is fair where there is mutuality between the two countries. In the case of Italy and other European countries, there is no mutuality in that respect. If one of us happened to be working in one of those countries and suffered injury, no compensation benefit would be extended to the family here. In the interests of industry, the matter should be considered because such an amendment would help industry. That is the standpoint from which I am regarding it, and I am sure the Honorary Minister will be able to assist to that end. I would have preferred that the Bill had been framed on other lines and limited to an amendment of Section 10 of the Act to overcome the difficulty in connection with insurance, leaving the other clauses to be considered on another occasion. Then, in the meantime, the whole of the questions involved could have been discussed. I shall vote for the second reading, but I am certainly not in favour of many of the clauses of the Bill.

THE HONORARY MINISTER (Hon. E. H. Gray—West—in reply) [4.58]: Surprise was expressed by some members last night that we did not proceed to pass the second reading. While that was an indication of a desire by a majority of members to take the Bill into Committee, I could not overlook the fact that some very decided opinions had been expressed on several of the amendments proposed in the Bill, and therefore I deemed it wise to have the debate adjourned so that I might have time to present an adequate reply to those statements. I hope that members will consider phases of the question apart from that of the burden on industry. Admittedly we have to consider that aspect, but every member who expressed opposition to provisions of the Bill stressed the increased burden that would be imposed upon industry. Surely the House has to consider other responsibilities! Surely we have to give attention to the interests of the employees as well as of the employers! Yet

that point has been overlooked by practically every member who criticised the proposed amendments. Those members have forgotten the responsibility of the Government and Parliament to the workers in industry. Of course we have also to consider any change that would entail the imposition of additional burdens upon industry. Mr. Baxter in his analysis of the Bill found only two provisions that would be beneficial to the community. The rest, he claimed, would be detrimental to the State at large, and industry in particular. He referred to the remarks of the Federal Treasurer, Mr. Casey, who, in the view of the hon. member, had suggested that the employers should approach the Government and ask for amendments to the Act. So far as I have been able to ascertain, Mr. Casey's opinion was based upon the case that was recently decided in the Full Court. This involved an interpretation of paragraph 1 of the First Schedule to the Act, dealing with the amount of compensation payable by weekly payments.

Sub-paragraph (b) of the paragraph in question states that weekly payments during incapacity shall not exceed 50 per cent. of the average weekly earnings of the workers with the addition of 7s. 6d. per week for each child under the age of 16 years, such weekly payments not to exceed £3 10s. The Full Court decided that the maximum fixed in that paragraph, namely £3 10s., was the maximum of compensation only, and did not affect the child allowance. If, for instance, the worker's average weekly earnings were £6, the amount of compensation to which he was entitled was £3, and if he had four children, he would be entitled to 7s. 6d. for each child, making a total weekly payment of £4 10s. The Full Court said that actually there was no limit on the child allowance, the only limit being on the compensation.

This decision caused considerable comment and consternation amongst employers and insurance companies, and if my memory serves me aright, this was the occasion when the matter was referred to the Federal Treasurer. At the time it certainly seemed that the Act had been enlarged and the burden with respect to compensation considerably increased, and in the circumstances Mr. Casey's utterances were understandable from the point of view of the employers and the insurance companies. Recently, however, the decision of the Full Court was reversed on appeal to the High Court, the unanimous judgment of that court being that the Full Court was wrong, and that the total amount any worker could receive in any week, irrespective of his average weekly earnings and the number of his children, was £3 10s. Thus employers and insurance companies in this respect at any rate had their fears allayed, and they are now in status quo. The reversal of the decision will no doubt affect Mr. Casey's judgment concerning the Workers' Compensation Act in Western Australia.

One amendment, which seeks to increase the compensation payable to the dependants of workers who die as a result of injury sustained during the course of their employment, was singled out by Mr. Baxter for special criticism. He suggested that the principle underlying the amendment was wrong, and that its enactment would put a further heavy burden on an already overburdened industry. The hon. member's comment might imply that fatal accidents in industry were almost of daily occurrence. Fortunately, however, they are comparatively rare in all branches except the mining industry, and, accordingly, any increase in premiums brought about by the proposal should be infinitesimal. As I have already pointed out, the present range of payments in this State is below that of New South Wales, Victoria, Queensland or New Zealand. Mr. Baxter disputed the figure I quoted in respect of Queensland, namely, a fixed amount of £750, and stated that the actual amount payable in that State was £600. Apparently the hon. member has not seen the 1936 volume of the Queensland statutes, in which, at page 16,006, an amendment to the Workers' Compensation Act repeals all the original provisions and provides for the set figure I have mentioned.

The provision defining a worker as a person earning less than £500 per annum should not justify the insurance companies in increasing premiums to any extent, because most employees in receipt of over £8 per week work in avocations that are practically exempt from danger. Few claims would therefore be made under the Act by persons in the £400-£500 range. Possibly quite a number of miners earn as much as £500 per annum, but this would be the main industry that would be liable to produce any appreciable number of claims. Since the majority of mine-owners already take out cover on behalf of many of their workers outside

the present range, the amendment will scarcely affect premium payments in that industry.

An objectionable part of the Bill, according to Mr. Baxter, is the proposal designed to make the employer liable for travelling and maintenance expenses incurred by a worker when required by his employer to journey from his home to a hospital or other place for treatment or examination. Under the provisions of the Bill, the worker will be entitled to his fare, no matter what distance he has to travel. This, after all, is reasonable since the man would be receiving only half wages. For his other expenses he will be entitled to a sum not exceeding 6s. a day to cover the cost of meals and lodging necessarily incurred while he is away from home. Obviously workers living close to Perth would not necessarily incur any expenses for board and lodging. For example, unless a worker were required to remain in town all day, he would not be entitled to any payment for meals, and certainly not to any payment for lodging. The full effect of this new provision will be felt only when a man has to travel from a distant place. Surely members will agree it is reasonable that a man who is taken away from his home —thereby incurring considerable expense— should be recompensed for an extra cost brought about as a result of his accident.

Clause 3 was dealt with at some length by Mr. Baxter. This is designed to avoid the present legal position that prevents the worker who has claimed compensation from proceeding against the employer for civil damages when the worker would otherwise be entitled to take such action. In instances of negligence by the employer, the worker at present has the option of claiming either compensation or damages; but the trouble is that very few workers are aware of their rights, and, consequently, most of them accept compensation when damages would be much more beneficial. By accepting compensation, they are then barred from proceeding to recover damages.

A new clause has been drafted to make certain that this position will not continue. We have now provided that if a worker receives compensation he can subsequently claim for damages. The amount he receives as compensation will, of course, be deducted from the amount payable by way of damages. Mr. Baxter suggested that if the worker proceeded first for common law damages, and did not recover as much as he would have been entitled to under the Workers' Compensation Act, he could then proceed for compensation. This construction cannot possibly be placed upon Clause 3. In this respect, the provisions of the Bill do not alter those of the Act. If Mr. Baxter's suggestion is true of the Bill, it is also true of the Act, but I do not think anyone would contend that such a position arises at present.

The hon. member was correct in saying the High Court recently decided that the worker must elect to proceed either under the Act or at common law, and, as I have stated before, if he elects to adopt either remedy he can take no further action. That is exactly the position which the Bill purports to avoid.

Hon. G. W. Miles: The workers have been badly advised from Beaufort-street.

The HONORARY MINISTER: Many workers cannot easily get advice on the point. A man 300 miles away in the bush would find it difficult to get into touch with his union secretary. It is unfair that workers who are not aware of their rights should be prevented from recovering the full amount due to them because they were so badly injured at the time of the accident, or because their circumstances were so necessitous that they were obliged to accept compensation immediately without obtaining legal advice or protecting their position as fully as possible.

Reference was made by Mr. Holmes to the provision dealing with the remedies of a worker both against his employer and a stranger. He objected that an employer might not be able to recoup himself out of any amount obtained by the worker as civil damages from a third party. The hon. member's objection is answered by the Bill itself, which stipulates that such amount shall be credited to the employer and deducted from any amount adjudged due under or by virtue of the civil proceedings. In other words, if the court gave judgment in favour of the worker, it would be obliged to make the deduction in favour of the employer, so that the court itself would protect the employer when giving judgment in favour of the worker. Mr. Holmes suggested that another point arising out of the proposed amendment to Section 13 required clarification. He asked, "If the employer receives

damages in excess of the compensation paid, is the excess to be retained by him?" The hon. member's query arises out of an amendment made in another place. The Bill, however, is quite clear. Mr. Holmes will find in Clause 9 a proviso setting forth that any damages recovered by the employer from a third person in excess of the amount of compensation paid to the worker shall be payable to and received by the worker.

Various members have ridiculed the proposal to include yolk boils contracted in connection with shearing, as a disease under the Third Schedule.

Hon. G. W. Miles: Why not include gumboils, too?

The HONORARY MINISTER: If members examine the facts, they will realise that their criticism has been unjustified. Mr. Holmes said, "The trouble will be to ascertain on what station the shearer became infected." The employer's liability in respect to yolk boils will be no different from his liability for any other Third Schedule disease. All the diseases in the Third Schedule are of gradual onset. Ordinarily, diseases that develop after an extended period are not classed as accidents within the meaning of the Act, and the specific reason for the insertion of the Third Schedule in the Act was to ensure that the particular diseases mentioned therein should be regarded as "accidents." For claims under the Third Schedule, the Act provides that all employers who engaged the worker affected within the 12 months prior to his injury are liable to contribute to his compensation. That will be the position in respect to injuries to shearers arising from yolk boils, and the compensation can be easily computed.

Hon. J. J. Holmes: We may know where an accident occurred, but how can we know where the yolk boil was caused?

The HONORARY MINISTER: Say the season lasts for six months, the position will right itself, and each of the employers during that period will be responsible for the payment of his share of the compensation.

Hon. E. H. Angelo: How will you collect it?

The HONORARY MINISTER: There will be no trouble about that.

Hon. G. B. Wood: What if the yolk boil develops after the run is over?

The HONORARY MINISTER: I do not know that any greater difficulty will be experienced in providing compensation for yolk boils than for any other disease mentioned in the Third Schedule.

Hon. J. J. Holmes: Anyhow, this provision will increase the premium, if it does nothing else.

Hon. L. Craig: Certainly it will have that effect.

The HONORARY MINISTER: Mr. Angelo quoted certain figures embodied in an issue of the "Insurance and Banking Record," purporting to show that the cost of workers' compensation in Western Australia is inordinately high compared with that in the other States. These figures, divorced from their context, are so remarkable as to lead one to doubt whether they actually represent what the hon. member said they do. Unfortunately, I have been unable to obtain a copy of the publication, but last year I was supplied with figures dealing with workers' compensation in Western Australia, Queensland, New South Wales, Victoria, and South Australia, which I propose to quote to the House. These may serve as a check on the validity of the figures adduced by Mr. Angelo. They are—

Year.	State.	Population.	Premiums Paid (exclusive of Miners' Phthisis Payments).	
			Total.	Per Head of Population.
			£	s. d.
1935–36	Victoria	1,851,862	553,351	6 0
1935–36	South Australia	589,312	144,920	4 11
1935–36	Queensland	982,134	449,537	9 2
1934–35	New South Wales	2,681,736	1,195,595	8 11
1935–36	Western Australia	451,557	284,428	12 7

While in each instance the per capita cost of workers' compensation to the State, as disclosed by these figures, is higher than the corresponding cost quoted by Mr. Angelo, the margin between the Western Australian figures and those for other States is not so disproportionate as to justify the belief that our Act imposes an unwarranted burden on industry. I feel sure that when members have regard to all the factors governing workers' compensation in Western Australia, they will be prepared to admit that the disparity between our costs and those of the other States are not irreconcilable.

Hon. E. H. Angelo: What was the cost for Western Australia?

The HONORARY MINISTER: The figure I quoted was 12s. 7d.

Hon. E. H. Angelo: That is as against 10s. 11d. which I quoted from the "Insurance and Banking Record," showing that the cost has gone up.

The HONORARY MINISTER: Undoubtedly, the main factor responsible for the disparity in worker's compensation costs as between Western Australia and the other States of the Commonwealth is the high percentage of our population engaged in the mining industry. The proportion of miners employed in Western Australia to total population in 1934 was 217 per cent. greater than the Australian average. To-day the corresponding ratio would be much higher During the same year, the number of miners employed in each of the States per 100,000 of population was as follows:—

New South Wales	1,021
Victoria	482
Queensland	900
South Australia	201
Western Australia	3,013
Tasmania	1,981
giving an Australian average of	952

The hazardous nature of employment in the industry in this State may be gauged from the following table:—

State.	Mining Accidents, 1935.	
	Number Killed.	Number Injured.
New South Wales	21	175
Victoria	5	9
Queensland	5	330
South Australia	1	27
Western Australia	30	953
Tasmania	1	139
Northern Territory	..	6
Total	63	1,639

Some adjustment of the total premium payments made in Western Australia is therefore necessary before a reasonable comparison can be drawn of the relative costs of workers' compensation in this and the other States. Investigations that I have caused to be made reveal that when this adjustment is effected, a very different position is disclosed from that suggested by various members. During 1935-36, workers' compensation premium payments, exclusive of mining, amounted to £185,733 or 8s. 3d. per capita. Over the same period the corresponding payments on account of the mining industry amounted to £98,695 or 4s. 4d. per capita. We may now consider what the cost of workers' compensation in Western Australia would be if the percentage of our population engaged in the mining industry conformed to the general Australian average. On that basis the figure would be greatly decreased, and this indicates that there would not be much difference between the cost of workers' compensation in Western Australia and similar costs in other States. An estimate based on the 1934 figures of employment in mines in Australia shows that, under the conditions I have mentioned, the cost of miners' compensation during 1935-36 would have been £31,183 or 1s. 5d. per head of population, as against actual costs of £98,695 and 4s. 4d. respectively, while the total cost for all industries would have amounted to £216,917, or 9s. 7d. per head of population, compared with the actual costs of £284,428 and 12s. 7d. respectively. Figures I have already quoted show that, as regards Queensland and New South Wales, the ratio of miners employed to total population conforms, approximately, to the Australian average. A fairly reasonable comparison may therefore be made between the adjusted cost per capita of workers' compensation in Western Australia and the actual figures for those two States as follows:—

Workers' compensation—premium payments per head of population (exclusive of miners' phthisis premiums)—

	s.	d.
New South Wales	8	11
Queensland	9	2
Western Australia (*adjusted figure*)	9	7

Members will be interested to note that the corresponding figures for Victoria and South Australia, namely, 6s. and 4s. 11d. respectively, are well below the New South Wales, Queensland, and Western Australian levels. The fact that the number of workers employed at mining in Victoria and South Australia is relatively the lowest in the Commonwealth indicates why even our adjusted per capita figure for workers' compensation is so much higher than theirs.

In the course of his remarks Mr. Seddon stated that premiums had been allowed to drift. In quoting £70,000 as the arrears of premiums due to the State Government Insurance Office, he made no allowance for the fact that a large proportion of the sum

owing is represented by perfectly good debts. This arises mainly from the fact that the financial years of the mining companies and of the State Insurance Office do not coincide. There is naturally a lag of one month between the premiums being due and payable. True, certain bad debts have occurred owing to some companies going into liquidation, but that experience is not peculiar to the State office. In dealing further with the subject in a statement commenting on Mr. Seddon's remarks, the Government Actuary, Mr. Bennett, says—

Owing to the fact that this office has been refused legal standing since it commenced operations in 1926, it has been found impossible to institute legal proceedings for the recovery of moneys due, and this inability to have recourse to law has been one of the major factors responsible for the non-payment of premiums in certain cases. The premiums have not been allowed to drift, and every endeavour has been made to obtain satisfaction from the few creditors who have failed to honour their legal and moral obligations.

I am quoting Mr. Bennett's report in answer to the query of Mr. Seddon and other members as to why the State Government Insurance Office allowed such a large sum to remain outstanding, and the suggestion that the office was being allowed to drift into a dangerous position. Mr. Bennett further states—

Extended or unlimited credit has not been granted by the State Insurance Office. The usual procedure adopted by the private insurance companies has been followed. Premiums based upon the estimated wage expenditure for the period of cover are paid when the insurance is completed or, if the amount involved is substantial, and the financial standing of the policy holder assured, payment in agreed moieties is arranged in certain cases.

That would apply to the big mining companies.

The fact that the alleged compulsory provisions of the Workers' Compensation Act have not been policed and penalties not imposed for the non-insurance of workers is due to the legal position which arose due to the non-legalisation of this office.

I think Mr. Bennett's statement clears up the points raised by Mr. Seddon with regard to the arrears, and should be regarded as effective.

I do not wish unduly to delay the House but I desire briefly to reply to statements made by Mr. Bolton. He again referred to the high premiums paid by employers in this State for workers' compensation, and claimed that the benefits given under this legislation placed our industries at a serious disadvantage with Eastern States' competitors. He mentioned one particular industry that was paying a premium of 110s. per cent. in this State as against a premium of 27s. per cent. paid by competitors in New South Wales. Last year the hon. member quoted the same figures when speaking on the State Government Insurance Office Bill. He was quite right, but I can show two policies taken out with the State office to afford cover for State employees for which the rate was 9s. per cent. Any member could quote instances of employers who were unlucky in that, perhaps through carelessness, a serious accident had occurred, for naturally in such cases the premiums must be high. A man who drives a motor car carefully and avoids accidents is charged a lower premium rate than is a careless driver who incurs accidents. This applies to workers' compensation insurance. If, through misfortune or bad management, serious accidents occur in an industry, the premiums charged must be increased; if an employer has a run of luck, manages his business well and has no accidents, his premiums will be reduced.

Hon. L. B. Bolton: Some industries are more dangerous than are others.

The HONORARY MINISTER: The hon. member quoted a premium rate of 27s. as against 121s.

Hon. L. B. Bolton: I quoted 110s.

The HONORARY MINISTER: Some serious accidents must have occurred in that employer's business. However, if by careful management he avoids accidents in future, his premium will revert to the old rate. There is no argument about that. The hon. member instanced a high premium; I have instanced a low one, and produced the policy in support.

Hon. L. B. Bolton: Riding in a motor car is not an industry.

Member: The Honorary Minister is referring to a car policy.

The HONORARY MINISTER: The hon. member must admit that a person driving a motor car is subject to the ordinary risks of the road.

Hon. C. F. Baxter: Every industry differs.

The HONORARY MINISTER: I quoted a special instance to combat the one given by Mr. Bolton.

Hon. L. B. Bolton: The whole industry is quoted the same rate. You are wrong.

The HONORARY MINISTER: I am not wrong.

Hon. J. Nicholson: The insurance companies average the losses, and so arrive at a uniform rate. The risk is a general one.

The HONORARY MINISTER: The premiums are based on the losses that occur in the whole industry. Take two employers in Perth: one is a bad manager, and his foreman is careless. First of all, he pays the average premium.

Hon. L. B. Bolton: You do not know what you are talking about.

The HONORARY MINISTER: I do. If a worker of that employer meets with a bad accident——

Hon. J. M. Macfarlane: You are all out.

The HONORARY MINISTER: No. That accident would cause the premium rate to go up.

Hon. L. B. Bolton: The rate goes up for the whole industry, not for one employer. You do not know what you are talking about.

Hon. G. W. Miles: I pay the same premium rate each year, and everybody else in the industry pays the same rate.

Hon. J. Nicholson: The rate is a uniform one.

Several members interjected.

The PRESIDENT: Order!

The HONORARY MINISTER: If a person in a motor car runs down a man and kills him, and the insurance company pays compensation to the third party, the rate of insurance will be increased to the limit the next time the premium falls due.

Members: No.

The HONORARY MINISTER: If a man is a careful driver, his premium rate is reduced.

Members: No.

The HONORARY MINISTER: Then I must be very lucky.

Hon. L. B. Bolton: What you do not know would fill a book.

The PRESIDENT: Order! I think the point can be discussed better in Committee.

The HONORARY MINISTER: I think my argument is fair and reasonable.

Hon. L. B. Bolton: You are wrong.

The HONORARY MINISTER: I do not think I am.

The PRESIDENT: Order! The Minister is endeavouring to proceed.

The HONORARY MINISTER: I shall conclude my remarks by appealing to members to consider not only the industry, but also the worker. All the provisions of the Bill may not appeal to members, but I ask them to give the measure fair and reasonable consideration. If they do, I am sure the Bill will pass. I propose to give notice of an amendment to Clause 9 in order to clarify it. I shall explain the point when we reach the Committee stage.

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

Ayes	15
Noes	8
Majority for ..	7

Ayes.

Hon. E. H. Angelo	Hon. W. H. Kitson
Hon. J. Cornell	Hon. G. W. Miles
Hon. L. Craig	Hon. J. Nicholson
Hon. J. M. Drew	Hon. H. S. W. Parker
Hon. G. Fraser	Hon. C. B. Williams
Hon. E. H. Gray	Hon. G. B. Wood
Hon. W. R. Hall	Hon. T. Moore
Hon. J. J. Holmes	(*Teller.*)

Noes.

Hon. C. F. Baxter	Hon. A. Thomson
Hon. L. B. Bolton	Hon. H. Tuckey
Hon. J. A. Dimmitt	Hon. C. H. Wittenoom
Hon. V. Hamersley	Hon. J. M. Macfarlane
	(*Teller.*)

Pairs.

Ayes.	Noes.
Hon. H. Seddon	Hon. W. J. Mann
Hon. E. H. H. Hall	Hon. H. V. Piesse
Hon. E. M. Heenan	Hon. J. T. Franklin

Question thus passed.

Bill read a second time.

BILL—WORKERS' HOMES ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.42] in moving the second reading said: This Bill proposes to make the Workers' Homes Board less dependent on Government borrowing for the full execution of its functions. Under the provisions of Section 6 of the original Act —No. 8 of 1912—the board was empowered to borrow money by the issue of debentures.

Hon. J. Cornell: The original Act contained that provision.

The CHIEF SECRETARY: Yes.

Hon. J. Nicholson: There was no limit.

The CHIEF SECRETARY: That power was subsequently withdrawn by an amending Act passed later in the same year. Since then, the board has been dependent on parlia-

mentary appropriations for additional capital. The following table sets forth the capital made available to the board under the original appropriation in 1912, and subsequent appropriations from 1927:—

	£
Original appropriation—	
1912	525,500
Subsequent appropriations—	
1927	50,000
1928	—
1929	25,000
1930	—
1931	2,870
1932	41,295
1933	2,316
1934	35,000
1935	35,000
1936	—
1937	50,000
1938	10,000
Total	£776,981

Building approvals made since the inception of the board's activities have been as follows:—

Number approved	3,562
Total amount	£1,694,760

We have heard the opinion expressed on numerous occasions recently that the board should be placed in a position to accomplish more than it has been able to do. Limitation of capital has prevented the extension of its operations. This Bill will make easier the securing of additional capital so that the board can meet the demands now made upon it. Approvals for the last three years were—

	No.	£
1935-36	115	72,270
1936-37	88	61,203
1937-38	103	72,287
Total	306	£205,760

Approvals for the quarter ended the 30th September last numbered 70 of a value of £38,630. A scrutiny of these figures will reveal that in times of restricted loan raisings the board's activities are severely handicapped, owing to its dependence on Government borrowing as the source of its capital. This condition is all the more unfortunate in that a reduction in the appropriation for workers' homes often coincides with times when the board experiences difficulty in securing the repayment of advances, and when an extension of its activities might be highly desirable owing to a depression in the building trade. At present, the first consideration of the Government is to find employment for people who have not been absorbed in industry. There has been a serious contraction of loan money available to the Government over the last few years, and for that reason, our raisings have been necessarily applied to works requiring a small proportion of cost for materials. I think we have passed the stage when we can provide works requiring a smaller proportion of cost for materials than for labour, and that is one of the difficulties confronting the Government. Any considerable change in our loan position in the near future is most unlikely, and therefore it is inevitable that sooner or later the activities of the Workers' Homes Board will be hampered through lack of funds.

Hon. J. Cornell: Borrowing power should have been given to the board years ago.

The CHIEF SECRETARY: I agree. In order to overcome this difficulty, we propose to authorise the board to borrow on its own security. This will enable money to be made directly available to the board at times when it would not be possible to secure funds from the Treasury. In other States there are many semi-governmental bodies with independent borrowing powers.

Hon. J. Cornell: Unfortunately we have none in this State.

The CHIEF SECRETARY: To name but a few, harbours works, tramway boards, water and sewerage boards are examples of such authorities.

Hon. J. Cornell: And electric light.

The CHIEF SECRETARY: In this State these undertakings are all financed from Government funds, and as a result some quite misleading comparisons have been made of the loan indebtedness of Western Australia with that of other States. There is a gentlemen's agreement between the States by which all semi-governmental borrowings by individual authorities exceeding £100,000 are submitted to the Loan Council for approval. I have some interesting figures indicating the extent to which such borrowings have increased over the last three years—

	Approved loan raisings for States.	Approvals for semi-governmental borrowing.
	£	£
1936-37 ..	19,200,000	6,315,000
1937-38 ..	14,475,000	9,110,000
1938-39 ..	12,000,000	10,439,000

Hon. G. W. Miles: Does the Loan Council approve of those semi-governmental borrowings?

The CHIEF SECRETARY: Only where the amount required exceeds £100,000.

Hon. G. W. Miles: Is there any limit to the amount proposed to be borrowed under this Bill?

The CHIEF SECRETARY: The amount to be borrowed will be limited by the security the board can offer, and the approval of the Treasury will also be required. I wish to emphasise that the borrowings for State Governments approved by the Loan Council decreased from £19,200,000 in 1936-37 to £12,000,000 in 1938-39, whereas the approvals for semi-governmental borrowings increased from £6,315,000 in 1936-37 to £10,439,000 in 1938-39.

Hon. G. W. Miles: There should be a check on that.

The CHIEF SECRETARY: Therein lies the reason for some of the other States having been able to put in hand many works in order to relieve the unemployment problem.

Hon. J. Cornell: There was the housing scheme.

The CHIEF SECRETARY: The objective of that scheme is the same, namely to provide work for tradesmen in the building industry. Certainly the figures clearly indicate the disadvantage under which we in Western Australia have laboured during that period. This Bill, however, is not an attempt to circumvent the Loan Council or the Financial Agreement. As the gentlemen's agreement applies only where borrowings by an individual authority exceed £100,000, it will not be necessary even to submit the workers' homes programme to the Loan Council. If this Bill becomes law, the Workers' Home Fund should prove a very attractive avenue for investment, and there is no doubt that the board will have no difficulty in obtaining money.

Hon. G. W. Miles: Will the Government guarantee the loans under this scheme?

The CHIEF SECRETARY: Certainly; I shall explain that point. If the superannuation Bill reaches the statute-book, there will be opportunity to obtain fairly substantial sums from the fund established under that measure. Therefore we propose to repeal Section 6 of the Act and to insert a new section, providing that the funds of the board shall be such moneys as are from time to time appropriated by Parliament, and such moneys as the board may borrow by the issue and sale of debentures. Proposals for the raising of loans by the board are to be approved by the Treasurer.

Another amendment is proposed relating to Section 13A, which deals with persons making application to the board. Paragraph (b) of Sub-section 2 of Section 13A provides that an applicant shall deposit with the board the sum of £5. The Bill, as originally introduced in another place, proposed that the fixing of the amount of the deposit should be at the discretion of the board. This provision was subsequently amended by the addition of a proviso, which stipulates that at no time shall the board demand a greater deposit from an applicant who owns a freehold block than would be required in the case of an application for the same block as leasehold. The original amendment was brought forward at the request of the board, which feels that a £5 deposit is often a real obstacle to workers in the lower income groups who desire to secure the cheaper type of wooden house. Further, the board should have discretion, in certain cases, to demand a higher deposit. For example, when the board decided to erect houses on the goldfields, arrangements were made to collect a deposit of £15, although actually there was no legal right to do so. This action was taken at the request of the goldfields people themselves, who were anxious to offer every inducement to the board to extend its activities to their district. The board, therefore, wishes to have power to deal with any future difficulties of the kind.

Hon. J. Cornell: A reduced period for repayment is also being considered.

The CHIEF SECRETARY: Yes, in order to meet the conditions in that particular district.

Hon. E. H. Angelo: What interest will be charged?

Hon. J. Cornell: That is, the rate of interest to be paid on the money borrowed?

Hon. E. H. Angelo: Yes.

The CHIEF SECRETARY: The rate will not be high. As I have pointed out, if the superannuation Bill becomes law, the money accumulated in the fund could be used for this purpose. That would be a matter for arrangement between the Treasury and the Workers' Homes Board. Consequently, the rate of interest would not be

particularly high, although it would be satisfactory.

Hon. C. F. Baxter: You are not laying down the rate of interest now?

The CHIEF SECRETARY: No. I have indicated the extent of the amendments proposed and I hope the House will agree to the Bill. If the proposed power is conferred upon the board, increased activity will result, which will probably enable the board to do quite a number of things that from time to time have been advocated by various members. I commend the measure to the House and move—

That the Bill be now read a second time.

HON. J. CORNELL (South) [5.59]: I have much pleasure in supporting the Bill. This is a power that should have been conferred upon the board years ago. The absence of borrowing power has been responsible for the lack of activity in the building of workers' homes. The Minister spoke of the many works that had been undertaken in the Eastern States to relieve unemployment. The construction of those works was made possible not by money borrowed through the Loan Council, but by funds raised by semi-governmental authorities. I have had dealings with the Workers' Homes Board for 24 years, and can express nothing but admiration for the manner in which the board has managed the business.

Hon. G. W. Miles: Are not you square with the board yet?

Hon. J. CORNELL: Yes, fortunately I am. One fact the Minister has not given to the House is that the board makes a profit.

Hon. J. Nicholson: Perhaps he does not know anything about that.

Hon. J. CORNELL: That profit is paid into Consolidated Revenue. This year the board made over £3,000 profit. Perhaps those members who are inclined to view the Bill with suspicion will regard that as a point in favour of the board. Some members say that few Government instrumentalities pay their way at all.

Hon. J. Nicholson: That would be an encouragement to back up the Loan Bill.

Hon. J. CORNELL: Certainly. The board is to be commended for its activities. It is an honorary board; there is no £2,000 a year director at its head. The members have acted in an entirely honorary capacity since the Act was passed in 1912.

Hon. J. J. Holmes interjected.

Hon. J. CORNELL: What we pay for money borrowed is determined by the state of the money market. The position is that the rate paid by a leasehold client is fixed by the Act. The board throughout has worked on a basis of less than 1 per cent. profit derived from the interest rate it charges as against the interest rate paid for the money borrowed to finance the scheme.

Hon. J. J. Holmes: What does the board charge?

Hon. J. CORNELL: Five-and-a-half per cent. on freehold properties and 5 per cent. on leasehold if the money is paid before a certain date. Originally the amounts were 6 per cent. and 5 per cent. respectively.

Hon. W. J. Mann: Are two rates charged now?

Hon. J. CORNELL: Two rates have always been charged, and there has always been a lower rate for leaseholders than for freeholders. Furthermore, a greater deposit has always been asked from those with freehold property than from leasehold clients.

Hon. W. J. Mann: That seems to be the wrong way about.

Hon. J. CORNELL: It is not the wrong way about. The difference between leasehold and freehold propositions is that with leasehold the board has always held possession from the word "go." The man who has a leasehold property is in a better position now than he was years ago, but he has always been at a greater disadvantage in selling out than has a man with a freehold property. I think the original intention was that advances should be made on freehold property only. I commend the Bill, and hope members will give it their support. Another feather in the cap of the board is the manner in which it has dealt with war service homes. I recollect that a Federal conference of returned soldiers was held here in 1920, and the affairs of the War Service Homes Board were in such a state of chaos that I moved that the Workers' Homes Board be asked to take over the administration. At the beginning I was, as usual, in a minority. I received only one vote out of about 30. Two years afterwards, however, the board was asked to take over the administration of the war service homes, and it has given greater satisfaction than has any body doing similar work in any other State of the Commonwealth.

On motion by Hon. C. F. Baxter, debate adjourned.

BILL—MARKETING OF ONIONS.

Second Reading.

HON. G. FRASER (West) [6.3] in moving the second reading said: The Bill seeks to cater for a section of the community that is in need of assistance. I refer to the primary producers and particularly the market gardeners, who have had an exceptionally bad time during the past few years, mainly owing to the marketing conditions under which they have had to operate. I regret that the Bill is not more comprehensive and that it does not provide for all market gardeners. Nevertheless, if the Bill becomes law, the onion growers will receive considerable benefit.

Members on perusing the Bill will discover that it is practically self-explanatory, and therefore not much comment is needed from me. Provision is made that on the presentation of a petition signed by not fewer than 50 growers a poll may be taken of those engaged in the industry as to whether a board to control the marketing of onions shall be established. Before a person may sign the petition or take part in the poll he must be at least 21 years of age, be either a British subject or a naturalised British subject, and must have grown during the previous season not less than a quarter of an acre of onions. Those qualifications will enable him to sign the petition and vote at the poll. If a board is favoured by three-fifths of those voting, a board can be established.

The Bill defines the powers of the board and stipulates the term of office. It contains details of the requirements of the poll, and of the procedure to be observed when vacancies occur on the board and when a re-election of the board becomes necessary. The Government reserves the right to determine the fees to be paid to the members of the board. The board is to consist of two representatives of the growers and three members appointed by the Government. Of the three Government appointees, one will represent the consumers and one must possess a fair amount of business experience. The interests of the consumers and those of the public generally will therefore be well conserved by the appointment of three members by the Government as against two by the growers. The board is to be given full control over all onions produced, if required, and penalties are provided for defaulters. The board is to have power to issue certificates on account of onions delivered, and to make advances against crops. The board may also deal with contracts for the sale of onions. Exception might be taken to that, but if members study the clause they will realise that no harm is likely to be done to anybody, and the powers sought are necessary in order that the board may function.

The Bill also stipulates that persons delivering onions to the board shall give notice of any lien or mortgage or any charge or claim affecting the onions, and a penalty is provided for persons who neglect to do this. The board is to be given a two years' trial, and at the end of that period a poll can be taken as to whether or not it shall be dissolved. In this case also a petition must be signed by 50 growers before a poll can be taken, and three-fifths of those voting must be in favour of dissolution before the board can be dissolved. The Bill gives the board the necessary power for marketing onions and for making payments to growers. The accounts of the board are to be audited by the Auditor General or by some accountant certified by the Minister.

Hon. J. M. Macfarlane: How will the board be financed?

Hon. G. FRASER: The cost of preparing the original petition and taking the poll will be borne by the signatories to the petition, but those fees may subsequently be reimbursed by the board on the advice of the Minister. Thereafter the board's operations will be financed from the sale of the onions.

Hon. H. S. W. Parker: Suppose the growers do not vote in favour of the board, who then will pay the costs?

Hon. G. FRASER: The signatories to the petition. The board must become a corporate body, and will be subject to the usual conditions of corporate bodies.

Hon. J. Nicholson: Would it not be better to take a poll before introducing a Bill of this sort?

Hon. G. FRASER: We must provide certain powers. What is the use of taking a poll if the growers do not know what is going to happen? If the measure is passed, the growers will know what they are voting for. Members need not have any fears on that score. The only persons concerned with the board are the growers themselves, and

the public will be amply protected. I move—

That the Bill be now read a second time.

On motion by Hon. G. B. Wood, debate adjourned.

House adjourned at 6.15 p.m.

Legislative Assembly.

Thursday, 10th November, 1938.

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

BILLS (2)—FIRST READING.

1. Superannuation and Family Benefits. Introduced by the Premier.
2. Industries Assistance Act Continuance. Introduced by the Minister for Lands.

BILL—ROAD DISTRICTS ACT AMENDMENT (No. 3).

In Committee.

Resumed from the 8th November. Mr. Sleeman in the Chair; the Minister for Works in charge of the Bill.

Postponed Clause 7—Amendment of Section 65:

The MINISTER FOR WORKS: Paragraph (a) of this clause is certainly ambiguous, and I propose to substitute for it another paragraph that will clarify the position. I move an amendment—

That paragraph (a) be struck out and the following words inserted in lieu:—

(a) By deleting Subsection 3 and inserting in lieu thereof a subsection as follows:—

(3) No person who at or in relation to any election—(a) acts as returning officer; or (b) has been appointed by the Minister to take absentee votes shall be or become a candidate at such election. Provided that this subsection shall not apply to a person who having been appointed to take absentee votes as aforesaid, by a notice in writing to the Minister, relinquishes such appointment before the nomination day for the election at which he proposes to be a candidate.

If this amendment is carried, no person who has been appointed a postal vote officer shall take postal votes unless he relinquishes that position prior to becoming a candidate for the road board. The amendment will make the clause clear.

Mr. SAMPSON: Some inconvenience will be caused in districts where there is only one postal vote officer if that officer is withdrawn. Is it intended that the withdrawal shall be only temporary, or does the Minister mean that after the election is over the person who has held the position shall automatically be restored to it? Would the Minister agree to the secretary of the road board being the postal vote officer?

The Minister for Works: For the most part he holds that position.

Mr. SAMPSON: But not always.

Hon. C. G. Latham: If he does not, the board is at fault.

Mr. SAMPSON: If the Minister is able to assure the boards that no inconvenience will arise in connection with postal vote arrangements, his amendment is quite clear.

The MINISTER FOR WORKS: No difficulty will arise with regard to postal vote officers, because the secretary of the local road board is almost always that officer.

Mr. Doney: Yes, in nearly every instance.

The MINISTER FOR WORKS: If a postal vote officer did desire to nominate, he would naturally notify the board accordingly and the board could make a recommendation so as to overcome the difficulty.

Mr. Sampson: That would be quite satisfactory.

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

Title—agreed to.

Bill reported with amendments,