

and, according to investigations I have made, no complaints have been received from the public who appear not to have been inconvenienced in any way by the restricted hours.

Hon. A. Thomson: Is a majority of the traders in the metropolitan area in favour of the proposal embodied in the Bill?

Hon. J. A. DIMMITT: Yes. The Bill is the outcome of two conferences held in my office. Those present included the president and secretary of the Royal Automobile Club, the president and secretary of the Garage and Service Station Owners' Association, and the secretary of the Garage Employees' Union. Complete agreement was reached between the representatives of the three interests I have mentioned, so there is unanimity of opinion as to the advisability of the introduction of this legislation. I suggest that hon. members completely free their minds of recollections of the 1936 Bill, and dissociate that proposal entirely from the measure I am now placing before them. I trust they will view the Bill in the light of modern experience. I caused an investigation to be undertaken during the last few weeks regarding the quantity of petrol sold in the metropolitan area between 8 p.m. and 11 p.m. A number of representative stations were selected on the main highways from Fremantle to Midland Junction. The result disclosed that just under 7 per cent. of the total daily sales of petrol were made between those hours. I mention that fact to indicate how little inconvenience the motoring public is likely to suffer from the proposed restriction of hours for the sale of petrol.

Hon. A. Thomson: The position might be different during week-ends.

Hon. J. A. DIMMITT: Quite so. I omitted to mention that sales between 1 p.m. and 9 p.m. on Sundays were also included in the calculation of 7 per cent. I ask members to realise that in agreeing to the Bill they will confer benefits upon garage employees and proprietors, while not inconveniencing the motoring public. I move—

That the Bill be now read a second time.

On motion by the Chief Secretary, debate adjourned.

*House adjourned at 5.55 p.m.*

## Legislative Assembly,

*Thursday, 21st September, 1939.*

	PAGE
Question: Agriculture, rural relief, flour tax payments	746
Motion: Standing Orders suspension	747
Bills: Increase of Rent (War Restrictions), 1R.	746
Metropolitan Milk Act Amendment, 3R.	747
Industries Assistance Act Continuance, 2R.	747
Traffic Act Amendment, 2R.	748
Swan River Improvement, Act Amendment, returned	753
Reserves (No. 1), returned	753
Plant Diseases Act Amendment, returned	753
Profit-sharing Prevention, 2R., message, Com. report	753, 700
Mortgages' Rights Restriction Act Continuance, 2R.	758
Financial Emergency Act Amendment, 2R.	759
Increase of Rent (War Restrictions) 2R.	759
Toodyay Cemeteries, 2R.	773

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

### QUESTION—AGRICULTURE.

#### *Rural Relief, Flour Tax Payments.*

Mr. SEWARD (without notice) asked the Premier: As wheatgrowers are in urgent need of finance to carry on their operations, 1, Will he reconsider the decision not to pay the flour excise collections until the payment equals 1d. a bushel? 2, Failing that, will he take steps to obtain the balance of the money required to complete the 1d. a bushel payment as soon as the money has been collected by the Commonwealth Government, and immediately pay it to the wheatgrowers? 3, If the latter, when does he estimate the payment can be made?

The PREMIER replied: 1, No. 2, The Commonwealth Treasury has been asked whether our share of the September receipts from the flour tax is sufficient to make up the amount required to pay 1d. per bushel, and if not whether the Commonwealth will advance the balance so that an immediate payment may be made. I had hoped that a reply would be received this afternoon in time to enable me to give the information, but it has not yet come. 3, As soon as the necessary money is received, a distribution will be made.

### BILL—INCREASE OF RENT (WAR RESTRICTIONS).

Introduced by the Minister for Labour and read a first time.

## MOTION—STANDING ORDERS SUSPENSION.

**THE MINISTER FOR LABOUR** (Hon. A. R. G. Hawke—Northam) [4.34]: I move—

That so much of the Standing Orders be suspended as is necessary to enable the Increase of Rent (War Restrictions) Bill, and the Profiteering Prevention Bill to be passed through all their remaining stages at the one sitting.

I may explain that our desire is to have the Profiteering Prevention Bill passed through all stages to-day, if possible. With regard to the Increase of Rent (War Restrictions) Bill, I desire a suspension of the Standing Orders so that I may deliver the second reading speech. There will then be no objection to the Leader of the Opposition's obtaining an adjournment of the debate on that measure.

**HON. C. G. LATHAM** (York) [4.35]: I have had an opportunity of perusing a copy of the Profiteering Prevention Bill, though some hon. members may not have seen it. As long as members are afforded sufficient time to enable them to obtain a thorough knowledge of the contents of the Bill, we on this side of the House are prepared to facilitate its passage to-day. I am pleased to know that the Minister does not propose to proceed with the Increase of Rent Bill, because we have not had an opportunity of studying its provisions at all. If we are given a chance to peruse it over the week-end, we should be able to conclude the debate on Tuesday.

**HON. N. KEENAN** (Nedlands) [4.37]: What is known as the Profiteering Prevention Bill is an urgent measure and every member in this House would like to see it placed on the statute-book at the earliest possible opportunity in order to prevent the exploitation of the people of this State by those who would take advantage of the exceptional times through which we are passing. By the courtesy of the Leader of the Opposition, I have had an opportunity of looking at the Bill, and I find that it contains provisions that are not warranted by the present crisis. The provisions of what I would regard as a Bill of an appropriate character have been exceeded in the proposed measure. It is not desirable that

I should comment on the excess at the present time. Subject to remarks I may make on the second reading, I have no objection at all to provisions fixing prices as at the 31st August subject, of course, to a commissioner having power to vary those prices up or down as occasion may require. There are, however, other clauses in the proposed Bill that go entirely beyond that, and when the second reading stage of the measure is reached I shall ask the Minister not to take advantage of our assent to the suspension of the Standing Orders to prevent the proper consideration of those provisions that I contend do not come within the province of the Bill.

Question put.

**MR. SPEAKER:** I have counted the House and assured myself that there is an absolute majority of members present. I declare the question duly passed.

Question thus passed.

## BILL—METROPOLITAN MILK ACT AMENDMENT.

Read a third time and transmitted to the Council.

## BILL—INDUSTRIES ASSISTANCE ACT CONTINUANCE.

*Second Reading.*

**THE MINISTER FOR LANDS** (Hon. F. J. S. Wise—Gascoyne) [4.39] in moving the second reading said: This is the usual Bill for the continuance of the Industries Assistance Act which is designed to permit of the granting of assistance to settlers who have not been successful in their farming operations and who have no security to offer for further advances other than the security of a crop. The continuance of the present Act is obviously necessary for many reasons. The proceeds of the growing crop will automatically be paid under the Industries Assistance Act to settlers' accounts with the Bank, and the Commissioners require authority so that they may, when requisite, re-advance such moneys to enable settlers to carry on for the ensuing year. This is particularly necessary as it is expected this year's return will not be sufficient to meet the Industries Assistance Board accounts, and leave a margin on which settlers can

continue operations. An amount of £276,354 2s. 3d. is outstanding by borrowers on account of drought relief advances. All these advances were made under the provisions of the Industries Assistance Act, and it is necessary to maintain the security under the Act. Distinct from drought relief, there are 51 settlers' accounts involving £36,109 5s. 2d. These debts remain unpaid. Following upon debt adjustment, several Industries Assistance Board accounts have been incorporated in the Agricultural Bank ledgers, and the capital accounts both of the Bank and the Industries Assistance Board have been adjusted accordingly. It is unnecessary for me to dilate upon this very short measure. The reasons for its introduction are obvious. Since the Act has proved of material assistance in keeping people on the land, there is no doubt of the necessity for its continuance. I move—

That the Bill be now read a second time.

On motion by Mr. Mann, debate adjourned.

## **BILL—TRAFFIC ACT AMENDMENT.**

### *Second Reading.*

**THE MINISTER FOR WORKS** (Hon. H. Millington—Mt. Hawthorn) [4.44] in moving the second reading said: The measure before the House is to a great extent similar to that brought forward last session, but contains some important additions to which I will refer later. Members are aware that requests extending over several years have been received from numerous organisations, including the Royal Automobile Club—representing the motorists who will have to foot the Bill—various hospital authorities, the Commissioner of Police and local government associations, for the introduction of legislation dealing with the subject matter of the Bill. No one can say, therefore, there has been no demand for the measure.

The general principle embodied in the Bill is that before a license can be issued for a motor vehicle, a policy of insurance must be taken out by the owner of such vehicle, covering the legal liability of any person driving it,—whether lawfully or unlawfully—in the event of death or bodily injury occurring to any third person. The Bill does not cover damage to property.

Policies taken out in pursuance of this legislation may also exclude the spouse of the owner of the vehicle, or his relations to the fourth degree—the fourth degree has been defined in the Bill—and his servants. Special provision is made with regard to vehicles carrying passengers for hire. Apart from a few provisions that will be referred to later, the Bill is based on the South Australian Act of 1936, as amended in 1938. Members will agree that whilst the effective control of traffic for the purpose of preventing injury to persons by motor traffic is of paramount importance, it is impossible entirely to eliminate such unfortunate occurrences. It is, therefore, only reasonable and proper that the owner of the vehicle should be required, in the public interests, to place himself in a position adequately to compensate injured persons.

**Hon. C. G. Latham:** It is the vehicle that is carrying the insurance?

**The MINISTER FOR WORKS:** Yes. It is a recognised natural law that progress invests itself with unavoidable conditions and liabilities, and, in the opinion of all authorities, the liability now sought to be covered is a social responsibility rightly devolving upon the owner of a motor vehicle. Members will know that in many instances of injury to third persons, caused purely by the negligence of the drivers of vehicles, the injured people have been unable to recover any hospital or medical expenses, or compensation for permanent injury, because the owner of the vehicle was financially unable to pay and was not insured.

In presenting a similar Bill to the South Australian Parliament in 1936, the Minister in charge stated that a special committee appointed to investigate road traffic problems in that State had reported that £29,000 worth of verdicts had been awarded by the court to injured persons, and had never been met because defendants had no money and were not insured. This information was obtained in reply to a questionnaire sent to solicitors practising in South Australia. Those gentlemen stated that in recent years judgment had been obtained in 163 cases, in which there were no assets to meet the judgments. When the need is so widely recognised, we might ask why action has not previously been taken. The matter is rather complicated, and Ministers of vari-

ous Governments, in this and other States, decided to hasten slowly and wait until the more populous States in Australia had given the principle a fair trial. It was realised that any scheme adopted must be fair both to the public and the motorist, and be open as little as possible to abuse by any section of the community. Somewhat similar laws have been in operation in England, New Zealand, Queensland and Tasmania for some years. In 1936 the South Australian Parliament enacted a compulsory third-party insurance Act to operate from the 1st April, 1937, following an exhaustive investigation by a sub-committee on road transport. Whilst in New South Wales recently I was informed by the Transport Department that a Bill was being drafted in that State. The Victorian Government has also considered the subject and a Bill is now before Parliament. I understand it has been passed by the Legislative Assembly. It can reasonably be urged that the various Parliaments of the Australian States should aim at uniformity. The Bill I am presenting to members is based on the provisions of the South Australian Act, which is somewhat similar to those operating in Queensland and Tasmania.

Mr. Thorn: Have you read the Queensland Act?

The MINISTER FOR WORKS: Yes.

Mr. Thorn: I was there when it was introduced.

The MINISTER FOR WORKS: We have accepted some of the important principles embodied in the Victorian Act. During recent years, hospital authorities have often directed attention to the losses incurred by them in treating motor injury cases owing to neither the injured persons nor the motor vehicle owners being in a position to pay the hospital expenses. Provision is made in the Bill to meet this unsatisfactory position, at least to some extent. For the year ended the 30th June, 1938, 251 motor accident in-patient cases were treated at the Perth Hospital. The fees charged amounted to £4,471 and the payments made totalled £797, while a further sum of £792 is estimated as collectable, leaving an uncollectable balance of £2,881. During the previous year, 218 in-patient cases were treated at a cost of

£3,550 and the cash received in return totalled £1,350.

Mr. Thorn: Do you intend to provide a pool under the Bill?

The MINISTER FOR WORKS: If the hon. member will contain himself, I am sure I shall be able to explain what the measure embodies. The position of hospitals should be materially improved if the Bill be passed. The Adelaide Hospital Board states that in South Australia such legislation has proved beneficial. As at the 30th June, 1939, the number of motor vehicles licensed in Western Australia totalled 69,679, equivalent to 149 for each 1,000 of the population. Information as to the number of vehicles actually covered in this State at present for third party risk is not available, but a leading insurance authority has said that probably only 50 per cent. of the motor vehicles on the roads are so covered. Last session I quoted statistics relating to the number and incidence of motor accidents, but I do not think it necessary to repeat those alarming details.

With regard to the important matter of premiums to be charged to motor owners, provision is made in the Bill for the appointment of a premiums committee comprising the Auditor-General, who will be the chairman, the Government Actuary, two persons representing owners of motor vehicles and two others representing approved insurers. My intention, if the Bill becomes law, is to call upon this committee to investigate and report as to what premiums are considered reasonable and fair for the various classes of vehicles and, provided a satisfactory schedule is agreed to, the Bill will then be proclaimed, but not otherwise. With regard to private cars, the premiums charged in South Australia are 27s. 6d. if the vehicle is registered within 20 miles of the G.P.O., Adelaide, and 17s. 6d. if registered elsewhere within the State. The Queensland premium is 30s. and the Tasmanian premium 25s., whereas in New Zealand the charge was recently increased from 20s. to 26s. I have been advised that at least some of the variations in premiums are caused by the differences in the extent of cover required under the different Acts. For the information of members, I shall quote some further particulars of premiums

charged in South Australia. They are as follows:—

Class of Vehicle.	District A (within 20 miles of G.P.O., Adelaide).			District B (elsewhere).		
	£	s.	d.	£	s.	d.
Private car .....	1	7	6	0	17	6
Class "A"—Business car (private type vehicle) .....	3	10	0	1	0	0
Class "B"—Goods-carrying vehi- cles (trucks, vans, etc.) .....	2	5	0	2	0	0
Primary producers farmers' vehicles Class "C"—Hire vehicles—private hire cars and other hire vehicles (including undertakers' vehicles) carrying passengers—up to 7 passengers .....	2	5	0	1	0	0
Service cars and Buses— Up to 7 passengers .....	5	0	0	5	0	0
Plus per seat in excess of 7 .....	6	0	0	6	0	0
Note.—Cars carrying mail and passengers to be classified as service cars.	0	10	0	0	10	0
Taxi meter cars .....	10	0	0	10	0	0
Private motor cycles .....	1	5	0	1	0	0
Business motor cycles .....	2	5	0	1	5	0
<b>VISITING VEHICLES.</b>						
Private motor cars and cycles .....	2/6 plus 1/- per week after first week.					
Business motor cars and cycles .....	5/- plus 2/6 per week after first week.					
Trucks .....	5/- plus 2/6 per week after first week.					
All other vehicles (except hire vehicles) .....	2/6 plus 1/- per week after first week (with a maximum premium as per class).					

The table affords members an idea of the charges in South Australia where an Act is actually in force and a premiums committee has had an opportunity to review the rates. The South Australian Act provides for the appointment of a premiums committee along lines similar to that proposed in the Bill, and it was on the recommendation of that committee that the existing premiums were approved. Recent advice from the South Australian Government is to the effect that returns from the insurers as to the position at the 30th June last are now being obtained by the committee for the purpose of a full review of premium rates. Preliminary inquiries made last year on my instructions by the Government Actuary and the Under Secretary for Works indicated that premium rates somewhat in excess of those now operating in South Australia might be justified so far as Western Australia is concerned, having regard to the rather striking increases in the average amount per claim settled under comprehensive policies in this State compared with South Australia. I gave that information to the House last year; but since then I am informed by those who made the inquiry that they are not

satisfied with the data available, which was incomplete. Last year, in response to my request for a definite premium rate for Western Australia, the Underwriters' Association offered to accept the risk under an Act similar to that in force in South Australia, with a 20 per cent. increase on the South Australian premiums, subject to the schedule being reviewed by the premiums committee at the end of the first year's operations, when it might be possible to reduce the premiums or necessary to increase them. A 20 per cent. increase in the South Australian rate of 27s. 6d. for the metropolitan area would result in an annual premium for our metropolitan area of 33s. The Underwriters' Association, however, preferred an investigation by the suggested statutory committee before the proclamation of the Act. As I have said, unless the rate is satisfactory, the Act will not be proclaimed.

Apart from private cars, there are other classes of vehicles—passenger and goods carrying—and, having respect to all the circumstances, I am still of opinion that it would be preferable to allow the matter of premiums to be investigated and determined after a full inquiry by the premiums revision committee to be appointed under the Act; and that the proclamation of the Act should be deferred until a satisfactory schedule has been approved. To this extent I am again asking the House to repose confidence in the Minister. The Premier of South Australia was in a similar position when introducing the Bill in the South Australian Parliament, as he had no definite figure to give the House. He stated that "the premium might be £1 or £1 5s." Actually, after inquiry by the committee constituted under the South Australian Act, a metropolitan rate of 27s. 6d. was charged on private cars. The same position applies to the Bill now before the Victorian Parliament.

The standard third-party policy operating in this State covers a much wider scope than that prescribed in the Bill, as it covers damage to property as well as injury to persons. Premiums charged by the tariff companies for the standard cover are—

Metropolitan area—£3 10s.

Goldfields areas—£3 15s.

Elsewhere—£3.

Members will recall that when the Bill of last session was introduced, a statement was made that persons injured whilst travelling in private cars would not be entitled to any

benefit under policies that might be issued pursuant to the Bill, but that cover was restricted to pedestrians and push cyclists, it being understood that similar restrictions applied under the South Australian Act. This statement relating to South Australia was made on a legal interpretation of the Act in force in that State, and on information supplied by usually well-informed organisations. During the recess, inquiries were made as to the actual position in South Australia. I am now advised by the Premier of that State that while certain provisions of the South Australian Act are certainly capable of the interpretation mentioned, in actual practice the cover also extends—in the case of a collision between two “non-fare paying” vehicles—to the passengers in the car not at fault. This point caused some discussion last session.

Hon. N. Keenan: To which clause are you referring?

The MINISTER FOR WORKS: Clause 2 (a). We are therefore a little further ahead in this respect than we were last year. The Bill provides that the insurance will “follow the car,” whether or not it is driven by the owner or an authorised person. This is an important addition. Another important new provision is the proposal to allow the State Insurance Office to compete with insurance companies for this class of motor vehicle insurance. The only reference in the Bill to this proposal is in the definition of “Approved Insurer” in Clause 9. If the principle is approved, a Bill to amend the State Government Insurance Act, 1938, will be introduced to give the State Insurance Office power to undertake all classes of motor vehicle insurance. A similar provision is included in the Bill now before the Victorian Parliament; it was passed by a large majority in the Assembly after a lengthy discussion. In considering this phase, it should be remembered that a substantial advantage is being extended to insurance companies by the introduction of compulsory insurance; and also that in all forms of compulsory social service it is essential that such service be rendered to the community as economically and as efficiently as possible, and with the provision of all practicable safeguards.

The question may be asked why the extension of the activities of the State Insurance Office should not be limited to insurance under this proposed legislation, but to

do so would destroy the usefulness of the State Insurance Office as an active competitor with private companies. If the State office were debarred from issuing comprehensive policies, many people would not go to that office to effect third-party insurance if it were necessary for them to go to a private office to effect insurance against theft, damage, fire and so on. It is contended that where compulsion is exercised by the State, adequate protection should be provided to ensure that no undue profits are made. That is the point. People are not being compelled to take out a comprehensive policy; they are being compelled to insure against third-party risks, and therefore this additional safeguard is provided to ensure that they are not exploited. While the Bill provides for compulsory insurance by owners, it does not compel insurers to undertake the business; it is therefore deemed advisable to allow the State office to compete, in addition to making provision for a premiums committee. If the State Insurance Office were not operating, the premiums revision committee would be restricted in its investigations to the statements of cost submitted by private companies.

Hon. C. G. Latham: Does the Bill limit the premiums?

The MINISTER FOR WORKS: I have explained that the fixation of premiums will be carried out by a premiums committee; and that unless we are satisfied with the fairness of the rates the Act will not be proclaimed. We are not handing over the owners of motor vehicles to the mercy of the insurance companies, as there is this additional safeguard. A similar provision is included in the Victorian Bill.

Mr. Doney: Has Victoria a State insurance office?

The MINISTER FOR WORKS: I do not know. There is an office dealing with workers' compensation insurance, and it will be authorised to accept this business. With no State office operating, the premiums revision committee would be restricted in its investigations to the statements of cost submitted by the private companies, and this would leave the way open to some extent for the companies to conduct the business on an extravagant basis if they so desired. The Victorian Bill contains provisions for the appointment of a premiums committee.

Representations have been made in Parliament and elsewhere to the effect that premiums for this compulsory insurance should be kept down to a minimum, and the Bill seeks to achieve that object. The limit of compulsory cover for fare-paying passenger risk only is £2,000 for any person and £20,000 for any one accident. For other vehicles the required cover is unlimited in regard to personal injury or death. As to accidents where the car involved cannot be identified—hit-and-run motorists—the injured person may sue a nominal defendant to be named by the Minister on the advice of the premiums committee, and any damages awarded will be borne by all approved insurers. A somewhat similar provision is made for personal injuries caused by any uninsured vehicle. The proposals in this regard have been based on the provisions of the Bill now before the Victorian Parliament. Members will understand that where a person is injured by a hit-and-run motorist, the compensation will have to be borne by a pool of the insurers.

Hon. C. G. Latham: How would you arrange that? What company would meet it?

The MINISTER FOR WORKS: A pool for that purpose would have to be established by the companies accepting liability, and this, of course, will affect the premium rates.

Hon. C. G. Latham: How would you distribute the premiums?

The MINISTER FOR WORKS: That will be easily arranged by the insurance companies. The point is that the damages awarded will be borne by all approved insurers. A somewhat similar provision is included to provide damages for personal injuries caused by any uninsured vehicle. Thus the third party will be provided for whether a car is insured or not. Every motor vehicle on the road will be covered, and the insurers will bear the risk.

Another provision new to this State proposes the discontinuance of the existing standard licensing period from the 1st July to the 30th June, with a right to license for one half of that period. Owners of vehicles will be enabled to license for six months or 12 months, the licensing period running from the date when the license is issued. I have discussed this point with the Commissioner of Police, though I am not losing sight of the fact that some of the local bodies are licensing authorities. If the Bill

becomes law, a vehicle will be licensed for a full calendar year from any given date instead of from the definite half-yearly or yearly period as at present. This change is necessary to permit of the compulsory insurance required being co-ordinated with the period for which the vehicle is licensed. In other words, the licensing period and the insurance period must coincide. A special provision has been included dealing with vehicles held for sale by dealers and manufacturers, vehicles for which licenses are not required. A policy will be required for each set of identification tablets or discs issued to any dealer or manufacturer. If the Bill becomes law, members may rest assured that, in the event of a motor accident to a third party, compensation can be claimed.

Mr. Doney: Do you include dealers' cars?

The MINISTER FOR WORKS: I have just explained that a special provision is included to cover the cars of dealers and manufacturers. This Bill will give insurance cover for all cars on the road. We have made some headway since last year by providing for third-party insurance. Of course, we cannot insure property under this measure. There is nothing to compel people to insure against damage to property, but there is need to compel motorists to insure against the risk of injury to a third party. As far as is possible to make such provision, that has been done. We have made a step forward as a result of experience gained in other States, from which we have been able to estimate how the legislation will operate in Western Australia. We sent an elaborate questionnaire to the Premier of South Australia because that State had had 12 months' experience, and he was able to give us useful information. The only point about which there is any doubt is the premium rate for this State. The insurance companies state that for comprehensive policies in Western Australia the premium rates will have to be 20 per cent. higher than those operating in South Australia, because of the additional amounts claimed under comprehensive policies in this State. That matter will have to be investigated. It is difficult to understand why the rate should be 20 per cent. higher here.

Mr. Thorn: The companies seem to be getting in early.

**THE MINISTER FOR WORKS:** Yes, but we shall have such safeguards as can be devised by the premiums committee, as well as the safeguard contained in the Bill that the State Insurance Office will have the right to take the business. In arriving at a rate that companies will be justly entitled to charge, we shall have the benefit of the information provided by the State Insurance Office. That being so, if another place does not see fit to agree to the principle, I do not propose to argue it seriously. The safeguard has been provided, and if it is deleted, those who delete it will have to accept the responsibility for depriving motorists of this additional safeguard. I do not believe for a moment that the State Insurance Office is anxious to have this business. None of the companies seems anxious to take it. The fact remains that if the Bill becomes law, an obligation will be imposed upon all motorists to insure, and when we impose that obligation we should also provide facilities to enable people to insure, because there will be no power to compel private companies to accept the risk. Therefore there is much to be said in favour of including the State Insurance Office amongst the concerns that may undertake the business.

I ask members to rid their minds of any prejudice they might entertain against the State Insurance Office or State trading concerns. The State office is not angling for this business, but I am confident that we are providing protection for motorists. The insurance companies are not meeting us too well, as the best offer so far is an increase of 20 per cent on the premium rate in South Australia. When we compel people to insure, we must provide all possible safeguards. This proposal has been the subject of much consideration and of many inquiries in the other States. We have information about the actual working of similar measures there, and this is the best we are able to offer. To those who would say that it does not provide any great measure of insurance, I reply that it does in respect to persons though not to property. Regarding property, all the insurance required is obtainable. The cover proposed will be unlimited in respect to private cars, and, as I have explained, will be £2,000 for fare-pay-

ing passenger risks for any one person and £20,000 for any one accident. I move—

That the Bill be now read a second time.

On motion by Mr. Doney, debate adjourned.

### **BILLS (3)—RETURNED.**

- 1, Swan River Improvement Act Amendment.
  - 2, Reserves (No. 1).
  - 3, Plant Diseases Act Amendment.
- Without amendment.

### **BILL—PROFITEERING PREVENTION.**

#### *Message.*

Message from the Lieut.-Governor received and read recommending appropriation for the purposes of the Bill.

#### *Second Reading.*

**THE MINISTER FOR LABOUR** (Hon. A. R. G. Hawke—Northam) [5.29] in moving the second reading said: This Bill is introduced to prevent profiteering in this State during the period of the present war and for a period of six months thereafter. It is unfortunate that no general anti-profiteering legislation exists in Western Australia at the present time. Members will recall that the Government brought forward a comprehensive Prevention of Profiteering Bill last year. That measure proposed to appoint a commissioner to investigate prices and to make recommendations for the fixation of a fair maximum price whenever he considered such action to be just and necessary. The Bill was well received in this Chamber, and passed its second reading without a division. During the Committee stage some amendments were made, and the measure was passed without challenge at the third reading. However, it was heavily defeated at the second-reading stage in another place. The passing of time, and events which have occurred since then, have proved just how unfortunate the defeat of the Bill in another place really was. Had the measure been passed by Parliament last year, as it should have been, the proposed commissioner would have been appointed early this year, and the whole of the machinery necessary for prevention of



profiteering would have been operating effectively in this State long before now. Under those conditions, if the measure had been operating, no person would have been legally entitled to take advantage of existing war conditions, or of any other conditions, for the purpose of exploiting the community or any section of it.

The State of Queensland has enjoyed the benefit of profiteering prevention legislation for many years. The effectiveness and the value of that legislation were demonstrated lately, when wartime profiteering activities were promptly wiped out by the Commissioner in control of prices in Queensland. Members may have read in the "West Australian" recently that various Queensland traders increased the prices of certain commodities. As soon as information of the price increases in question came to the notice of the Commissioner, he issued instructions that the increases were to be wiped out and that the articles in question were to be sold to the public at the old prices. As things are in Western Australia, we have not at present the law and the machinery necessary to protect our people against attempted or actual profiteering. Profiteering has already taken place here, war conditions being put forward as an excuse for such unconscionable conduct on the part of those responsible. I am not suggesting that every increase which has taken place has no justification at all. Since the commencement of the war there may have been price increases made which have complete justification. In the majority of instances, however, I am sure there has been either no justification whatever, or very little justification indeed, for the increased prices imposed upon the Western Australian public. I was talking with a manufacturer this afternoon, and he told me that during the day he had been in telephone communication with a large and respectable retail firm in Perth, and that one of the head men in that firm had suggested that the manufacturer concerned ought to increase the price of a particular commodity by 1s. per article. The manufacturer replied that he had incurred no increased costs in connection with production, and he told the manager of the firm that he felt he would be utterly unjustified in increasing the price of the article, and in doing so would be doing something altogether wrong. The fact that a respectable retail firm would encourage

manufacturers to increase prices in that regard demonstrates the urgent need for protective legislation if the best interests of the purchasing public are to be conserved. I suppose that if the retail firm had purchased the articles at a price increased by 1s., it would have added 2s., or 3s., or perhaps even more, in selling the article to the public.

Profiteering is still taking place in Western Australia. It is likely to go on until legislation of the strictest possible type for the prevention of profiteering is approved by Parliament. There should, therefore, be no delay in the passing of this Bill. Even if it be passed quickly, valuable time will be taken up in establishing the necessary machinery of control as provided in the measure.

Hon. C. G. Latham: That machinery is under way, I presume.

The MINISTER FOR LABOUR: Yes. It is advanced to quite a reasonable stage. Nevertheless, it is impossible to complete the machinery until such time as Parliament has passed the necessary legislation and given the Government legal authority to set the machinery in motion. It is a somewhat sad reflection that legislation of this nature becomes desperately necessary during a period of emergency such as is created by war. I am convinced that if protective legislation is not passed, profiteering will become general and the public will be plundered in every direction by individuals and firms who have it within their power to distribute goods to the public. The fact that legislation of this kind is essential to protect the public from exploitation during wartime is a fact that should give cause for the most serious consideration of the commercial system which we have operating here and which operates in other Australian States. It is a text upon which a most powerful economic sermon could be preached. Experience of the past has proved that there is always a number of unprincipled individuals and firms who use a period of emergency for the purpose of exploiting the people. The public should and must be protected against such activities, and it is the bounden duty of Parliament to provide the necessary legislation. Any act of profiteering, apart from being commercially immoral, is also an act of national disloyalty in time of war. Profiteering takes from the public more than a fair

price for the article sold. It concentrates dishonestly-obtained money in the hands of those doing such business.

Mr. Doney: The money is not obtained dishonestly, but in the circumstances illegally.

The MINISTER FOR LABOUR: It concentrates dishonestly-obtained money in the hands of those who profiteer against the people, and gives them a greater influence, standing and power in the community than they are entitled to possess. The member for Williams-Narrogin (Mr. Doney) has suggested that if individuals or firms profiteer against the people in wartime, the additional money they gather by profiteering would not be dishonestly obtained.

Mr. Doney: I did not say quite that. Technically illegally, but not dishonestly.

The MINISTER FOR LABOUR: I am afraid if we accept that view as a standard for our commercial system, the system will become much worse than it is at present.

Mr. Doney: I am afraid you have not grasped my meaning.

The MINISTER FOR LABOUR: No; and I do not think the hon. member is clear as to his meaning. Control of prices and prevention of profiteering are matters which merit approval at any time. They demand approval, and the most rigorous application possible in time of war or other emergency. Now I desire to draw the attention of the House to the decisions arrived at by the Prime Minister of Australia and the Premiers of the various States at a recently held conference, which was called mainly for the purpose of discussing the steps that should be taken by the Commonwealth and the States to prevent profiteering during the war. Ten resolutions in all were passed at that conference. I consider them of sufficient importance to be read by me to the House this afternoon, and I am sure they are worthy of study by every member of Parliament and by every member of the public as well. They read as follows—

1. That existing Commonwealth and State instrumentalities for fixing prices be as far as possible retained, subject to the determinations of the Commonwealth Price Controlling Authority.

2. That the Prices Commissioner in Queensland be appointed as agent for the Commonwealth in Queensland.

3. That in the five other States Prices Commissioners be nominated by the State Governments for appointment as agents for the Commonwealth.

4. That the agents of the Commonwealth in the States shall exercise such powers and functions as are conferred on them by the Commonwealth, and shall consult with State instrumentalities dealing with fixation of prices, and make recommendations to the Commonwealth Price Controlling Authority concerning the prices of commodities referred to the Prices Commissioner by the Commonwealth Government.

5. That State Price-Fixing Authorities be free to take such action as the State Governments think fit outside the price control scheme in operation by the Commonwealth.

6. That the co-operation of Trade Associations and of consumers in all States be sought in implementing the scheme of price control.

7. That the Commonwealth Government will consider requests by the States to refer to the Commonwealth Price Controlling Authority the question of fixing the price of any commodity specified by the State.

8. That the scope of price fixation include rationing of commodities where supplies are deficient.

9. That the scheme of price control include the consideration of quality in relation to the price charged and where the Prices Commissioner is satisfied that goods of inferior quality are being sold at excessive prices he may determine a lower price for such goods.

10. It is further suggested that States at present without authority to control prices or rentals should pass any legislation considered necessary.

Mr. Thorn: What do you intend to do regarding excess profits on gold?

The MINISTER FOR LABOUR: I do not know that gold is sold in a retail way to the public of Western Australia.

Mr. Thorn: But it is sold at a great profit.

The MINISTER FOR LABOUR: I suggest that the hon. member give us his views as to gold on the second reading of this measure. Some members may wonder why it should be necessary for the State to pass special legislation to prevent profiteering in view of the fact that the Commonwealth Government proposes to appoint a commissioner to operate in each State for the purpose of controlling prices. I wish to point out, however, that the control of prices by the Commonwealth will be restricted to a comparatively small number of articles. Federal control will cover mainly articles that are regarded as being essential in connection with the defence activities of Australia. The articles under the Commonwealth control at the present time are 18 in number. I propose to give members a list of the articles that have already been brought

under the Commonwealth Price Control Scheme—

1. Piece goods (cotton, silk, artificial silk, hessian and jute).
2. Bags and sacks, including wool packs.
3. Oils (petrol, kerosene, fuel oil, crude petroleum, mineral lubricating).
4. Plate and sheet metal (tin; aluminium).
5. Dyes and dry colours.
6. Tea, coffee and cocoa.
7. Asbestos (erude).
8. Cream separators.
9. Fertilisers.
10. Tractors.
11. Papers (various kinds).
12. Fish in tins.
13. Rubber, crude.
14. Rubber tyres and tubes.
15. Coal and coke.
16. Portland cement.
17. Knitting needles for hosiery manufacture.
18. Building materials.

Members will see that a great number of essential commodities are not as yet covered by the Commonwealth system of prices control. Therefore, it is urgently necessary that each of the States where legislation for the prevention of profiteering does not exist, should take adequate steps for the purpose of bringing the prices of all other essential commodities under control. In time of war essential requirements for civil purposes are not very much less in importance than are essential requirements for defence purposes. There may be some members in this House—there are sure to be some in the Legislative Council—who will suggest that some of the provisions of the Bill are drastic. They are drastic. It is necessary to have drastic provisions to prevent profiteering even in peace time, and much more necessary to have such provisions to prevent profiteering in time of war. I propose to quote a portion of Regulation 59 relating to national security, issued some little time ago by the Federal Government in pursuance of powers contained in the Defence Act of Australia. The regulation in question provides for the general control of industry by the Federal Government. Clause 1 of that regulation reads as follows:—

A Minister, so far as appears to him to be necessary in the interests of the defence of the Commonwealth or the efficient prosecution of the war, or for maintaining supplies and services essential to the life of the community, may by order provide—

- (a) for regulating the production, treatment, keeping, storage, movement, transport, distribution, sale, pur-

chase, use or consumption of essential articles, and, in particular, for controlling the prices at which the articles may be sold;

- (b) for regulating the carrying on of any undertaking engaged in essential work and, in particular, for controlling the charges which may be made by the undertakers in respect of the doing of any work by them;
- (c) for regulating, restricting or prohibiting the production, importation, treatment, keeping, storage, transport, distribution or sale of articles other than essential articles;
- (d) for requiring persons carrying on, or employed in connection with, any trade or business specified in the order to produce to the authority or person so specified any books, accounts or other documents relating to that trade or business, and for requiring any persons to furnish to the authority or person specified in the order such estimates or returns as that Minister considers it desirable to obtain for the effectual exercise of any of his powers under paragraphs (a), (b) and (c) of this sub-regulation; and
- (e) for any incidental and supplementary matters for which that Minister thinks it expedient for the purposes of the order to provide, including, in particular, the entering and inspection of premises to which the order relates by persons authorised in that behalf by a Minister, with a view to securing compliance with the order.

Members will see that the powers taken by the Commonwealth Government are far more drastic than any of the provisions contained in the Bill before the House. There are even more drastic powers than I have quoted given to the Commonwealth Government as a result of the regulations that were recently issued under the provisions of the Defence Act. Under the regulations I have been discussing, the Commonwealth Government has assumed complete power, if necessary, to take absolute control of any industry or any section of any industry in Australia during the period of the war. So it would appear that the policy of socialisation becomes a necessity when a war comes on the people.

I shall now proceed to explain briefly the main provisions of the Bill. The Bill proposes that the price of any commodity covered by its provisions shall be the price that operated on the 31st August, 1939. A Commissioner is to be appointed and he will be subject to the direction and control of

the Minister in the carrying out of the powers and duties placed upon him by the legislation. Wholesale and retail prices are to be controlled and it will not be legal to increase the price of any commodity above the price that was current on the 31st August last, until that price is varied by the Governor in Council after investigation and report to the Minister by the Commissioner. The Bill intends to give the Commissioner the following powers:—

- (a) to investigate the state and prices of any commodity in the State or any part of it;
- (b) to investigate the quantity, situation, demands, supply or possession of any commodity;
- (c) to investigate the means and cost of the supply or transport of any commodity;
- (d) to investigate the probable requirements of the people of the State in regard to any commodity;
- (e) to investigate any act or attempt by any person to raise or maintain the price of any commodity.

Hon. C. G. Latham: The measure will not apply to the Government.

The MINISTER FOR LABOUR: No. The Bill makes it an offence to sell any commodity at a price higher than the declared price. It will also be an offence against the law to refuse to sell a commodity at the declared price.

Mr. Styants interjected.

The MINISTER FOR LABOUR: Any person or firm will be entitled to sell at any price below the declared price, but no one will be legally entitled to sell above the declared price. If it had been possible to provide for a minimum price we might have given some consideration to that. If we could obtain power of that description it would give us the opportunity to deal effectively with the dumping activities engaged in by Eastern States manufacturers from time to time. However, it is impossible to declare a minimum price in a Bill of this description. Speaking for myself I can say that it would be a powerful weapon that we could use for the purpose of protecting secondary industries in the State against unfair competition which those industries have to suffer from time to time.

Hon. N. Keenan: We have to get rid of the Federal Government.

The MINISTER FOR LABOUR: I have stated that it is impossible to provide for a principle of that description in legislation of the type now before the House.

Hon. C. G. Latham: In any legislation The MINISTER FOR LABOUR: We have already established the principle in the legislation we have operating in connection with the fixing of prices of bread flour and other wheat products. We were able to do that because that legislation has an Australia-wide application. The Commonwealth also passed an Act of Parliament to deal with the matter.

Mr. Hughes: Suppose the price of money goes up, and that will happen!

The MINISTER FOR LABOUR: The Bill will have the effect of preventing an increase in the price of commodities and the Commissioner will allow increases only where it can be shown that persons dealing in particular commodities have incurred some higher charge in respect of their production or in their handling of those goods.

Mr. Hughes: The trouble is that we have no control over people who lend money.

The MINISTER FOR LABOUR: The Commissioner may not have control over the rate of interest to be charged on money lent by financial institutions, nor can we give him that control.

Mr. Hughes: Do not give him any power unless we have that control.

Mr. SPEAKER: Order!

The MINISTER FOR LABOUR: We were in a position to give him the power suggested by the member for East Perth (Mr. Hughes), we would have no hesitation in doing so.

Mr. Hughes: Let us go on strike until they agree to it.

The MINISTER FOR LABOUR: That is not a helpful suggestion. If we were to do that, wholesale profiteering could be indulged in until such time as the Commonwealth authority saw its way to give the power suggested. I am rather inclined to believe that the Commonwealth authority is not likely to exercise effective control over interest rates during the war period, but there is some chance of its doing so.

Mr. Marshall: We did it in 1931 and 1932. We reduced the rate of interest then.

The MINISTER FOR LABOUR: There is some hope that something may be done in that respect. Interest rates were reduced in 1931-32 by the States in co-operation with

the Commonwealth. I think it not unlikely that before long the Commonwealth Government will take steps to control interest rates, at least during the war period. Power is being sought in the Bill to prevent combines and agreements between traders under which they will deal only with some persons or class of persons, or with a commercial trust or the members of such a trust. The commissioner is to have the powers, rights and privileges of a Royal Commission. He may call people before him to give evidence, and may act in conjunction with any person or body appointed by the State or any Commonwealth authority. He will have power to cause inspections to be made of places and commodities, and may order the seizure of commodities in certain circumstances.

The Bill is not new in its incidence. Similar Acts are in force in Queensland and New South Wales and have operated there successfully for several years. The general purposes of the Bill are similar to those of the Control of Trade in Wartime Act, which was passed in this State soon after the outbreak of war in 1914. The Bill does not conflict with Federal legislation or with the Federal price-fixing authority, although it may in its operation conflict with such legislation in detail. Where it does conflict, the Federal law will be paramount. We propose to obtain the greatest measure of co-operation between the State price-fixing authority and the Commonwealth price-fixing authority, so that there may be no overlapping. Our desire is that both authorities shall work in the most effective way possible. The Bill is a natural development, in view of the fact that Federal legislation is likely to be applied to a few special classes of goods only. The Bill will establish an effective method of preventing profiteering in the State for the period of the war and for six months thereafter. When the war ends, and the further period of six months has elapsed, the public and Parliament might desire this legislation to be continued indefinitely. In that event, the necessary legislative action can be taken to make the Act permanent. The measure is essential from every point of view, and it is desired that Parliament should pass it into law at the earliest possible moment. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned till a later stage of the sitting.

## **BILL—MORTGAGEES' RIGHTS RESTRICTION ACT CONTINUANCE.**

*Second Reading.*

**THE MINISTER FOR LANDS** (Hon. F. J.S. Wise—Gascoyne) [6.6] in moving the second reading said: This is a Bill to continue the Mortgagees' Rights Restrictions Act to the 31st December, 1940. The Act was passed in 1931 and has been continued since from year to year. Having reviewed the conditions obtaining in the State to-day and the outlook for the future, the Government considers this legislation should be re-enacted in order to afford protection to certain persons. Although it can be claimed that a certain measure of prosperity has returned to some industries of the State, the position of mortgagors and purchasers, particularly in country districts, is now not much better than it was in 1931, and if the Act were discontinued, they would be under serious disabilities. It has also been said that that would have some relationship to the effect upon the metropolitan area. In many instances serious disabilities would ensue. Property valuations, it is considered have not been restored in any marked degree since the introduction of this legislation. Certainly mortgages could not be secured now for the same amounts as in the boom years. The calling up of old mortgages would impose great hardship on a large number of people. The legislation is limited to mortgages and agreements for sale entered into previous to the passing of the original Act, which came into operation on the 19th August, 1931. Provision is made that a mortgagee shall not enforce his remedy under a mortgage without first obtaining leave of a judge of the Supreme Court. Unless the mortgagee obtains such an order, he is precluded from suing for his principal or interest and cannot enter into possession or exercise his right of foreclosure. In the case of an agreement for sale, the onus is placed on the purchaser to make application to the court, and he has to show cause why he should be given protection. Section 8 of the Act sets out the principles the court is required to consider in dealing with any applications under the Act. So far as the mortgagee is concerned, the facts to be taken into consideration are whether he is suffering hardship or being seriously prejudiced

by the refusal of leave to take action, and whether the mortgagor is able to redeem the mortgage from his own money or by borrowing at a reasonable rate of interest. With regard to the mortgagor, the court would consider whether the granting of leave would inflict great hardship on him, whether his default has been caused by general economic or financial conditions, and whether refusal of leave to the mortgagee to take action under his security would enable the mortgagor to meet his liabilities within a reasonable time. The Bill is a short one. Its principles are well known to members. Representatives of country constituencies, particularly, have, because of the circumstances, made a study of this class of legislation and its effects. In view of all the circumstances, and after giving the matter the fullest consideration, the Government has deemed necessary the continuance of this legislation for a further term. I move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

*Sitting suspended from 6.13 to 7.30 p.m.*

## **BILL—FINANCIAL EMERGENCY ACT AMENDMENT.**

*Second Reading.*

**THE MINISTER FOR LANDS** (Hon. F. J. S. Wise—Gaseoyne) [7.30] in moving the second reading said: This is a simple Bill—a continuance measure. The object is to continue the operation of the remaining portion of the Financial Emergency Act, which was originally passed in 1931 and was re-enacted in 1934. The parent Act provided that a general reduction of 22½ per cent. should apply to salaries, retiring allowances, pensions and interest. The only remaining operative portion of the principal Act is that dealing with mortgagors' interest. These provisions have been continued from year to year, and although some of the former principles have been removed, the Government considers that circumstances warrant the continuation for a further term of the provisions relating to the reduction of mortgagors' interest.

The portion of the principal Act dealing with this matter is Part V. which, shortly stated, provides that in regard to every

mortgage executed prior to the 31st December, 1931, there shall be a reduction of interest payable under every such mortgage by 22½ per cent. of the rate provided in the mortgage or to five per cent. per annum, whichever is the greater. Every mortgagee has the right to go before a commissioner appointed under the Act and make application that the mortgagor shall pay the rate provided in the mortgage in lieu of the reduced rate under the Act. That is the principle embodied in this continuance measure, and in view of the conditions existing to-day and applying to the mortgagors involved, the Government deems necessary the continuance of the Act for a further term. I move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

## **BILL—INCREASE OF RENT (WAR RESTRICTIONS).**

*Second Reading.*

**THE MINISTER FOR LABOUR** (Hon. A. R. G. Hawke—Northam) [7.34] in moving the second reading said: This Bill provides for rents of all descriptions to be controlled during the period of the present war. The term "land" is defined in the Bill as including any land, messuages and premises of any description, or any part thereof. Dwelling houses, shops, offices and buildings and land of all descriptions for which rent is paid are covered by the definition, and will therefore be controlled as regards rents to be paid during the war. The Bill provides that the rents prevailing on the 31st August last shall be made the standard rents, and it will be an offence for any person or firm to charge a higher rent than that which was being charged on the 31st August last. To seek to contract outside the measure will be illegal.

The Bill proposes to allow rent to be increased only under certain restricted conditions. A rent may be increased when expenditure has been incurred since the 31st August last on the carrying out of improvements or structural alterations to any land leased or to premises rented. The maximum increase allowable is six per cent. on the amount of money so expended. The improvements or structural alterations in question will not include expenditure on painting or ordinary repair work. Rents

may also be raised to meet any increase in rates made subsequent to the 31st August last. The term "rates" is defined in the Bill as meaning any rates imposed under the Municipal Corporations Act, the Road Districts Act, the Health Act, and the Water Boards Act, and also water, sanitary and storm-water drain rates. No increased rental permitted by the proposed legislation will be due or recoverable until four weeks after the landlord has served upon the tenant a notice in writing of his intention to increase the rent. A statement must be forwarded with each notice setting out details as to how the proposed increase in rent is made up. Tenants are given the right to recover from landlords any rent above the allowable or standard rent that has been charged and collected.

A landlord is given the right to remove a tenant provided the tenant has committed waste or been guilty of conduct that is a nuisance or an annoyance to adjoining or neighbouring occupiers. Such a right is also given if the landlord requires to occupy the premises himself or desires some person in his employ to occupy them. Landlords desiring to remove tenants for any reason permitted must obtain an order from a local court. The Bill gives a local court power to order the removal of a tenant on any grounds considered by the court to be reasonable in addition to the specific grounds of removal already mentioned. The measure also aims at preventing profiteering in rents for land or premises of any description not let prior to or on the 31st August last. Dwelling houses, of course, will be most affected. Many houses are now in course of construction. Most of them, when completed, will be available for letting. The Bill gives to those tenants who will rent the houses in due course the right to appeal against the rental charged. Further, the owner is given the right to approach the court, if he so desires, to have a fair rent decided. Such appeals are to be heard by magistrates of local courts, who will be empowered to declare a reasonable or standard rent after taking all relevant factors into consideration. No one will deny the necessity for legislation to control rents at least during the period of the war, and we believe that this measure proposes an effective and fair method of control. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

## **BILL—PROFITEERING PREVENTION.**

### *Second Reading.*

Debate resumed from an earlier stage of the sitting.

**HON. C. G. LATHAM** (York) [7.40]: I do not propose to offer any objection to the Bill, but when it is in Committee I should like the Minister to agree to one or two amendments. The Bill that came before us last year was brought down in circumstances totally different from those which now appertain. It is on account of the contingencies that have since arisen that I have changed my opinion concerning this class of legislation. In times of emergency such as these it is necessary to have complete control, particularly over foodstuffs and the necessities of life, for the general civil community. Because of that I am offering my support for the Bill. I am glad to know the Minister has made this a wartime measure, limiting it to just after the end of the war. In general principles, the Bill is identical with that introduced last session, there being only one or two minor exceptions.

The Minister for Labour: There are two major ones.

Hon. C. G. LATHAM: I think not. This Bill deals with the wholesalers, whereas the previous measure did not.

The Minister for Labour: The Bill establishes a maximum price level, and we limit the life of the Act to a certain period.

Hon. C. G. LATHAM: The measure is a temporary one only. We have a starting point as to what prices shall be deemed to prevail for the purposes of the Act. One or two things the Minister has refrained from telling the House. Is it proposed to use the agent of the Commonwealth Government as the commissioner under this statute? Perhaps the Minister will enlighten us on that point. It would not be advisable to have an officer dealing with the State functions and another dealing with the Commonwealth functions. Duplication would be avoided and more effective control obtained if the business were dealt with entirely at one office. The Commonwealth officer would seem to be an efficient man for the purpose. In these times the power that is sought must be given. A shortage of certain commodities, owing to the difficulty of transport, is bound to occur in the State. If that happens, we ought to distribute the articles imported fairly and reasonably amongst the

public, and ensure that the distribution is made at reasonable prices. Because there is a shortage of a particular commodity in Western Australia, traders have no right to charge a high price for it. That article should be within the reach of people on the lower wage just as it should be within the reach of people receiving a higher income. Such a situation will be governed by this legislation.

Part III. deals with combines. I cannot understand why that is so. All the powers asked for in that Part are provided in other clauses. I shall be glad if the Minister will explain why it is necessary to include combines. That will not cause me to vote against the Bill, though I think the provision contained in the Bill is unnecessary. No individual nor any number of persons collectively can for the purposes of gain hoard up or refuse to sell goods under the ordinary clauses of the Bill. It seems to me that provision is being duplicated in Part III. In this State we have no trusts or combines to worry about. Should they exist, all the provisions necessary to deal with them appear in other clauses of the measure. I know that the Federal Government has taken certain powers already. When I first read the Bill I thought some important commodities had been excluded, particularly kerosene, petrol, charcoal, etc., but I see those have been covered by the Federal Government. The responsibility should also be taken to govern the price of tractors. It does not appear that anything has been done to protect motor vehicles. Trucks and suchlike vehicles are very essential, and the price at which they are sold should be controlled. More particularly should we control the price of duplicate parts of trucks, tractors and agricultural machinery. I hope the Minister will agree to an amendment to cover these items for at present the measure seems to contain no provision for controlling the price at which they shall be sold. Apart from these questions, I see no objection to the Bill. I trust the Minister will not have to use it to a great extent. It is not a question of using this class of legislation; it will be on the statute-book as a deterrent to various people. When it is known that such legislation exists, profiteering will probably be prevented. But for such legislation, it is difficult to say how far some people may go. For that reason we should expedite the

passage of the Bill. In some respects, not many, a certain amount of profiteering is probably already going on. I regret the necessity for changing my opinion from that which I held last year, but we must see that the people can obtain, at reasonable prices, and in quantities fair to all, the goods customarily purchased by them. I support the second reading.

**MR. McDONALD** (West Perth) [7.48]: The Minister will have my full support for any measure that will prevent the exploitation of the people during the present period of emergency. That applies not only to the sale of goods but the supply of services. I assure him I am prepared to go as far as he is, if not further, in providing measures to ensure that no one takes advantage of the state of war. I do not reproach myself, as the Minister rather suggested, that a Bill similar to this was not passed last session. We could not then have foreseen a state of war. I need not discuss the position that prevailed when we last dealt with a measure of this kind, for there were considerations both for and against it. One consideration was that fortunately at that time in Western Australia we had no profiteers. Had some profiteers existed then, the necessary corollary would have been that we would have enjoyed profits large enough to attract profiteers, and some legislative power would have had to be given to deal with them. Now that we are at war, I am behind the Minister in his effort to see that this kind of thing is properly and faithfully dealt with. I am even prepared to have the last clause amended to provide that the Bill shall not only apply for the duration of the present war, but be automatically revived in the event of a subsequent war, on the declaration of that war. I understand the Minister would like full precautions taken to ensure that profiteering has not occurred between the outbreak of war and the passing of the Bill. I do not think the members of our commercial community have been unscrupulous or are deserving of undue censure, regarding the prices which have been obtained between the outbreak of war and the present time.

Member: What about the price of paper?

**MR. McDONALD**: Paper is not a commodity for which the price is fixed in Western Australia at all. Our commercial com-



munity, I believe, has the fullest sense of responsibility as regards doing the fair thing by the people in these times.

The Minister for Labour: Most members of the commercial community have behaved very well.

Mr. McDONALD: On the whole, from what I can learn from inquiries, and from what I have been told by the commercial community prices have been kept fairly well under control. Very few traders, I believe, have been so unscrupulous as to take advantage of the present emergency conditions. But there are persons who will take advantage of those conditions and we must prevent them by legislation from doing so. I would, however, point out that if people have bought goods of which there may be a scarcity, with the idea of selling at a profit later on, they will be caught by this measure, because they will not be able to re-sell at more than the price ruling before this measure was enacted. I commend the principle of the Bill, although one or two amendments may be made in Committee. I would only ask the Minister to report progress early in the Committee stage and let the discussion continue on Tuesday. As has been pointed out by the Minister and by the Leader of the Opposition, the Bill was before Parliament last year; and substantially follows the lines of last session's measure. However, there are some alterations. There is an alteration, for instance, with regard to prevailing price; and that alteration is of some importance. I feel that it would not be unreasonable to allow the commercial community, which is to be affected by the measure and will have to work under it, an opportunity of seeing it before we pass it through the committee stage; not with any idea, or the slightest possibility, of any objection, but so that members of the commercial community may contribute, if they wish, any constructive suggestion towards making this legislation work equitably and effectively when it passes. Therefore I suggest to the Minister, if he will accept that view, that progress should be reported to-night and the Committee stage continued on Tuesday, when, I assure him, we shall lend him the fullest support in endeavouring to get the Bill passed rapidly into law. Further, I have a feeling that as a representative body dealing with a new and highly important Bill, under which the

people may have to work for some time, we ought to afford them an opportunity of knowing something about it before it passes through this Chamber. I hope the Minister will see his way clear to fall in with that view.

MR. HUGHES (East Perth) [7.55]: In my opinion this Bill ought not to be rushed through the House at a couple of hours' notice. After all, if profiteering is going on at present, not much more profiteering will be done between now and Tuesday next. I believe the advantages of the Bill to be more apparent than real. There seems to be an impression that the intense profiteering during this war will be done in commodities; but I believe such profiteering is going to be done in the use of credit, in loans, and in higher interest rates. Those are the directions in which profiteering will operate.

Mr. McDonald: We will stop that.

Mr. HUGHES: We must stop it; but how are we going to stop it? Price-fixing during war time is based on this, that there will be a shortage of certain commodities, with resultant increased prices. Consequently some people will rake off a great deal of profit. Instead of tinkering with various Bills all saying "We are not going to allow you to charge increased prices" we should have one Bill saying that whatever profits are made by anybody during the war above profits made in the year before the war shall become the property of the State. Then there would be no chance of anyone making a profit as the result of the war. Whatever additional profit may be made, let it come back to the communal fund of the State.

Hon. C. G. Latham: Would you apply that to the farmer?

Mr. HUGHES: Of course I would.

Hon. C. G. Latham: Well, the farmer did not make any profit at all in the year before the outbreak of war.

Mr. HUGHES: I notice that the Bill does not apply to wheat and so on. Therefore, if the price of wheat rises to £2 per bag, the proposed commissioner will not be able to interfere. Why should we exclude one commodity from the Bill?

Hon. C. G. Latham: Wheat is already controlled.

Mr. HUGHES: Is the commission that controls wheat to have the same powers as the commission proposed in the Bill?

Hon. C. G. Latham: Yes.

Mr. HUGHES: Will the State fix the price of wheat?

Hon. C. G. Latham: Yes.

Mr. HUGHES: Then, if wheat goes up to £1 per bag, we shall have some hon. members clamouring for the repeal of this law. The proper remedy for shortage of commodities, I suggest, is to ration a commodity that is short and see that it is distributed evenly amongst the people. What will happen if a commodity is short and some merchant or trader has a large quantity of it in his possession? He will do what was done when the sugar strike created a shortage of sugar. It used to be said by traders to customers, "You can have 2 lbs. of sugar provided you spend 10s. in other purchases." This Bill will not stop that. That will be done again. If there is a shortage of a commodity, those who have the commodity will sell a certain quantity of it on condition that the customer buys a quantity of other goods in the shop. Thus a high profit will be made out of the short commodity without any danger of the transaction coming within this proposed legislation.

There are numerous aspects of the Bill which should be considered before we rush it through pell-mell at two or three hours' notice. The State should step in, the moment there is a shortage of a commodity, and say, "Because there is a shortage, we will take control of the commodity and ration it according to the people's needs and not according to their capacity to buy." The Bill will not prevent increased prices, because most persons concerned in the manufacture and distribution of foodstuffs finance their businesses with money borrowed from banks or other financial institutions. As soon as a war loan is put on the market, up will go the rate of interest; and it will not be long before these people will be notified by their bankers or financial backers that they must either reduce their overdrafts or pay an increased rate. Consequent upon that, they will make application to the commissioner on the ground that their overdraft interest has been increased. The commissioner will be obliged to grant an increase. Others concerned in the business will be placed in the same position, and increases will again emanate from that source. I regret that the Bill contains no clause setting out that banks shall not call

up overdrafts or increase interest rates without the commissioner's authority. The inclusion of such a provision would get at the root of the problem. Unfortunately we could not include it in the Bill as submitted by the Government. I am afraid that what is hoped from the passage of the legislation will not materialise. Certainly we shall create another department. We shall have a commissioner who will require a number of subordinates, a staff and so on. That simply represents one further step towards dividing the community into two sections—the sheltered and the unsheltered. I do not see how we shall achieve the expected with the Bill in its present form. Probably more work will be provided for lawyers, who will be called upon for advice regarding the application of various measures that we shall pass.

In my opinion Parliament should not rush legislation of this description. The Bill will certainly provide a check upon rapid increase of prices, but will not achieve what should be its main object, the proper distribution of any commodity of which there is a shortage. Prices may be limited, but we shall not make certain that there will be an equal distribution of goods among the community. When there is a shortage of a particular commodity is the time for the State to step in, and not allow someone in a strong financial position, by purchasing other goods in the circumstances I previously described to secure an abnormal share of that commodity. All citizens should be placed on an equal footing in the distribution of stocks available. I shall not vote against the second reading of the Bill, but I assert that Parliament should not start off in a panic. To everyone we say, "Business as usual." Why should Parliament, panic-stricken, rush into such legislation at break-neck speed? Why should we do that when we ask everyone else to trade as under normal conditions? We should lead the rabble; Parliament should not follow the rabble.

**HON. N. KEENAN** (Nedlands) [8.3]: I desire to make a few brief observations on the Bill. In the first place I shall point out that although the Bill does follow somewhat the lines of a measure placed before Parliament last session, circumstances now are entirely different. The Bill considered by the previous Parliament was intended to fix

prices, and machinery was provided to arrive at some proper basis upon which to determine prices that would be fair. In the measure now before the House we assume a fair price, so that the objective of the former Bill becomes unnecessary. In fact, the main objective of the earlier Bill is, necessarily, entirely departed from in the measure now under consideration. Here we start off with a specific date, the 31st August, and whatever was the price then goes on the price list now and is accepted. In those circumstances neither inquiry nor machinery to fix prices is needed now. That eliminates the necessity for a great proportion of the earlier proposed legislation. All members of this House and, I venture to assert, all outside Parliament, except perhaps profiteers, are anxious that a measure shall be placed on the statute-book to prevent profiteering. We and they are anxious that a measure sufficiently drastic to be effective shall be enacted. That can be achieved in a much simpler manner than that proposed. To say that we are supplementing the action taken by the Commonwealth Government is quite correct, and I may explain in a few words why that is necessary. The powers of the Commonwealth regarding trade concern interstate operations only; and such conditions as the Commonwealth may prescribe apply, therefore, only to interstate trade. The sole excess of those powers is to be found in the provisions of the Defence Act.

Mr. Marshall: What about the Federal Territory?

Hon. N. KEENAN: Yes.

Mr. Marshall: That would be included?

Hon. N. KEENAN: Yes. The member for Murchison (Mr. Marshall) has reminded me of what is really an anomaly, because the Federal Territory was not originally a part of the conception of the Commonwealth. I am talking about the position regarding the States. From that standpoint, the power of the Commonwealth is limited to its laws governing trade between the States, with the additional authority it can exercise under the provisions of the Defence Act. The Commonwealth can make laws for any purpose necessary arising from the Defence Act. The regulations the Minister referred to are those that can be defended solely on that score. Under the Defence Act, the Commonwealth can deal with goods and merchandise essential for defence, because

such supplies are needed to make defence effective. So it becomes necessary to rely on the States; hence the introduction of the Bill. To my mind, the Bill practically requires three clauses only. One clause would set out that no trader, which term would include wholesalers and retailers, should have the right to offer for sale, or sell, any article at a price in excess of that prevailing on the 31st August. The next clause should provide for the appointment of a commissioner effectively to compel compliance with the Act. Of course, I am leaving out of consideration machinery clauses and am referring only to essential provisions. The third clause would provide the commissioner, in certain circumstances, with power not only to enforce the sale of an article at the price ruling on the 31st August, but to increase or decrease that price as circumstances warranted. Obviously, owing to the difficulty of securing supplies and to the cost involved in procuring them, when present stocks are exhausted a case that will not be possible successfully to combat will arise for increased prices. We shall shut our eyes to absolute facts if we do not agree on that point. When present overseas stocks have been exhausted, the cost of transport in respect of new supplies, quite apart from the increased cost of the articles themselves, which is undoubted, will mean that articles so landed will necessarily command higher prices.

The Premier: You would agree to the prevention of hoarding?

Hon. N. KEENAN: Yes.

The Premier: That also would be a necessary provision in the Bill.

Hon. N. KEENAN: That is so. What the Premier suggests would be included among the powers granted to the commissioner. Many clauses of the Bill of last year are not necessary in the present measure, because the former legislation sought to constitute an authority to fix prices. But here, as I remind the House, we have a fixed price, so there is no necessity for all these clauses. All we need to provide is power to say that that shall be the fixed price, under penalty. We must also have power, as suggested by the Premier, to prevent hoarding. I do not know that that power would be much resorted to, because hoarding generally takes place on the part of the purchaser, and not the retailer or the wholesale vendor. In particular, I cannot

see any reason for the inclusion of Part III which is a repetition, very largely, of the Commonwealth statute known as the Australian Industries Preservation Act, 1906-30. That Act was designed to deal with the intricacies of trade between States, with combinations made for the purpose of attempting to govern the trade of the States, and with the possibilities of trusts being created which would inflate the price of goods sold between the States, all which matters are entirely beyond our proposed legislation. If members will read Section 7 (a) of the Australian Industries Preservation Act, 1906-30, and then read Clause 17 of the Bill, they will find the two are absolutely word for word the same. They might be, and in certain circumstances would be, very necessary legislation; but in my opinion it is dangerous to bring in questions of this character. As I remarked a moment ago, every member of this House and every person in the community desires legislation to be passed to prevent profiteering; but at this stage we should not deal with intricate matters arising from trade, either between the States or mainly between the States, or to a certain extent inside our State. I suggest to the Minister that this is an occasion when he might well show an appreciation of the times through which we are moving, by eliminating from the Bill everything except absolutely necessary matter concerning the sale, whether by wholesaler or retailer, of goods and commodities to our people. Of course the Minister knows perfectly well that he has the support of all members; and even if he loads the Bill with unnecessary matter, he will still receive that support, because we no longer stand in this House as partisans, or as representatives of any party. I hope these provisions will not be persevered with, but if they are, I nevertheless assure the Minister that I will give the Bill my support.

**MR. J. HEGNEY** (Middle Swan) [8.13]: The remarkable thing in this debate is that members, particularly on the other side of the House, who have spoken on it are convinced that the legislation is necessary now that war has broken out; but strange to say they were not keen on similar legislation introduced some 12 months ago to prevent the exploitation of our people. They adopted a different attitude altogether on that occasion. Undoubtedly the people are being

exploited. I shall give an instance. It relates to the supply of necessary articles to connect to the sewerage scheme.

**Mrs. Cardell-Oliver:** Rot!

**Mr. J. HEGNEY:** The hon. member may consider it rot, but this matter affects hundreds of workers in her electorate and many hundreds in other parts of the metropolitan area. When I have finished, she will probably agree with me. A combine was formed last October by the amalgamation of H. L. Brisbane & Co., Ltd., and Wunderlich Ltd., both of which companies were suppliers of pipes and fittings for sewerage connections. Only one other firm is engaged in the business, but it fixes prices in conjunction with the other supplier. I am now speaking for those people vitally concerned in this particular matter. The last balance sheet published by H. L. Brisbane & Co., Ltd., shows that the company's profit for the period ended June last was £17,629. The amalgamation with Wunderlich Ltd., was successful, the profit being increased by £7,000. There is now no competition in this business, yet public funds are being expended on requirements for the sewerage scheme. Each person now having his premises connected with the scheme must in future pay an impost on all the articles required to effect the connection. Owners will be served with orders by local authorities to connect their premises with the scheme; and it must be remembered that the people mostly concerned are workers with low incomes.

**Mr. Hughes:** This Bill will not affect that.

**Mr. J. HEGNEY:** No. A provision should be included in the Bill dealing with this matter. In the past few months the prices of pipes and fittings have been increased by an average of eight per cent., notwithstanding the substantial profits being made by those companies engaged in the business. The eight per cent. increase means that a person who formerly would have had to pay £30 to connect his premises to the scheme will now have to pay an extra £2 7s. 6d; if the cost were formerly £40, he must now pay an extra £2 13s. 4d; if it were £50, £3 19s. 4d; and £60, £4 15s.

**Hon. W. D. Johnson:** This Bill will confirm that increase in price.

**Mr. J. HEGNEY:** Yes. That is the unfortunate point. The price will be confirmed as on the 31st August last. The Bill

will not have further retrospective effect so far as the amalgamation is concerned. A few nights ago the member for East Perth (Mr. Hughes), said that no person should be better off at the end of the war than he was at the commencement. The people we should do our best to protect from exploitation are the workers, who will still be exploited notwithstanding this measure. The exploiters will undoubtedly find ways and means of circumventing its provisions. Companies will so prepare their accounts as to smother their profits or to show that they are not making undue profits. As I said, the Government brought down a Bill 12 months ago dealing with profiteering. That Bill was rejected in peace time, but now war has broken out it is a different matter altogether.

Hon. C. G. Latham: Do you want us to vote against this Bill?

Mr. J. HEGNEY: I am not going to vote against it.

Hon. C. G. Latham: But you want us to vote against it.

Mr. J. HEGNEY: I am merely referring to an inconsistency. I take this opportunity to voice my protest against the fact that the Bill will not be retrospective. This is the only opportunity I have to mention the effect of the amalgamation of Brisbane & Co. and Wunderlich's. Definitely there will be exploitation of workers in this community, and a levy on public funds will be made by one company providing materials for work in the metropolitan area. The Bill should apply not only to essential services and commodities but also in other directions. I will not delay the House any longer, because I know the Government is anxious to have this measure placed on the statute-book. It may be effective, but I feel certain that no matter how it is framed and how stringent it appears to be, people will find ways and means of circumventing it.

**MR. SAMPSON** (Swan) [8.22]: I think the member for Middle Swan (Mr. J. Hegney) has been wrongly advised about increased prices of certain goods.

Mr. Raphael: It is a case of the Middle Swan not agreeing with the Swan.

Mr. SAMPSON: I refer particularly to those goods which only—

Mr. Cross: What has that to do with the Bill?

Mr. SAMPSON: Hello, are you there?

Mr. SPEAKER: Order!

Mr. SAMPSON: The hon. member has not spoken for ten minutes. I refer especially to goods containing iron, steel or some other metal. There has been a steady increase in the cost of all metals for several months past; and that, of course, has been occasioned by rearmament.

Mr. Raphael: There is no metal in those pipes.

Mr. SPEAKER: Order!

Mr. SAMPSON: The increased price has been due to the rearmament taking place in other countries. I know there has been a steady increase in the price of lead, antimony, tin, type-metal, stereo-metal, and so on; and therefore to sell at the old price is beyond the power of any firm or company. I think it is only fair to draw attention to that fact. I have no association with or interest in the company to which the member for Middle Swan referred. At first I was doubtful whether the Bill provided for increases that are inevitable in replacement of stocks; but on a closer reading of the definition of "prescribed date" on page 4 of the Bill I discover that a variation is provided for in respect of such replacements. I take it—and it is clear in the Bill—that the varied conditions would have to be made perfectly clear to the commissioner before an increased price was permitted. I know that in connection with a special commodity that affects most people, that is, printing paper—

Mr. Raphael: There are thousands of tons stacked in every shed in Fremantle and Perth. There is enough printing paper to last for two years.

Mr. SAMPSON: Those whose purchases of paper from the wholesalers have amounted to possibly a ton or half a ton at a time have been restricted in their buying to about ten reams, and the charge has not been on the basis of so much per ton but on the basis of a single ream, a price that naturally has imposed a burden which the Federal measure may rectify.

Mr. Raphael: Is this first-hand information you are giving us?

Mr. SAMPSON: The information regarding paper is referred to in the Bill.

Hon. C. G. Latham: That is covered by the Commonwealth Act.

Mr. SAMPSON: In paragraph (d) of the definition clause reference—

**MR. SPEAKER:** The hon. member must not specifically refer to clauses in a second reading speech.

**MR. SAMPSON:** No. In a paragraph relating to the definition of "commodity" reference is made to "any article which enters into or is used in the composition or preparation of the foregoing commodities." That would include paper cartons or wrappers for certain commodities. I support the second reading and hope the Bill will prove to be thoroughly effective.

**THE MINISTER FOR LABOUR** (Hon. A. R. G. Hawke—Northam—in reply) [8.26]: I propose to say very little in reply to the general debate. I desire to express appreciation of the favourable reception accorded the Bill. The Leader of the Opposition raised the question whether we would use the services of the agent who will represent the Commonwealth Government in administering fair prices control legislation in Western Australia. That matter has already received some consideration, and will certainly be further considered before an appointment is made under this measure. If the Commonwealth Government does not bring under its prices control system a large number of commodities, it appears to me that Mr. White, who will be the Commonwealth representative in this State, will not have nearly enough work to occupy the whole of his time, in consequence of which it might be found possible and indeed advisable to utilise his services—

Hon. C. G. Latham: To co-ordinate control.

**THE MINISTER FOR LABOUR:**—in connection with our own legislation. In reply to the member for West Perth (Mr. McDonald) I consider that an adjournment of the debate until Tuesday is not really necessary. This legislation is largely similar to that introduced last year. The provisions are well known to leaders in the commercial world and to members of this Parliament. I think every member is in a position to deal fairly and reasonably with every clause of the Bill. The measure is urgently required to meet emergency conditions. Therefore I think the least time lost in placing it on the statute-book, the better for all concerned.

**Mr. Cross:** Finish and sit down, then.

**THE MINISTER FOR LABOUR:** I must express my appreciation to the member for Canning (Mr. Cross) for not having made a speech on this Bill.

**Mr. Sampson:** That was certainly very helpful.

**THE MINISTER FOR LABOUR:** I am sure his self-sacrifice has economised the time occupied in dealing with the Bill.

**Mr. Thorn:** And saved the country a lot of expense.

**THE MINISTER FOR LABOUR:** If I understood the suggestion of the member for East Perth (Mr. Hughes) aright, he considered that a better method of dealing with profiteers and profiteering would be to pass legislation which would at the end of the war—

**Mr. Hughes:** Oh no; not at the end of the war!

**THE MINISTER FOR LABOUR:**—deprive profiteers of the profit they had made.

**Mr. Hughes:** Of the excess profit.

**THE MINISTER FOR LABOUR:** That suggestion does not commend itself to me. Once we allow a profiteer to obtain and handle excess profits—

Hon. C. G. Latham: He might not be here at the end of the war.

**THE MINISTER FOR LABOUR:**—it would be difficult to get those profits back from him.

**Mr. Raphael:** He might die on us.

**THE MINISTER FOR LABOUR:** Especially if we waited till the end of the war.

**Mr. Hughes:** I did not suggest waiting till the end of the war.

**THE MINISTER FOR LABOUR:** Then the best course would be to try to prevent people from profiteering, and the only effective way to do that is to prevent it continuously. That is the basic principle of the Bill.

**Mr. Sampson:** An income tax measure might be fairly effective.

**THE MINISTER FOR LABOUR:** The member for East Perth also suggested that a merchant or firm would be able, despite the provisions of the Bill, to corner any particular commodity, and by obtaining monopoly control of it impose a price that the public would have to pay, or, alternatively, would be able to say to the people, "Unless you buy a certain quantity of other commodities, I will not sell you any of this commodity."

Mr. Hughes: That was done during the sugar shortage.

The MINISTER FOR LABOUR: But at that time there was no legislation of this kind operating in the State. What was then done was quite legal and could not be prevented. Certain clauses of the Bill seek to prevent the hoarding, cornering or holding of supplies. The commissioner is empowered to deliver an order on any merchant or firm who monopolises any particular commodity. Under the conditions of such an order, the merchant or firm would be compelled to sell the articles in question at the declared price. If the merchant or firm refused to sell at the declared price, the articles could be seized.

Mr. Hughes: If there is a shortage and one man has a supply, you could go to him and say, "I want ten units of that commodity at the declared price," and he could not refuse to sell. That would allow one person to receive more than a fair share of a commodity during a shortage.

The MINISTER FOR LABOUR: That might happen.

Mr. Hughes: Rationing is the thing.

The MINISTER FOR LABOUR: If a person with a large supply of a certain commodity was the only one holding stocks he would not be anxious to give preference to any particular customer so long as he had to sell to every customer at the same price.

Mr. Hughes: But the point I wish to make is that if one customer asked for ten units, he must get them.

Mr. SPEAKER: Order!

The MINISTER FOR LABOUR: I do not think that the difficulty the hon. member has envisaged will occur. The member for Nedlands (Hon. N. Keenan) suggested that the Bill ought to contain only three or four main clauses and a number of machinery clauses. I submit that that is just what the Bill does contain. There are three or four vital clauses, and several machinery clauses that are essential for the carrying-out of the principles embodied in the main clauses. If I understood the member for Middle Swan (Mr. J. Hegney) correctly, he conveyed the impression that the commissioner would have no power to reduce the price of any commodity below the price ruling on the 31st August last. That is not so. The commissioner will have the power to investigate the price of any com-

modity at any time, and if he finds that the price ruling at the 31st August was unduly high, he will have power to recommend that the price be reduced to a fair price.

Mr. J. Hegney: What I was speaking about is not affected by that part of the Bill.

The MINISTER FOR LABOUR: The Bill defines the term "commodity" and gives the Governor power by proclamation to bring practically anything at all under the provisions of the measure. Therefore I believe that if the Bill is passed, members will find that many of the alleged deficiencies do not in fact exist.

Question put and passed.

Bill read a second time.

#### *In Committee.*

Mr. Marshall in the Chair; the Minister for Labour in charge of the Bill.

Clause 1—Short Title:

Hon. C. G. LATHAM: I move an amendment—

That the following words be added:—"and shall bind the Crown."

My reason for moving the amendment is that the State is engaged in a number of enterprises. At one time the State Sawmills had practically the only stocks of galvanised iron, and there would be nothing to prevent such a concern from charging a much higher price than a fair market price unless the commissioner could control it.

The Premier: I will give an undertaking that the State trading concerns will not do that.

Hon. C. G. LATHAM: Then the amendment will not do any harm, but will warn the State trading concerns that they must comply with the conditions imposed upon other traders.

The Premier: The State trading concerns do not want to make profits in the sense that private individuals do.

Hon. C. G. LATHAM: When the State trading concerns were launched, they were not intended to make a profit. Considerable profit has been made not only by the State Sawmills but also by other concerns. All that was expected of them was that they would balance accounts.

The Minister for Mines: That is a new idea. We were led to believe that State trading concerns always made a loss.

Hon. C. G. LATHAM: Some make a loss and some make a profit. I do not want to give State trading concerns a right and a privilege that the general public does not enjoy. The Act should bind the Crown, and give the commissioner authority over State trading concerns.

The CHAIRMAN: I cannot accept the amendment for insertion in the place indicated by the Leader of the Opposition. The Short Title merely indicates what the Bill is. If the hon. member looks through the Bill he will find places where the amendment can be inserted, or he can move to insert a new clause to the effect that the measure shall be binding on the Crown. To insert the amendment as suggested would make the Title ridiculous.

*Dissent from Chairman's Ruling.*

Hon. C. G. Latham: I must dissent from your ruling, Mr. Chairman.

The Chairman: This is not the place in which to make such an amendment.

The Premier: If the Bill is amended in Committee, the Short Title can then be altered.

Mr. Raphael: Do you want us to stay here all night?

*[The Speaker took the Chair.]*

The Chairman having stated the dissent,

Hon. C. G. Latham: I have disagreed with the Chairman's ruling because I have before me Statute No. 12 of 1918, the first section of which states—

This Act may be cited as the Apprentices Act, 1918, and shall be construed with the Industrial Arbitration Act, 1912, and shall bind the Crown.

Because of that precedent, I claim I have the right to move the amendment I did, to be made in the place I indicated. I submit that statute to you, Mr. Speaker.

The Premier: The Leader of the Opposition well knows the procedure adopted in these circumstances.

Mr. Cross interjected.

The Premier: I do not want the hon. member's help. The Leader of the Opposition knows that the Short Title of a Bill is merely put in to indicate the nature of the legislation. On some occasions, during the passage of a measure through Committee, a principle is introduced with which the Title does not conform, and to ensure that the Short Title does conform to the contents of the Bill, the necessary amendment is

made to it. The Chairman of Committees did not say that the hon. member could not move an amendment to bind the Crown, but that he could not amend the Short Title until the Bill contained something that did bind the Crown. If the hon. member succeeds in having the Bill amended in that direction, he can then move to have the Short Title altered to conform to such alteration. A Short Title is very unimportant. It is only something by which to refer to a measure. That is why the procedure is followed that the Title of a Bill is the last thing that is put to a Committee after all the other clauses have been dealt with.

Hon. C. G. Latham: I want to amend only the Short Title.

The Premier: That would not mean anything. It is merely put in for convenience. If in Committee a Bill is amended in such a way as to necessitate an alteration of the Title, that alteration is made. The last thing a Chairman of Committees does is to put the Title of a Bill. I consider the Chairman was correct in ruling the amendment out of order.

Mr. Marshall: The Short Title of a Bill is merely that by which it is cited. It is used for record purposes. If the Leader of the Opposition contends he is correct in moving his amendment, then he must agree it will be essential that each and every industry affected by the measure should be added to the Short Title, so that we may be sure that every industry in the State is bound by this legislation. Ample opportunity is afforded to any member to move for the insertion of a new clause binding the Crown, or to adopt some other method to gain a similar object. If the Short Title of the Bill were altered to bind the Crown, that would mean the exemption from the Bill of every industry and institution not referred to in the Short Title. To guard against that we would have to add to the Title that this, that and the other trade and calling were also brought within the scope of the measure. I have no wish to prevent the Leader of the Opposition from giving effect to his wishes, but respectfully suggest that he moved his amendment in the wrong place.

Mr. Speaker: I uphold the ruling of the Chairman of Committees. There is nothing to prevent the Leader of the Opposition



from moving the necessary amendment at a later stage, if he so desires.

Hon. C. G. Latham: Are you of opinion, Mr. Speaker, that the Short Title appearing in the Apprentices Act is incorrect? That Short Title set up a precedent, and it was that precedent which guided me in moving to disagree with the Chairman's ruling.

Mr. Speaker: I have upheld the ruling of the Chairman of Committees.

### *Committee Resumed.*

Clause put and passed.

Clauses 2 to 4—agreed to.

Clause 5—Interpretation:

Hon. C. G. LATHAM: Paragraph (e) reads "Agricultural implements (except tractors) and seeds for sowing." I move an amendment—

That in paragraph (e), after the word "tractors," the words "bicycles, motor vehicles, spare parts and accessories for all classes of vehicles, machinery and implements" be inserted.

On the second reading I pointed out that no provision was made for control of prices of spare parts. True, the Federal Government has accepted responsibility for controlling the sale of tractors, but nothing is stipulated as regards spare parts. Control in that respect is needed.

The MINISTER FOR LABOUR: I have no objection to the amendment.

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

Clauses 6 to 13—agreed to.

Clause 14—Sale at higher than declared price unlawful:

Mr. HUGHES: Under the clause, this position will arise: In the event of any commodity being short and a trader having a number of units of that commodity in his possession, any person can go to that trader and say, "I will buy the whole of your stock at the declared price," whereupon the trader will be compelled to sell the whole of his stock to that person. The trader may have a couple of thousand customers, and be desirous of dealing fairly by them all; yet the one customer may demand the whole stock. If there is danger of a local shortage, any person in a financial position to buy a large quantity will be able, under

this clause, to do so, and thus ensure that no matter what happens, his needs will be supplied.

Mr. Withers: Would not such a proceeding amount to hoarding?

Mr. HUGHES: No. I am referring to a person who buys not with a view to reselling but with a view to securing a large supply for his own use. If the trader does not sell on demand, he commits an offence against this measure.

The Minister for Labour: The proposed purchaser would be prosecuted—not the trader.

Mr. HUGHES: Although this will not effect all I desire, I move an amendment—

That in paragraph (b), after the words "refuse to sell" the words "in quantities fixed by the commission" be inserted.

The amendment would enable the commissioner to rule, for instance, "You shall not sell in quantities of more than five units to any individual." Even with the amendment I shall not achieve what I desire. If agreed to, it will provide some measure of protection to a trader. If he has a certain quantity of goods in stock, he can then say to a customer, "I can let you have five units, which is all that the commissioner will allow me to sell." There is protection to that extent.

The MINISTER FOR LABOUR: The amendment will not help very much to achieve the objective indicated. The main fear of the member for East Perth is that a trader may be prosecuted for refusal to sell, should a customer demand an abnormally large quantity of any commodity. I feel sure no trader would be prosecuted in those circumstances, and if he were, I am equally certain that he would not be convicted, or at most would suffer a nominal penalty. No court of justice would impose a severe fine. I am convinced that the ordinary practice adopted by traders when shortages are experienced will continue to operate throughout the war period. Merchants are anxious to preserve custom, and will resist in every possible way the sale of the whole of their stocks in any given line to one client. If they were to agree to such a sale, while they would please one they would displease thousands of others, and probably lose the custom of the latter. In my opinion a later clause of the Bill will enable a trader successfully to refuse

to sell goods to a customer in quantities that would enable the latter to secure a monopoly of the line affected. If a person were permitted to secure what would amount to a monopoly in respect of certain goods, such an action would be to the individual's benefit but to the detriment of the general community. Although theoretically there may be good grounds for some of the fears expressed by the member for East Perth, I am convinced that other provisions of the Bill will enable that phase to be dealt with.

Mr. HUGHES: I agree with the Minister that the amendment will not achieve all I desire. At the same time, the Minister's suggested remedy should not be contemplated by Parliament in any legislation. We should not agree to a Bill with a mental reservation that someone acting in an administrative capacity could determine whether or not a prosecution should be launched. That is what has given rise to all the controversy about our betting laws. Someone decided that no action should be taken in respect of betting indulged in on race-courses. If we agree to legislation that will enable someone acting in an administrative capacity to decide whether or not the law shall be enforced, complaints may arise regarding differential treatment. One man may be prosecuted and another may not be prosecuted in circumstances exactly similar.

The MINISTER FOR LABOUR: The amendment suggests that a trader shall not refuse to sell goods in quantities fixed by the commissioner, but the clause provides a penalty for refusal to sell. If the Bill becomes law and the member for East Perth were to go to Boan's and demand a hundred cases of jam, the firm could meet the requirements of the clause under discussion by selling him one case.

Mr. Hughes: I would be surprised if a court put that interpretation on the clause.

The MINISTER FOR LABOUR: A court would take into consideration all the circumstances surrounding the offence. If it were committed in the interests of the whole community, the court would no doubt take a reasonable view.

Mr. McDONALD: I agree with the interpretation put upon the clause by the member for East Perth. If the word "unreasonable" were inserted in the subclause,

then it could be shown that the trader was not unreasonable in his actions.

Mr. RODOREDA: The amendment is so trivial that I wonder the Minister does not accept it. It will safeguard the position to a certain extent.

The MINISTER FOR LABOUR: The amendment would make a considerable difference, especially to the commissioner. Not one, but very many commissioners will be required to administer the Act if the amendment is passed. It is not only unnecessary, but altogether impracticable.

Amendment put and negatived.

Clause put and passed.

Clauses 15, 16—agreed to.

Clause 17—Illegal concessions.

Mr. McDONALD: Will the Minister discuss this clause with the Parliamentary draughtsman? As the member for Nedlands pointed out, it is copied almost verbatim from Section 7 of the Commonwealth Industries Preservation Act. That section expressly provides that it shall be a defence to any charge under the section if the defendant shows that what he was doing was not to the detriment of the public, did not constitute unfair treatment, and was not destructive of or injurious to any industry. According to the marginal note, the clause is taken from the New South Wales Act. It appears to me that a store-keeper in the country, for example, may say to a regular customer, "I will give you a discount of 2s. on this particular article," and if he did so he would become liable to a penalty of £100. That is not the meaning of the clause. Will the Minister inquire whether it is not desirable to incorporate the ancillary section in the Commonwealth Act?

The MINISTER FOR LABOUR: The clause is essential to the effective working of any system designed to control prices. During recent years, manufacturers and traders have in many different ways sought to secure the control of a commodity, and have done their best to encourage people to buy it.

Hon. N. Keenan: What has that to do with profiteering?

The MINISTER FOR LABOUR: A great deal.

Hon. N. Keenan: In what way?

The MINISTER FOR LABOUR: Every action of that description tends to increase prices.

Hon. N. Keenan: To reduce them. Read the words of the clause.

The CHAIRMAN: Order!

The MINISTER FOR LABOUR: I have studied the clause and am convinced that unless power is given to deal with combines, either established or in course of formation, we shall find them operating in such a scientific way that it will be impossible for the commissioner to maintain fair prices. The commissioner must take into consideration proof of justifiable cost.

Hon. N. KEENAN: The clause might find a place, and a proper place, in a measure entirely different from this one, a measure governing the relations of trade. Clause 17 deals with the granting of rebates, discounts or rewards. That is not profiteering, but selling below fixed price. I hope the Minister will reconsider the clause.

The MINISTER FOR LABOUR: The member for Nedlands has only read the first portion of the clause, which deals with the granting of rebates, discounts, rewards and other valuable considerations.

Hon. N. Keenan: Where is profiteering suggested in any single word of that clause?

Mr. Doney: How does the practice tend to force up prices?

The MINISTER FOR LABOUR: It should be obvious that where there are arrangements of this kind, combine control is established and traders are bound to one source of supply; and when the distribution of supply is concentrated in one set of hands, or two or three sets of hands, it is inevitable that the prices of such commodities will be more or less under monopolistic control, and thus be forced up.

Mr. Doney: You are only assuming that.

The MINISTER FOR LABOUR: It is obvious. Otherwise, why would any firm, or group of firms, seek to impose such restrictive conditions on any set of traders?

Mr. Doney: For the extension of trading.

The MINISTER FOR LABOUR: For the extension of their own trading and to the detriment of anyone else likely to be in the business.

Mr. Doney: Not necessarily.

The MINISTER FOR LABOUR: Anything we can do by this measure to weaken existing monopolies or combines and discourage the establishment of new ones, will have a beneficial effect in reducing prices

and giving the less financially powerful people engaged in the manufacture, distribution and sale of goods a far better opportunity to live than under existing conditions.

Mr. McDONALD: My position is simple. Here is a clause taken word for word from the Commonwealth Act. The Commonwealth Parliament thought it necessary to insert a provision enabling a defendant to show that he had not acted in any way intended to interfere with or prejudice the public. If the Federal Parliament thought that necessary, we should include a similar provision. I cannot see any objection to it and I hope the Minister will consider giving the same protection to the honest trader that the Commonwealth Government has given him.

The MINISTER FOR LABOUR: I have no objection to the suggestion made by the member for West Perth, but I have every objection to the clause being deleted, which was the suggestion previously made.

Clause put and passed.

Clauses 18 to 31—agreed to.

Clause 32—Regulations:

Mr. NORTH: I should like to ask the Minister whether it will be possible for anything to be done to clear up the meaning or to clarify the extent of the meaning of the words "commodity" and "public utilities." The definition clause was passed hurriedly and I am wondering whether the word "commodity" will include cash or loans. A loan is a public utility in that it is very necessary. I should have said more about this when the clause dealing with definitions was being debated, but the Chairman stepped on the gas so to speak. He was very rapid and I did not want to interrupt the proceedings. Perhaps the Minister will assure us that when the Act is in operation, if any additions are considered necessary, Parliament will be called together to make them.

The MINISTER FOR LABOUR: I undertake to give the most careful consideration possible to the questions raised by the hon. member.

Clause put and passed.

Clauses 32, 33—agreed to.

New clause:

Hon. C. G. LATHAM: I move—

That the following be inserted to stand as Clause 34:—"This Act shall bind the Crown."

Owing to the fact that the Government conducts State enterprises, there is need for its prices to be controlled as well as those of other business concerns.

Mr. Raphael: You are not thinking of the State Implement Works, are you?

Hon. C. G. LATHAM: That State enterprise does not manufacture anything for sale. All the same, the prices it charges the Government are excessive.

The MINISTER FOR LABOUR: This suggestion was debated earlier in the evening by the Leader of the Opposition and the Premier. The Premier gave an undertaking that the Government would make certain that no State enterprise and no activity carried on by the Government would indulge in profiteering.

Hon. C. G. Latham: The Premier can answer only for the period he is in office.

The MINISTER FOR LABOUR: If the Leader of the Opposition also gave an undertaking that, in the event of his becoming Premier during the war, he would ensure that no State enterprise indulged in profiteering, the Committee would be satisfied. I accept the Premier's assurance and therefore oppose the new clause.

Mr. WATTS: I support the new clause. The Bill contains a good deal of precept and now we are asking that a little example be set to the country. There is no reason why the Crown should not be included. If there is no danger of any improper action on the part of State trading concerns, there can be no objection to making the Government's intention plain to the public. Now is the time for the Government to set an example of what it expects of the public. Government enterprises include transport services, lighting, power, State hotels—the hotels, as licensees dispose of certain commodities—and I see no good and sufficient reason why the Government should not accept the proposed new clause. What is good enough for the Government to preach should be good enough for it to practise. We have agreed that the Bill is necessary in the interests of the people, and all who deal with the people should be bound in the same way.

New clause put and a division taken with the following result:—

Ayes	..	..	..	16
Noes	..	..	..	21
Majority against	..	..	5	

Mr. Boyle  
Mrs. Cardell-Oliver  
Mr. Hughes  
Mr. Latham  
Mr. Mann  
Mr. McDonald  
Mr. McLarty  
Mr. North

AYES.  
Mr. Sampson  
Mr. Seward  
Mr. Thorn  
Mr. Triat  
Mr. Warner  
Mr. Watts  
Mr. Willmott  
Mr. Doney

(Teller.)

Mr. Coverley  
Mr. Cross  
Mr. Fox  
Mr. Hawke  
Mr. J. Hegney  
Mr. W. Hegney  
Mr. Holman  
Mr. Johnson  
Mr. Lambert  
Mr. Leahy  
Mr. Millington

NOES.  
Mr. Pantou  
Mr. Raphael  
Mr. Rodoreda  
Mr. F. C. L. Smith  
Mr. Styanis  
Mr. Tonkin  
Mr. Willcock  
Mr. Withers  
Mr. Wilson  
Mr. Wise

(Teller.)

AYES.  
Mr. Stubbs  
Mr. Abbott

PAIRS.  
NOES.  
Mr. Nulsen  
Mr. Johnson

New clause thus negatived.

Title—agreed to.

Bill reported with an amendment and the report adopted.

## BILL—TOODYAY CEMETERIES.

### Second Reading.

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [9.38] in moving the second reading said: This is a short Bill and with it I submit the usual plan. For some time the Toodyay Road Board has been endeavouring to establish a public cemetery at Toodyay. Up to the present certain lands held by the Church of England and Roman Catholic Church respectively have been used for this purpose, no cemetery having been provided at this town out of Crown lands. The road board has acquired lots 77 to 81 for the purpose, as shown on the litho. plan. The Church of England holds lots 76 and 143, and the Roman Catholic Church holds lots 142 and 75. The churches have agreed to surrender these lots to enable them to be included in a public cemetery. Portion of Quinlan-street shown on the plan is not required for road purposes, and has been used as part of the burial ground.

The Bill provides for the closure of the portion of Quinlan-street as described in the First Schedule and the reversion of the land in His Majesty as Crown land under the Land Act. Clause 3 will determine all rights or trusts in the lands held by the board and the churches, as described in the Second Schedule, and reversion the land in His Majesty as Crown land under the Land Act.

Another clause provides that all the land referred to shall be set apart as a reserve for a public cemetery, and appointed as such under the provisions of the Cemeteries Act; further, that the Toodyay Road Board, or such other trustees as the Government may think fit, may be appointed as trustees. It is desirable to make this clause elastic enough to enable a change of trustees to be made if necessary in the future, and thus obviate an amendment of the Act. The final clause provides for the lodging of records at the Titles Office. I extended to the member for Toodyay (Mr. Thorn) the courtesy of conferring with him upon this Bill, discussing all the facts with him and submitting the plans to him. He is, therefore, in a position to know not only the justification but the entire reasons for the necessity for passing the Bill. I submit the lithograph, and ask that it be laid on the Table of the House. I move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

*House adjourned at 9.42 p.m.*

## Legislative Council.

*Tuesday, 26th September, 1939.*

	PAGE
Notice of motion: Standing Orders suspension, point of order	774
Question: Gold mining, tailings treatment, Government battery charges	774
Motions: Native Administration Act, to disallow regulations	775
Workers' Compensation Act, to disallow regulation	777
Bills: Profiteering Prevention, 1A.	777
Metropolitan Milk Act Amendment, 2A.	779
Life Assurance Companies Act Amendment, 2A.	781
Inspection of Machinery Act Amendment, 2A.	784
Rights in Water and Irrigation Act Amendment, 2A.	787
Government Railways Act Amendment, 2A.	793

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

### NOTICE OF MOTION—STANDING ORDERS SUSPENSION.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [4.34]: I desire to give notice that at the next sitting of the House

I shall move for leave to introduce a Bill for "An Act to regulate the raising or collection of money for war funds and to make provision for the administration and control of moneys raised wholly or partly by private subscription for purposes connected with the present war and for purposes incidental thereto or consequent thereon." I also give notice that at the next sitting of the House I shall move "That so much of the Standing Orders be suspended as is necessary to enable the Profiteering Prevention Bill and the War Funds Regulation Bill to pass through all stages at one sitting."

### *Point of Order.*

Hon. J. J. Holmes: On a point of order; is the Chief Secretary in order in moving to suspend Standing Orders to deal with two Bills of the existence of which this House at the present time has no knowledge?

The President: The Chief Secretary is not moving. He is simply giving notice of motion.

Hon. J. J. Holmes: The notice of motion relates to suspend the Standing Orders for the purpose of dealing with a Bill yet to be introduced and a Bill which we understand may come from another place or may not come. The point is whether this House can accept a motion to suspend the Standing Orders for the purpose of dealing with Bills which are not before the House.

The President: I rule that the Chief Secretary is perfectly in order in giving notice of motion on the lines that he has just indicated.

### QUESTION—GOLDMINING.

#### *Tailings Treatment, Government Batteries Charges.*

Hon. H. SEDDON asked the Chief Secretary: As there has been a considerable increase in the price of gold per ounce, does the Mines Department intend to make an alteration in the charge for tailings treatment at Government Batteries, particularly in the case of refractory ore?

The CHIEF SECRETARY replied: The department will give consideration to battery charges when the position regarding Commonwealth taxation on gold is clarified. At present no increase is being made in crushing charges, which have remained unaltered since 1909, despite increases in wages and