

Clause 2—New sections:

Mr. WATTS: I move an amendment—

That in line 1 of paragraph (a) of Subsection 2 of proposed new Section 10A, the words "at any reasonable time" be struck out, and that the words "between the hours of 9 o'clock in the morning and 5 o'clock in the afternoon of any day on which the premises are ordinarily opened for business" be inserted in lieu.

Those are the times during which an inspector would wish to call upon the employer.

The MINISTER FOR LABOUR: I can hardly believe that the member for Kataning is serious in moving his amendment. I think we had better leave the words "at any reasonable time" in the clause. The member for Pingelly pointed out that if an inspector were to have the right to call upon a farmer during the day-time to produce evidence that his workers were insured, the farmer would be spending more time producing evidence in regard to this, that and the other thing than on the real activities of the farm. So I hope I will have his support in resisting the amendment since, if it is carried, an inspector will not be able to interview a farmer except between the hours of 9 a.m. and 5 p.m.

Mr. Seward: He could call at lunch time.

The MINISTER FOR LABOUR: It would be undesirable to tie inspectors down to carrying out their inspections between the hours specified. I cannot imagine any inspector working at other than reasonable times.

Mr. WATTS: In moving my amendment I had in mind employers engaged in some form of business other than farming. In my innocence I failed to realise that the Minister's objectives were apparently directed more at those engaged in agricultural pursuits than at other employers. I submit, however, that it would be quite reasonable even in the case of a farmer to expect an inspector to attend the farmer's premises during decent hours. I know one inspector in a country town who arrived at 9 o'clock in the evening when the boss was working on his own and expected to be supplied with information as to what had been done with regard to wages and so on during the last couple of years. There can be no objection to an inspector's being asked to do his business in the ordinary working hours in which he is commonly employed.

[36]

Therefore I do not propose to admit that I am not serious in moving my amendment, as the Minister would like me to do.

Amendment put and negatived.

Progress reported.

BILL—INDUSTRIES ASSISTANCE ACT CONTINUANCE.

Returned from the Council without amendment.

ADJOURNMENT—ROYAL SHOW.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [6.13]: I move—

That the House at its rising adjourn till 4.30 p.m. on Thursday next.

Question put and passed.

House adjourned at 6.14 p.m.

Legislative Council,

Thursday, 5th October, 1939.

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

ASSENT TO BILLS.

Message from the Lieut.-Governor received and read notifying assent to the following Bills:—

- 1, Plant Diseases Act Amendment.
- 2, Reserves (No. 1).
- 3, Swan River Improvement Act Amendment.
- 4, Geraldton Harbour Works Railway Extension.

BILLS (2)—THIRD READING.

1. Government Railways Act Amendment.
2. Toodyay Cemeteries.

Passed.

BILL—WAR FUNDS REGULATION.

Second Reading.

Debate resumed from the 3rd October.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West—in reply) [4.36]: I do not propose to reply to the debate at any length. It is pleasing to realise that all members appear to have recognised the necessity for legislation of this kind. There are one or two amendments on the notice paper which will be discussed in Committee but which I am sorry I shall be unable to accept. Any remarks I have to make concerning them can be made in Committee.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1, 2—agreed to.

Clause 3—War funds.

Hon. G. FRASER: I move an amendment—

That after the word “unless,” in line 18 of Subclause (1) the words “approved by a committee of persons organised for the purposes set out in this section and” be inserted.

As the clause stands there appear to me to be certain loopholes that would provide an opportunity for quite a number of individuals to circumvent the Act and make a profit for themselves from the funds they were raising. Committees will be established in almost every district; indeed, that has already been done in many centres. The organisers of such committees should have the best knowledge concerning the right people to be asked to make local collections.

Hon. J. Nicholson: In the case of the Red Cross Society, such arrangements are made by the head office.

Hon. G. FRASER: It would be better that the authority to collect money should come from the local committee, and that principle should apply to the Red Cross Society as well as to other organisations.

The Chief Secretary could not know what persons would make suitable collectors in every district in the State, whereas that knowledge would be possessed by the members of the district committee. I am sorry it is necessary for us to pass a law to safeguard patriotic funds, to ensure that the money goes to the right quarter.

Hon. G. B. Wood: Would not your amendment mean that the people who were collecting the money would recommend themselves?

Hon. G. FRASER: A local committee would be established, and would then decide which of its members should be appointed as collectors.

Hon. G. B. Wood: Perhaps the chairman of the road board would be a good man to make the decision.

Hon. G. FRASER: That might not be convenient in every district.

Hon. H. S. W. PARKER: The amendment will throw additional work upon the Minister in that he will be obliged to inquire into the formation of the various committees. Before anyone was authorised to collect patriotic funds, the officers of the department could be trusted to make the necessary inquiries. Furthermore, the amendment might prevent thoroughly reliable and honest people from making individual efforts towards augmenting funds of this kind. It does not appear to me that the amendment is at all necessary.

Hon. G. FRASER: When a committee made certain recommendations as a rule no further investigation would be necessary, so that, in effect, the work of the Minister would be lightened. The committees would be formed chiefly at the instigation of the local mayor or chairman of the road board. We must prevent unauthorised and independent people from collecting funds for patriotic purposes, and that is really one of the objects of the Bill. Any independent person who thought he could raise funds could approach one of the existing organisations and obtain its approval, and consent of the department might then be given.

Hon. J. NICHOLSON: The Red Cross Society to which reference has frequently been made, will be prominent in the minds of everybody during the present crisis. This society, in order to ensure that nothing irregular shall occur in the raising of funds, has circularised each of its branches—and there are about 250 branches in this State

alone—to the effect that no effort is to be undertaken by a branch unless the branch makes application to the head office of the society and supplies complete particulars of the effort proposed to be made. The committee of the Red Cross Society examines each application. Applications have been made to hold entertainments in respect of which it is unnecessary to obtain Ministerial authority. Should it be desired to hold a raffle, then great care is exercised; the committee collaborates with the Lotteries Commission. Where it has been necessary to obtain the authority of the Chief Secretary, he has given the society every assistance possible. What I fear is that an extra load will be placed on the shoulders of the Chief Secretary, and we wish to avoid doing that. It would be far better for the Chief Secretary to allow some outside body, such as the Red Cross Society, to consider these applications. The Chief Secretary would have no knowledge of the personnel of a committee that might be formed.

Hon. G. FRASER: He would be in no worse position.

Hon. J. NICHOLSON: If the Chief Secretary were in doubt as to the bona fides of such a committee he would be compelled to make investigations through the police. I realise the value of the suggestion.

Hon. J. J. Holmes: Who is going to hallmark the committee? The committee itself?

Hon. J. NICHOLSON: As I said, the Chief Secretary would have to satisfy himself about the bona fides of the committee, and so would have extra work thrown on him.

The CHIEF SECRETARY: I appreciate what the hon. member has said. I do not raise any particular objection to the amendment, except that it would be quite easy for some person to represent himself as authorised by a committee to make application. While I do not expect many cases of that kind to occur, there is the risk; and, as Mr. Holmes pointed out, it would be necessary to make inquiries into the bona fides of the proposed committee. If the amendment is passed the Chief Secretary will be prevented from giving the authority which otherwise he would give. There are outstanding instances of well-known persons who have done remarkable work in this particular field. While some of them may have been associated with recognised

organisations, others may not. I am not concerned about the extra work that may be thrown on my shoulders; I do not think it will be very much in any event. An officer of the department would deal with these matters and unless he was in doubt as to the bona fides of an applicant it is unlikely that an application would be placed before me. Although I do not raise strong objection to the amendment, I consider the Act would be strong enough without it. If the amendment is passed, it will be necessary to inquire into the standing of persons who desire to form themselves into a committee.

Hon. H. S. W. Parker: It might be a dummy committee.

The CHIEF SECRETARY: There is a risk of that. The idea behind the amendment is laudable and in some circumstances I would support it.

Hon. G. FRASER: The Chief Secretary has power to deal with applications whether they come from individuals or from committees.

Hon. H. Tuekey: You have to inquire into the membership of the committee.

Hon. G. FRASER: It will be easy to do that.

Hon. H. Tuekey: And the committee must be approved before it can act.

Hon. G. FRASER: Committees, too, spring up like mushrooms. One investigation should satisfy the Chief Secretary's department whether a recommendation from a committee required further investigation.

Hon. J. Nicholson: What about a single person, as the Chief Secretary has pointed out, making application?

Hon. G. FRASER: I want the individual application stopped, because that is where the danger of fraud comes in. An individual might set himself out to raffle a bottle of wine or a duck about which no one in the district would know anything. Before such a person could do anything, however, it would be necessary to get permission of the committee. Generally speaking the people in the district would know whether a particular raffle had been authorised. If the clause is left as it stands anyone in the district will know whether or not permission has been obtained, because the permission will have to be obtained through a committee. Frequently in the conduct of small raffles people get away with sums of money, but under the Bill there will be a greater chance

of control by approval first having to be obtained through a committee.

Amendment put and negatived.

Clause put and passed.

Clauses 4 to 13—agreed to.

New Clause.

Hon. J. NICHOLSON: I move—

That the following be inserted to stand as clause 13:—

13. This Act shall not apply to any of the following bodies—(a) The Australian Red Cross Society; (b) The Young Men's Christian Association of Perth, Incorporated; and (c) The Salvation Army.

In the course of the debate on the second reading it will be recalled that reference was made by you, Mr. Chairman, and several members including myself, to the position of the three societies named in the proposed new clause. These three are the only bodies that are recognised as auxiliary to the Defence Department in time of war. If the measure as it stands is applied to them it will prevent them carrying out their work as they may be required to do by the Defence Department for the particular purpose for which they exist. I do not suppose permission would be withheld from them, but on occasions delays may take place. If the consent of the Chief Secretary or some other Minister had to be obtained, how would it be possible for them to carry on? When an organisation is an auxiliary to the Defence Department, it might be said to be in the same position as that department. Clause 3 sets out—

It shall not be lawful for any person (a) to collect any money or articles for or in aid of any war fund; or (b) to hold or organise or take part in the holding or organising of any sports, races, fete, bazaar, continental, entertainment or other function for the purpose or purporting to be for the purpose of raising money wholly or partly in aid of any war fund; or (c) to advertise, whether by way of poster, streamer, handbill, notice in any newspaper or any other means, or to hold out or represent in any manner that the whole or any part of the proceeds of any sports, races, fete, bazaar, continental, entertainment, or other function will be paid or applied for the purposes of any war fund.

With an organisation like the Red Cross Society with 250 branches in this State, there are functions going on from day to day and from week to week. That body would require a special secretary to be appointed to write to the Chief Secretary asking for that Minister's consent for this

that or some other branch to do certain things. The only way in which the work of these organisations can be efficiently carried on is by excluding them as I propose in the new clause. They have a responsibility in connection with the defence of the country, and that is of such vital importance that it would be a grave mistake to include the organisations the existence of which is so essential in times like the present. I hope the new clause will be inserted.

The CHIEF SECRETARY: I have never heard such thin arguments used in this Chamber as those advanced by the hon. member. His contention is that the three bodies will not be able to function if they are brought within the scope of the Bill. That argument is ridiculous. Are we to say that because an organisation is given certain authority to work in co-operation with the Defence Department that everything must be above suspicion? That would be a dangerous attitude to adopt. We must not forget that the names of these organisations and societies are frequently used without authority by unscrupulous persons.

Hon. J. Nicholson: Anyone not connected with the Red Cross could not possibly use that name.

The CHIEF SECRETARY: There are other bodies in the community. The hon. member suggested that it would be necessary for an organisation like the Red Cross Society to employ a general secretary to do nothing else but to write to the Chief Secretary asking for permission to conduct this, that or the other thing, and he quoted a clause in the Bill in support of his contention. Unfortunately the hon. member stopped short at the portion of the clause which shows that there is no strength in his argument. The clause continues—

Such authorisation may be given either generally or in respect of some particular purpose or occasion, and may, subject to such conditions and provisions as aforesaid, be delegated by the grantee thereof to other persons.

The hon. member has already admitted that the Chief Secretary has been good enough to render assistance in matters of this kind. Members are well aware of the many things that took place during the last war in connection with Red Cross funds. I am not, however, making an accusation against the Red Cross Society or anyone else. We

are anxious to ensure that there shall be the least possible opportunity for such practices to creep in. The measure empowers the Chief Secretary to grant to the Red Cross or other society a general authority, and the grantee may delegate authority to others. Mr. Nicholson said that the Red Cross Society had a committee that inquired into the conduct of branches, but possibly some of the committees hold ideas different from those of the central executive. Something might be done that ordinarily would not meet with the Chief Secretary's approval, and consequently the power should rest with the Minister. Even the societies enumerated by Mr. Nicholson might hold considerable funds at the conclusion of hostilities for purposes that no longer existed, and for that reason those organisations should be brought under the provisions of the measure.

Hon. G. Fraser: That would be quite likely to happen with many societies formed recently.

The CHIEF SECRETARY: Yes. Other bodies will play a part in raising funds for patriotic purposes, and I see no reason why exemption should be granted to three organisations while others are required to comply with the law. The societies will be asked to present returns and have their accounts audited by the Auditor General, but he in turn might accept the certificate of a firm of chartered accountants.

New clause put and negatived.

Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Assembly.

BILL—PROFITEERING PREVENTION.

In Committee.

Resumed from the 3rd October. Hon. G. Fraser in the Chair; the Chief Secretary in charge of the Bill.

The CHAIRMAN: Progress was reported after Clause 4 had been agreed to.

Clause 5—Interpretation:

Hon. H. SEDDON: I have given notice of an amendment to insert a definition of "board," but as the constitution of the board

will be discussed under Clause 7, I suggest that consideration of my amendment be deferred.

The CHAIRMAN: Perhaps that would be the better course to adopt.

[Hon. J. Cornell took the Chair.]

Hon. H. S. W. PARKER: I move an amendment—

That in the definition of "Commodity" the words and parentheses "(except tractors)" be struck out.

I cannot understand why tractors should be specially exempted, though the Minister might have some reason to advance.

The CHIEF SECRETARY: Whether the words are retained or struck out is immaterial because tractors have been covered by Commonwealth legislation.

Hon. H. S. W. Parker: But the Commonwealth might eliminate them later.

The CHIEF SECRETARY: Yes, though that is hardly likely. If the Commonwealth did eliminate them, we should have the power to deal with them.

Hon. C. F. BAXTER: One of the first items gazetted by the Commonwealth was tractors and, if the Commonwealth relinquished control, paragraph (h) relating to "all goods, wares or merchandise" would include tractors.

Amendment put and negatived.

Hon. H. SEDDON: I move an amendment—

That in paragraph (h) the words "or services rendered to the public, or other things which by a proclamation under this Act are declared to be commodities to which this Act applies" be struck out.

The Commonwealth Government has taken wide powers and the activities of the State Government will be restricted. There is no reason why "services rendered to the public" should be brought under this legislation because they are largely controlled by the Arbitration Court. If we stipulate that "all goods, wares or merchandise" shall be included in the definition of "commodity," we shall have a comprehensive definition.

The CHIEF SECRETARY: The arguments used by the hon. member might equally well be advanced in support of retaining the words. Commonwealth-wide control might not be required for various articles, but local control might be necessary, and certainly provision should be made to deal with services rendered to the public in

this State. If there is no need to exercise control over services, the power will not be used, but the power should be granted so that it will be available if required.

Hon. H. SEDDON: With restriction to goods, wares or merchandise the amendment will be sufficient.

Amendment put and passed.

Hon. G. B. WOOD: I move an amendment—

That in the definition of "Commodity" the following paragraph be added:—"(i) Interest on money lent, secured or unsecured."

Interest is one of the heaviest burdens that industry, whether primary or secondary, carries to-day.

Hon. H. S. W. PARKER: This is a dangerous amendment to insert in the Bill. Interest is usually owing to banks, which have been exempted from most emergency legislation for the good reason that if an attempt is made to limit a bank in the matter of interest, the bank simply closes current accounts. Financial emergency legislation does not cover interest. Moreover, interest is foreign to price-fixing and should not appear in this Bill. Whether it should appear in another Bill is a different question. The amendment is not appropriate to the measure before the Committee.

The CHIEF SECRETARY: Whether appropriate or not, the amendment is desirable.

Hon. J. Nicholson: It would prove fatal.

The CHIEF SECRETARY: What does it mean?

Hon. L. Craig: It means nothing.

The CHIEF SECRETARY: The amendment demands that there shall be no increase in rates of interest as on the 31st August last. Private individuals are quite prepared to be unscrupulous on the least provocation.

Hon. J. Nicholson: But there is a measure dealing with that aspect.

The CHIEF SECRETARY: Mr. Wood, as a representative of primary producers, is to be commended for bringing up the question of interest in connection with this Bill.

The CHAIRMAN: The amendment appears to me to have no meaning.

Hon. J. J. Holmes: The amendment is dangerous.

The CHAIRMAN: I do not consider it worth the paper it is written on.

Hon. J. J. HOLMES: Perhaps the amendment may be turned into legal form. However, the banks will be likely to say, "We have no money to lend at the interest rate fixed by the Act of Parliament."

Hon. G. B. WOOD: The measure does not fix rates of interest. A debtor on whom a high rate of interest is imposed would have to go to the Commissioner.

Hon. J. J. Holmes: A bank would not bother about the Commissioner if the rate of interest fixed was too low.

Hon. T. MOORE: If the bank retains its money, it will not do much good with that money. There is no reason why Parliament should not look after rates of interest. I trust that interest will be kept down throughout Australia during the war. There is no reason why it should rise because of the war. We have to carry on with the money that is in the country. Money has become a commodity; and if banks wish to raise the price of their commodity, they should go before the commissioner in the same way as other people.

Hon. H. S. W. PARKER: We should not allow Mr. Moore to be bluffed. I trust he has read the Bill. In that case he can call his own bluff. The carrying of the amendment merely means calling interest a commodity. Calling anything a commodity does not affect it, something more must be done. The next step is that the commissioner must declare interest a commodity so that it may come under the measure. The Bill contains nothing to prevent a person from charging any rate of interest he pleases. Interest cannot be sold, or agreed to be sold, like an ordinary commodity. Moreover the moneylender is not bound to lend. If his rate of interest is fixed, he will lend only on gilt-edged security; and thus many intending borrowers will not be able to obtain temporary accommodation. Such has been the world's experience. Assuming that the amendment is carried, will the words have any effect under any clause?

Hon. G. B. WOOD: Under Clause 14, paragraph (b), no one can refuse to sell at a declared price. The amendment brings interest within the definition of "Commodity", and so the bank would have to lend money at the declared rate of interest.

Member: That settles it!

Hon. J. J. HOLMES: I am not an advocate for the banks, though I admit they serve a highly useful purpose. Mr. Moore

says, "If the banks will not lend their money, let them keep it." If this was Commonwealth legislation, the position would be different; but we know that banks have branches all over Australia. If rates of interest are fixed in Western Australia but not in the other States, money will be transferred from Western Australia to the other States. The amendment is highly dangerous.

The CHIEF SECRETARY: All the amendment can effect is to make interest a commodity for the purposes of this measure. In my opinion interest can be sold just as easily as any other commodity. There has been legislation in this regard by the Imperial Government—a measure controlling interest as well as rent. If the amendment is carried, probably one or two other amendments will be needed. Although there seems to be an impression among members that we cannot, and that if we could we should not, control interest rates as proposed, still I wish to congratulate Mr. Wood on having afforded the opportunity for our having a few words on the important question of interest.

Hon. A. Thomson: Do you intend to support the amendment?

The CHIEF SECRETARY: Yes, I do.

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

Ayes	..	..	..	..	11
Noes	..	..	..	..	13
Majority against					2

AYES.

Hon. J. M. Drew	Hon. W. J. Mann
Hon. J. T. Franklin	Hon. T. Moore
Hon. G. Fraser	Hon. C. H. Wiltensoom
Hon. E. H. Gray	Hon. G. B. Wood
Hon. E. H. H. Hall	Hon. W. R. Hall
Hon. W. H. Kitson	(Teller.)

NOES.

Hon. E. H. Angelo	Hon. G. W. Miles
Hon. L. B. Bolton	Hon. J. Nicholson
Hon. L. Craig	Hon. H. S. W. Parker
Hon. J. A. Dimmitt	Hon. A. Thomson
Hon. V. Hamersley	Hon. H. Tuckey
Hon. J. J. Holmes	Hon. H. V. Plesse
Hon. J. M. Macfarlane	(Teller.)

Amendment thus negatived.

Hon. W. J. MANN: I move an amendment—

That in the definition of "Commodity" the following paragraph be added:—"(i) any life assurance premium."

Members: Oh!

Hon. W. J. MANN: Members may ejaculate "Oh", but the issue is of interest in

view of a position that has arisen. In support of my contention I shall quote a debate that took place in the New South Wales Parliament this week. A young man joined the Australian Navy and was notified by an assurance company that, in addition to his ordinary premium on his policy for £500, if he were to participate in active service, he would be called upon to pay a further premium amounting to £37 10s., not only for the current year but for the years he spent at the war.

Hon. E. H. Angelo: Was that payment in respect of a new policy or on account of one already in existence?

Hon. W. J. MANN: I shall read the report, which appeared in yesterday's "West Australian" as follows:—

An allegation that the Mutual Life and Citizens' Assurance Company, Ltd., had demanded that one of its policy holders—

Members will note that the reference is to a "policy holder," indicating that he had formerly held a policy—

—who was a member of the Royal Australian Navy, should make an immediate extra payment of £37 10s. in the event of his being called to serve outside Australian territorial waters, was made by Mr. Tonge (A.L.P., Canterbury) in the Legislative Assembly to-day.

The Standing Orders were suspended to enable Mr. Tonge to move:—"That in the opinion of the House, the action of the Mutual Life and Citizens' Assurance Company, Ltd., in demanding immediately the payment of a war premium of £37 10s. in addition to the ordinary premium for a policy of £500 on the life of a member of the R.A.N., is deserving of the severest censure, and that an immediate revision of the war risk premiums should be undertaken." The motion was carried on the voices.

"This is a gross case of profiteering by one of the richest classes of businesses in the community," said Mr. Tonge. "The demand it has made is outrageous. The demand for £37 10s. applies not only this year, but it is to be paid in every subsequent year that the war lasts. I think something should be done by the Government to protect people against assurance companies of this kind."

Hon. J. J. Holmes: Did you read the explanation?

Hon. W. J. MANN: Yes, and I do not consider the explanation does the company any credit. I will read the company's statement—

The Mutual Life and Citizens' Assurance Coy., Ltd., replied yesterday to an allegation made in the New South Wales Legislative

Assembly on Tuesday that the company had demanded that one of its policy holders, who was a member of the Royal Australian Navy, should make an immediate extra payment of £37 10s. in the event of his being called to serve outside Australian territorial waters.

The Western Australian branch manager for the company (Mr. R. McKenna) said yesterday that the following statement had been issued by Mr. M. C. Alder (general secretary of the company in Sydney):—"In order to be fair to all policy holders, it is customary for life assurance companies to put a condition on policies where the occupation involves any special risk, for instance, in the case of the fighting services."

That is news to me. I do not know that that applied during the last war.

Hon. H. S. W. Parker: Yes, it did.

Hon. W. J. MANN: If it is to apply now, the effect may be to prevent many young men from enlisting. The secretary's statement continued—

Over 99 per cent. of the policies issued in Australia have no such condition, and no extra premium is charged.

I have some difficulty in following the explanation, but I will read it to members.

In the case of the sailor mentioned in the New South Wales Parliament on Tuesday, the policy was, at his request, issued at civilian premium rates, subject to the exclusion of war risks outside Australia.

In my opinion the assurance companies take a good deal upon themselves when they interfere with war precautionary measures. If men have to take into consideration the fact that their assurance premiums may be increased because they propose to leave Australian shores to defend the Commonwealth and, incidentally, the assurance companies, it is about time action was taken to deal with the matter.

Members: Hear, hear!

The Chief Secretary: What would be that man's position if he failed to pay the extra premium?

Hon. W. J. MANN: I do not know. Perhaps the question might arise of the Commonwealth Government having to deal with the company.

The Chief Secretary: Would the man's policy be cancelled?

Hon. W. J. MANN: Quite possibly it would be cancelled. Certainly there is nothing before us to indicate that it would not be cancelled. However, the report proceeds—

The company, however, is covering this risk and is also covering similar risks up to £300 and bonuses without extra charge in the case of all policies issued prior to last week.

What will be the position of that man should he refuse to pay the extra premium? In view of such an instance, should not Parliament take some action? If members do not think something should be done, I do. If action is not taken, an important omission from the Bill will be involved. The issue is of vital importance, and Parliament should reach a definite decision on it.

Hon. H. V. PIESSE: I listened with great interest to Mr. Mann's remarks. I was connected with an assurance company, and may be able to give members some information on the point raised.

The Chief Secretary: Were you with the company mentioned?

Hon. H. V. PIESSE: No; I was connected with another company. These organisations have an association, and throughout Australia practically the same policy will be pursued. During the previous war any policy written prior to the declaration of hostilities was continued on the basis of the original premium, but in respect of any policy taken out after the declaration of war, an increase of five per cent. in the premium rate was charged. When we discussed the Life Assurance Companies Act Amendment Bill, I referred to a letter I had received from the manager of a company, of which I was formerly a representative. I was informed that the same procedure would take place during the present war as applied during 1914-18, and that should there be any deviation he would advise me. Two days ago I received a further communication, and, speaking from memory, I think he stated that the procedure was as formerly.

The Chief Secretary: But would £37 10s. represent an increase of five per cent. on the premium for the sailor's policy?

Hon. H. V. PIESSE: No, I cannot understand that. Possibly the payment was for the renewal of a policy that had lapsed. The charge of £37 10s. might include the cost of renewal. I read the reports dealing with this matter, and I confess I cannot quite understand them.

Hon. W. J. Mann: The manager of the company cannot understand his own position!

Hon. H. V. PIESSE: Any policy taken out after the declaration of the war this year involves an extra premium if the risk entailed has to be taken outside Australia, and if the person assured requires cover

for war risks. If he does not require cover for war risks, he pays merely the ordinary rate. If he requires war cover, he has to pay the extra loadage.

The Chief Secretary: What is the position if he is killed at the war?

Hon. H. V. PIESSE: If he is not insured with war risk cover, his dependants are refunded the man's premiums plus compound interest. The man's position is clearly stated on his policy and in those circumstances he knows what his premium will be. I do not know that any great objection can be raised to the amendment.

Hon. J. NICHOLSON: I do not pretend, nor do I suppose any member of this Chamber pretends, to have the knowledge or experience that Mr. Piesse has had of life assurance business. Nevertheless, I think Mr. Mann may have overlooked this important fact, that the premium for life assurance or fire or marine insurance is measured by the risk involved. I read the paragraph in the paper that was referred to, and it appeared to me, as I suppose it did to everyone, that the attitude of the assurance company concerned was wrong. I remember that during the last war what happened was just what Mr. Piesse stated. All the life assurance companies intimated that in the case of policies issued prior to the declaration of war no change would be made. The principle was adhered to by every one of them. But the fact must not be forgotten that premiums are charged according to the risk undertaken. If a man decides to take up aviation and seeks to have his life assured, he will have to pay a very much higher premium, because of the hazardous nature of his profession, than the man who engages in some pursuit in which there is less risk. The same applies to fire or marine insurance policies. If a man desires to insure a building in which the manufacture of explosives is to be undertaken, he must expect the rating for that building to be higher than in the case of a building used for offices. For the companies to say that after the declaration of war a higher rate for life assurance should be charged is quite reasonable. But who is to measure that rate? Is it to be a commissioner who knows nothing about life assurance? I consider that it should be left to someone capable of determining what is a fit and proper rate to fix. Consequently

this Bill is not the place for an amendment such as Mr. Mann has proposed. The hon. member was dealing with a matter quite foreign to the purpose of the Bill. Such matters should be dealt with in another measure. Mr. Parker raised the point that assurance premiums cannot possibly be sold. To introduce the proposed amendment into this Bill would be to introduce something inconsistent with the purposes of the Bill.

Hon. L. B. BOLTON: Protection should be given.

Hon. J. NICHOLSON: In another way. Let us not make fools of ourselves as we shall do if we pass amendments of this kind.

Hon. A. THOMSON: We can commend Mr. Mann for having drawn attention to the matter, but I consider it is one that should be included in a different measure.

Hon. G. FRASER: Why make a separate item of it?

Hon. A. THOMSON: The same thing applies to this amendment as applied to the suggestion previously made regarding interest. Had that provision been accepted financial institutions would simply have said, "We are not restricted in the other States, therefore we shall give preference to them." I am afraid that if the amendment is agreed to it will do more harm than good.

Hon. J. J. HOLMES: The companies could refuse to insure.

Hon. A. THOMSON: That is so. I know the idea is to prevent any financial institution or any business from imposing additional charges on men willing to serve in the fight for freedom, but I am doubtful whether this is the right place for the amendment. I am in accord with the principle, but I think this is a matter for the Commonwealth to attend to.

Hon. G. FRASER: If the Commonwealth negates it, why should we?

Hon. A. THOMSON: The men of Western Australia will be fighting for the freedom of the whole of Australia, and uniform conditions should apply in every State. We have no information of the conditions in Western Australia, and I suggest that the matter be held over. There is no reason why the Bill should not be re-committed. If the position is as has been stated, and an individual has had to pay £37 10s. on an ordinary policy for £500 additional, then I think—

Hon. W. J. Mann: It is not denied.

Hon. A. THOMSON: Perhaps not. But we do not know what conditions prevail in Western Australia. Further inquiry should be made, and if circumstances warrant, another measure could be introduced to meet the case. This Bill is not meant to include interest and assurance.

Hon. W. J. Mann: No, nor freight either.

Hon. A. THOMSON: Those points could be dealt with in another Bill.

Hon. J. J. HOLMES: I read the newspaper paragraph referred to, and the conclusion I arrived at was that the person concerned took a civilian policy on which he paid the old premium. He then wanted to have the policy transferred to cover war risk.

Hon. W. J. Mann: The company has since done that without extra charge. When exposed the company rose to the occasion.

Hon. J. J. HOLMES: The companies have to consider all the circumstances. They have to watch the interests of shareholders and policy holders. They are prepared to carry on a man's assurance, even if he goes to the war, but if he wishes to increase the amount by £500—

Hon. W. J. Mann: You are speaking of a different matter altogether. One is an existing policy and the other is prospective.

Hon. J. J. HOLMES: If companies are expected to assure at the existing rate, they will not assure at all.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. H. V. PIESSE: On the 7th September last I wrote to the manager of the A.M.P. Society, Perth, with reference to the point under discussion this evening. Several policy holders in Katanning asked me to make inquiries as to the war risks mentioned in Clause 5 at the back of their policies. The reply I received from the manager of the society is dated the 12th September last, and is as follows:—

In reply to your letter of the 7th inst. I have to advise that all war risk provisions and all war restrictions on existing policies have been suspended by this society for persons serving in any arm with Britain or the Allies. No extra war premiums are being charged on existing policies and existing war extras have been suspended. Referring to the procurement of new business, I desire to point out that the society finds it necessary in the interests of its members to introduce into new policies certain restrictive con-

tions relating to war hazards. With regard to lapsed policies, these will be reinstated subject to the restrictions previously referred to. At the present time I am unable to inform you of the nature of the war clause to be imposed, but as soon as this information comes to hand from head office I shall be only too pleased to advise you.

During the tea adjournment I had a talk with the manager of the Mutual Life Assurance Company, and he assured me that the conditions to which I have referred apply also to his society. He also informed me that no extra premium had been charged the naval man in New South Wales, as he was a permanent sailor attached to the Navy.

Hon. W. J. Mann: Why did not the company deny the statement there and then?

Hon. H. V. PIESSE: I have the assurance of the manager that no claim was ever made for £37 10s. against the man, and that he received a telegram to that effect.

Hon. E. H. ANGELO: I am glad Mr. Piesse read the letter from the A.M.P. Some misunderstanding must have occurred in connection with the case quoted by Mr. Mann. I am not connected with any life assurance company, but have taken out policies with several. In no instance to my knowledge has it been suggested that any extra premium would be charged on existing policies. For new business companies must charge more. Higher rates have to be paid on freight and marine insurance in war time. What would members think of a company that assumed these extra risks without charging higher premiums? The amendment would be dangerous. Many men will volunteer for service abroad and may want to insure their lives before leaving the State. That will not be possible if the amendment is carried.

Hon. G. FRASER: You think the companies will put up their shutters?

Hon. E. H. ANGELO: They will not take new business. We know that extra premiums will not be charged on existing policies, but, if extra charges cannot be imposed on new war business, that business will not be done.

Hon. J. NICHOLSON: Reports I have received from leading assurance companies confirm what has been said by previous speakers. We must look at this matter in its proper light. Fire and marine insurance or life assurance are regarded in law as contracts of indemnity. They indemnify

assured persons from the risks set out in the policy. The fire rate is determined according to the class of property insured.

Hon. J. J. Holmes: It is all worked out on an actuarial basis.

Hon. J. NICHOLSON: When a person applies for life assurance he has to give particulars of his occupation, and the risks are assessed accordingly. The amendment would create an obligation on the part of every policy holder in a company to make up losses sustained by reason of the risks involved in the occupation of the person insured. The only way the difficulty can be solved is by the Government declaring, "It is our duty to say that this is a burden the people of the country must bear."

Hon. C. F. Baxter: Are you advocating State assurance?

Hon. J. NICHOLSON: The Government should pay the extra loading.

Hon. G. Fraser: It would be better if the Government took over all insurance business.

Hon. J. NICHOLSON: The Government could not bear an unlimited burden, so that some limitation per head would have to be imposed. This proposal has been discussed in England, and I believe the Government there is doing something in the matter. The question cannot be dealt with in a Bill of this nature, and will probably require Commonwealth legislation.

Hon. J. J. Holmes: No Act of Parliament can force an insurance company to insure people.

Hon. J. NICHOLSON: The companies would withdraw from the business and many people would be thrown out of employment. We must look at this question in a sensible light.

Hon. H. S. W. PARKER: The amendment has nothing to do with the Bill. It is impracticable, unworkable, and will have no effect, and I will therefore vote against it.

Hon. G. FRASER: I hope the amendment will be carried. Most members think that companies will not be permitted, should the amendment be passed, to raise their charges. The contrary is the case. The amendment would at once bring that type of business within the purview of this legislation.

Hon. H. S. W. PARKER: What effect would that have?

Hon. G. FRASER: That would depend on the action of those who were doing the business. If premiums were increased by too great an amount, the Commissioner would act.

Hon. H. V. Piesse: Would he be an actuary?

Hon. G. FRASER: I do not know. I have every confidence, however, that the officer to be appointed will receive the best available advice before taking action.

Hon. H. S. W. PARKER: What power would he have if the words were included?

Hon. G. FRASER: He will have the powers provided in the Bill. From the tone of the debate, some members seem to think that the officer should not be permitted to control assurance, but he will not mete out to the assurance companies treatment different from that he will mete out to other traders. Men who enlist should not be made the prey of assurance companies who are desirous of increasing their premium rates. The amendment should find a place in the Bill.

Hon. L. B. BOLTON: If the amendment is carried, what will be the position with respect to employers' liability? I recently asked the Chief Secretary a question whether the Government intended to approach the Prime Minister in reference to this matter. If we adopt the attitude that life assurance should be brought under the Bill, then we should also include employers' liability insurance and insurance under the Workers' Compensation Act.

Hon. C. F. BAXTER: I am afraid members do not realise the extent of the amendment. Mr. Fraser speaks of insurance as a commodity. Nothing could be further separated from a commodity. How will the commissioner be able to decide whether a premium rate is fair? How will he arrive at a basis?

Hon. G. Fraser: How can the commissioner arrive at a basis for anything?

Hon. C. F. BAXTER: If the hon. member knew anything about insurance, he would know that the fixing of premiums is highly scientific. It is arrived at on an actuarial basis.

Hon. G. Fraser: A very conservative basis, too.

Hon. C. F. BAXTER: It is not done by any rule-of-thumb method.

Hon. G. Fraser: Do not you think that the commissioner would have someone to advise him?

Hon. C. F. BAXTER: Another factor to be taken into consideration is the very keen competition for life assurance business. That competition will prevent any exploitation of the public.

Hon. G. Fraser: The competition is so keen that the rates of all companies are pretty well the same!

Hon. C. F. BAXTER: That may be so, but the premiums are cut so fine that there is no danger of profiteering. The commissioner will be unable to adjudicate on the question of premiums, so why provide that he should do so?

Hon. E. H. H. HALL: Some members favour the amendment, but are not inclined to include it in the Bill. Most members desire that every possible protection should be given to the man called upon to fight for his country. I hope I am not out of order in suggesting that Mr. Mann move that further discussion on the clause be postponed, so as to give the Chief Secretary an opportunity to ascertain whether the Government will bring down legislation to deal not only with this important question, but also with the question, previously discussed, of interest. A legal member, Mr. Nicholson, who has been a member of this Chamber for many years, considers it wrong to include in the Bill provisions relating to interest and life assurance. I would like the question to be cleared up.

Hon. W. J. MANN: I make no apology for having moved the amendment. The discussion on it is a clear indication of the feeling of members. While I thank Mr. Hall for his suggestion, I do not think that any good purpose would be served by postponing the consideration of the clause. I was struck by Mr. Nicholson's remark that the amendment was highly inconsistent. I agree with him, but from another standpoint altogether. I say it is highly inconsistent with the widespread urge to get young men to enlist for the defence of Australia. We, as members of Parliament, should make it clear where we stand in this matter. I realise the position of the insurance companies, but some inconsistent statements have been made by members, including Mr. Baxter. Mr. Baxter said that insurance premiums are determined in a highly scientific manner, and only by highly-trained

actuaries. If that be so, why did the company that Mr. Piccse mentioned circularise its agents to the effect that the war risk clauses in its policies would not be enforced? If assurance companies will fail because of interference with the highly scientific basis upon which their premiums rates are fixed, then the companies not enforcing the war risk clauses are interfering with that basis. I cannot see that that point carries any great weight. The man who fights for his country is the man we have to protect.

Hon. J. Nicholson: He deserves the utmost consideration.

Hon. W. J. MANN: I agree. I want to be perfectly fair. I recognise the additional risk is something that the companies must take into account. At the same time, I point out that it is a highly commendable action for a young married man with a family to take out a small insurance for their benefit, should he fail to return. We must not stand in the way of anything of that description. The fact that one well-known company has taken the step of which we were told to-night is evidence that some fairness is being meted out to these men. There are, however, many companies, and that is only one. It seems strange to me that, when a widespread allegation is made in the newspapers against a company, all the companies do not take the first opportunity to make their position clear. This they have not done; probably they will now do so. Much has been said about what happened during the Great War. I know of my own knowledge that one company did not charge the extra premium for war risk on new business, but I also know that it did so in respect of then-existing policies—some were loaded, some not. I know of one instance—and it can be verified—of a man who took out a policy for £200 and was meted to the extent of £10 by way of additional premium.

Hon. E. H. Angelo: When did he take out the policy—before or after the war?

Hon. W. J. MANN: He took it out for the protection of his wife and family. He returned from the war and, in company with other returned soldiers, interviewed the company and suggested that it should refund the amount of the loading. The company did not do so, although had it been at all sympathetic, it would have complied with the request.

Hon. E. H. Angelo: The company took the risk.

Hon. W. J. MANN: I grant that, but do not forget that the man carried his life in his hands. After all, the man's action was very much greater than any rebate that might have been made on his behalf. When a man shoulders arms and is prepared to pay the supreme sacrifice, every consideration should be shown to him. The man who assures his life before he goes to the war takes out a policy with the idea of providing something for his wife in the event of his failing to return, and whatever the premium might be, he removes his family from the possibility of burdening the State. That is a point that might well be taken into consideration.

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

Ayes	..	..	..	9
Noes	..	..	..	14
				—
Majority against	..	..	..	5

AYES.

Hon. J. M. Drew	Hon. W. H. Kiltson
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	Hon. G. B. Wood
Hon. E. H. H. Hall	Hon. W. J. Mann
Hon. W. R. Hall	(Teller.)

NOES.

Hon. C. F. Baxter	Hon. J. Nicholson
Hon. L. B. Bolton	Hon. H. S. W. Parker
Hon. J. A. Dimmitt	Hon. H. V. Plesse
Hon. V. Hamersley	Hon. A. Thomson
Hon. J. J. Holmes	Hon. H. Tuckey
Hon. J. M. Macfarlane	Hon. C. H. Wittenoom
Hon. G. W. Miles	Hon. E. H. Angelo
	(Teller.)

Amendment thus negatived.

Hon. J. NICHOLSON: I move an amendment—

That in lines 1 and 2 of the definition of "Member of a commercial trust" the words "any of the constituent persons of or any agent of" be struck out and the words "the person or persons managing or controlling" inserted in lieu.

If we include any constituent persons we are including every possible person who is not even taking any part whatever in connection with the management or control of the trust and who probably has never been consulted. Any such person would be committing a breach under the measure. I suggest that the person who should be made liable is the person actually committing the offence. On reading the definition of "Commercial trust" we find that it means "Any association or combination of any number of persons having as its object (a) the controlling or influencing the supply or demand or price of

any commodity; or (b) creating or maintaining a monopoly in the supply or demand of any commodity."

Member: Do you suggest that any principal should be excused?

Hon. J. NICHOLSON: I would prosecute the person responsible for committing an offence under the Act, but not the person who is innocent. Under this definition a person who takes no part in the management of the trust will be committing a breach of the measure. It will be noticed that later on, "corporation or association and agent or every member of that corporation" are included. That serves to illustrate my point in this way: Suppose hon. members or I happen to be a member of a company—and most of us, I suppose, have shares in some company or other. If we retain the definition as it stands in the Bill, then we, as members of that company which happens to commit an offence, will be severally liable. I do not know whether members will stand for that.

Hon. W. J. Mann: Do you mean the shareholders will be liable?

Hon. J. NICHOLSON: Yes, every shareholder. The definition covers a corporation, firm or association and that includes every member of it, and every member means every shareholder. It is altogether too sweeping and beyond all reason. What I want to do is to get at the man who is the actual offender, and to do that I suggest substituting the words I have quoted for the words I propose to strike out.

Hon. H. S. W. Parker: You will also require to strike out the words in lines 25 to 27 on the same page.

Hon. J. NICHOLSON: Yes, that will be done later. The ordinary shareholder is not a person who takes any part in the actual management of a company and the same applies to constituent members of a commercial trust. I submit the amendment.

The CHIEF SECRETARY: I am hopeful the Committee will not agree to the amendment. If members will study just what "member of a commercial trust" is, according to the definition, they will also look at what constitutes a commercial trust for the purposes of the Bill. I ask members to read carefully the definition of "commercial trust." It means—"any association or combination (whether incorporated or not) of any number of persons having as its object or purpose or as one of its ob-

jects or purposes (a) controlling or influencing the supply or demand or price of any commodity; or (b) creating or maintaining a monopoly in the supply or demand of any commodity." Why would a commercial trust be formed? Obviously to reap some advantage from control of commodities or increased prices. When the trust was formed there would be full knowledge of the purposes for which it was formed, and everyone responsible should be held liable under this measure. The Bill does not refer to the ordinary shareholders of a trading company, but applies only to those who are members of a commercial trust. Mr. Nicholson would pass the responsibility to some other individual who would be there perhaps as a dummy—somebody carrying out instructions for members of the trust. Thus he would exclude those primarily responsible for forming the trust.

Hon. J. Nicholson: A dummy would not be the manager.

The CHIEF SECRETARY: The more I study the two definitions, the more I am satisfied that they should be retained. The hon. member loses sight of the fact that the persons concerned would be members of a commercial trust as defined.

Hon. J. Nicholson: Read the definitions more closely and you will see that what I have said is correct.

The CHIEF SECRETARY: I have read them carefully. No member or agent of an association would commit a breach of the law unless instructed to do so by his principals. The hon. member wishes to limit the responsibility to the managing director or to some person in authority—someone carrying out instructions given by members of the firm. He would exclude the chairman of directors, and yet that man might be responsible for the policy of the trust. Later on the hon. member has an amendment to exclude the chairman of directors. All those associated with a commercial trust and responsible for its policy should bear the liability, not the employees carrying out the instructions of those in control. To agree to the amendment would weaken the effect of the measure.

Hon. H. S. W. PARKER: I cannot follow the reasoning of the Chief Secretary. I agree that we should leave no loop-holes but the definition goes too far. It includes any constituent person or agent of the

trust, and where any constituent person or agent is a corporation—that would be a limited liability company—the term includes every member, which would mean every shareholder. A big firm might commit a breach of Clause 18 by arranging prices or holding up supplies, and the various shareholders would know nothing about it.

The Chief Secretary: The shareholders would not be prosecuted.

Hon. H. S. W. PARKER: Perhaps not, but the definition would make them liable. A subsequent amendment would cover the managing director or partner, and I think that is what the Chief Secretary desires. Surely he does not want to make individual shareholders responsible, and yet the definition would include them. We should confine the responsibility to the management of the defaulting company.

Hon. J. NICHOLSON: The Minister is taking a wrong view of the matter.

The Chief Secretary: A strong view, yes.

Hon. J. NICHOLSON: I said a wrong view. He is misinterpreting the effect of the two definitions. If a member of a company would not be prosecuted, why include him? The Minister might be a member of a company, and as such would have no voice in the management. He would not know that an offence had been committed. The only person who would have that knowledge would be the man controlling the concern. He would be the offender and should be held responsible. I do not wish to excuse anyone who might be guilty, but innocent people should not be made liable under the measure. "Commercial trust" is defined as any association having as its object or purpose or as one of its objects or purposes the controlling or influencing of supplies or prices. There is scarcely a trading company in existence to which that provision would not apply, because every company has as one of its objects the controlling of matters connected with various commodities, and therefore would be regarded as a commercial trust. One of its objects, amongst a host of others, would bring it within the scope of this measure. The retention of the words would inflict hardship on innocent people, whereas my amendment would enable the real offender to be prosecuted.

The CHIEF SECRETARY: I cannot accept the hon. member's statement that

every trading company has in its articles of association a clause of the kind indicated.

Hon. G. Fraser: He is an extremist.

The CHIEF SECRETARY: The definition refers to controlling or influencing the supply, demand or price of any commodity. How many trading companies in Perth are doing that? It refers to creating or maintaining a monopoly in the supply or demand of any commodity. Some firms might have a clause in their articles of association giving them that right.

Hon. J. Nicholson: No, the general wording of a memorandum of association would be sufficient.

The CHIEF SECRETARY: I say there is not a majority of trading companies with such a clause in the articles of association. The hon. member said the ordinary shareholder of a company would be liable to prosecution. That is drawing the long bow.

Hon. J. Nicholson: It is not; the definition is there.

The CHIEF SECRETARY: I direct the hon. member's attention to the fact that the two definitions relate to Clauses 17 and 18, which refer to combines. The ordinary shareholder has nothing to fear from this measure. The firm itself, however, should be liable to prosecution.

Hon. J. Nicholson: No one objects to that at all.

The CHIEF SECRETARY: Then why does the hon. member move this amendment? He desires to limit persons who may be prosecuted under the Bill to certain employees, instead of that liability being extended to the firm itself. The effect of the amendment is to place responsibility on employees and excuse members of the firm. The members of the firm may have laid down a policy which forces employees to do those things, and employees would not hold their positions for five minutes if they refused. The amendment tells those members of such firms, in time of war, "You may do as you like: we shall only prosecute your employees."

Hon. J. NICHOLSON: The Chief Secretary's words force me to attempt once more to make my meaning clear to the hon. gentleman. The Minister has stated that I seek to avoid giving power to take any proceedings against the company.

The CHAIRMAN: Order! The Chief Secretary said that would be the effect of the amendment.

Hon. J. NICHOLSON: The Chief Secretary's words were that I would not give power to prosecute the company. I am not seeking by my amendment to prevent prosecution of the company; that is the last thing I would wish to prevent. The meaning of "members of a commercial trust" is not the commercial trust itself, but any of the constituent persons of a commercial trust. I do not oppose any prosecution of the company or trust at all. I have not sought to strike out the word "Corporation." Had I made that attempt, the Chief Secretary would have been justified in saying that I was trying to prevent the company from being prosecuted. I retain the word "corporation" and also the words "firm or association." In a later clause of the Bill I seek to provide that any partner of a firm would be liable—which is a proper thing, as any partner of a firm has a voice in the management quite different from that of any shareholder of a company or member of a corporation. The Chief Secretary's suggestion therefore is quite wrong. It misleads the Committee. All I seek to do is to make liable the true offender against anything coming under the Bill. A managing director as a rule is not there without being considerably interested in the company. My amendment is necessary in order to make the true offender liable.

Amendment put, and a division taken with the following result:—

Ayes	15
Noes	7

Majority for 8

AYES.

Hon. E. H. Angelo	Hon. W. J. Mann
Hon. C. F. Baxter	Hon. G. W. Miles
Hon. L. B. Bolton	Hon. J. Nicholson
Hon. J. A. Dimmitt	Hon. H. V. Plesse
Hon. E. H. H. Hall	Hon. A. Thomson
Hon. V. Hamersley	Hon. C. H. Wittenoom
Hon. J. J. Holmes	Hon. H. S. W. Parker
Hon. J. M. Macfarlane	(Teller.)

NOES.

Hon. J. M. Drew	Hon. W. H. Kitson
Hon. G. Fraser	Hon. G. B. Wood
Hon. E. H. Gray	Hon. T. Moore
Hon. W. R. Hall	(Teller.)

Amendment thus passed.

The CHAIRMAN: Before proceeding further, I wish to direct the attention of the Committee to two events which have hap-

pened in this Committee. There have been tonight two divisions of the Committee, and on both occasions I had to put the question twice. The Chairman is not deaf, but I am supposed to decide on the voices. In the case of the last question I put on the voices there was one aye and one no, and on the previous occasion there were about three ayes and four noes. I find that there are about 25 members present. I ask all hon. members to declare their opinions when a question is put.

Hon. J. NICHOLSON: The amendment I had intended to move was to strike out the words "constituent person or agent" in the third line of the definition of "member of a commercial trust" with a view to substituting "person or persons."

Hon. H. S. W. PARKER: Surely the words are all right as they appear in the definition!

Hon. J. NICHOLSON: In view of the amendment already agreed to, it would be preferable to substitute the words "where any such trust is a corporation." A trust might consist of a number of persons not incorporated or registered as a company.

Hon. J. J. Holmes: There might be a partnership.

Hon. J. NICHOLSON: Yes. Some words must be inserted in lieu of those to be struck out, and perhaps the words "commercial trust" could be inserted. I move an amendment—

That in line 3 of the definition of "member of a commercial trust" the words "such constituent person or agent" be struck out, and the words "commercial trust" inserted in lieu.

Hon. H. S. W. PARKER: The intention of the definition is to eliminate shareholders of a company, but Mr. Nicholson's amendment will not achieve that end. All that is necessary is to strike out the word "such" in line 3. A trust may be a combination of companies, firms or individuals. In those circumstances, the part of the definition under discussion should be retained, and only the word "such" struck out.

Hon. J. NICHOLSON: I do not wish to prolong the discussion, but Mr. Parker should consider the position in view of the words that have been struck out.

The Chief Secretary: That will not affect Mr. Parker's suggestion.

Hon. H. S. W. PARKER: A trust is a combination of corporations.

Hon. J. NICHOLSON: Not necessarily.

Hon. H. S. W. PARKER: Look at the definition.

Hon. J. NICHOLSON: A trust may be a combination or association, whether incorporated or not.

The CHAIRMAN: Strong protests were made against rushing the Bill through, thereby preventing amendments from being placed on the notice paper. We have amendments on the notice paper now, but we are getting more than ever mixed!

The CHIEF SECRETARY: The amendment suggested by Mr. Parker should meet the position. Because we have struck out certain words does not mean that those words should not appear later in the definition. If the word "such" were struck out, the definition would be satisfactory, and in accordance with what Mr. Nicholson desires.

Hon. J. NICHOLSON: Further consideration can be given to the matter, and we can recommit the definition, if necessary. I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Hon. H. S. W. PARKER: I move an amendment—

That in line 3 of the definition of "member of a commercial trust" the word "such" be struck out.

Amendment put and passed.

Hon. J. NICHOLSON: I move an amendment—

That in line 5 of the definition of "member of a commercial trust" the words "member or agent" be struck out and the words "managing director, manager or partner" inserted in lieu.

Most of the trusts will probably be more in the nature of partnerships than companies.

Hon. H. S. W. PARKER: I think the word "managing" should be deleted, and that would achieve all that is necessary.

Hon. J. NICHOLSON: I have no objection to that, and will move the amendment in that form.

Amendment, as altered, put and passed.

Hon. J. NICHOLSON: I move an amendment—

That in line 3 of the definition of "owner" the words "or claiming" be struck out and the words "and who has entered into possession under" inserted in lieu.

The definition of "owner" includes not only the person owning the commodity in

question but also every person having or claiming any mortgage, encumbrance, etc., over or in such commodity. The mere claim of a mortgage does not entitle the person to exercise rights that can be exercised by a mortgagee who steps into possession under his security. Until a mortgagee takes that action, he is not in the position of being able to assert rights that a mortgagee of property can exercise by way of sale or carrying on the operations. In certain classes of security, in the event of default, power is sometimes given to the mortgagee to manage and carry on the business, but the mere claiming of security is not such a right at all and the words should not be there.

Amendment put and passed.

Hon. J. NICHOLSON: I move an amendment—

That to the definition of "owner" the following words be added:—"The term also includes the Crown."

The Crown is interested in all sorts of activities and in a Bill such as this it should not be in any preferred position to the ordinary trader. It should recognise its obligations.

The Chief Secretary: Do not you think it will?

Hon. J. NICHOLSON: I believe it will, but its bona fides will be proved if no objection is raised to this amendment.

Hon. G. Fraser: Who would be imprisoned?

The Chief Secretary: To what activities of the Crown were you referring?

Hon. J. NICHOLSON: All the State trading concerns for example.

Hon. H. S. W. PARKER: And railway freights.

The CHIEF SECRETARY: The amendment is unusual, but I do not intend to oppose it.

Amendment put and passed.

Hon. H. S. W. PARKER: I move an amendment—

That the definition "prescribed date" be struck out.

The amendment strikes at one of the main principles of the Bill and it has to be read in conjunction with other clauses of the Bill. The prescribed date set out in the Bill is the 31st August last and the prices of all commodities will be those prevailing on

that date. The Commissioner may from time to time alter and vary the prices of commodities. If the amendment is accepted the effect will be that no price will be fixed until the Commissioner has dealt with the commodity. There will be no automatic fixation. Western Australia is not a manufacturing State, but has to buy the greater portion of its manufactured goods from other States and overseas. The price in the retail shops depends upon the charges made by the manufacturers. The importer cannot control the price that he has to pay for goods.

The Chief Secretary: Can he control it inside Western Australia?

Hon. H. S. W. PARKER: A local manufacturer would have some control but there is no control over the manufacturer of articles imported into the State. Members will readily understand that parcels of the same article travelling by one ship will have different prices according to the date at which they were actually purchased prior to shipment. Further, the insurance and freight charges on different shipments will vary. For a merchant to be asked to fix at the price for his goods that which prevailed on the 31st August when conditions were normal, would thus be unfair and perhaps in some instances, ruinous. True, the Commonwealth Government has fixed the date at the 31st August. We have no say in that.

Hon. G. B. Wood: What about goods in stock on the 31st August?

Hon. H. S. W. PARKER: I do not believe it is possible to prevent profiteering by any legislation, if a person sets himself out to profiteer. We cannot make the Act watertight; I wish we could. With regard to stocks in hand: Suppose one wholesale establishment dealing in Manchester goods had a quantity on hand on the 31st August and that a rival emporium had to import fresh goods at a price from 20 to 40 per cent. in excess of the original price. It will be seen that the emporium having the goods in hand will be able to undersell the other firm. Again, when the war ends the people who have stocks on hand for which they paid a high price will suffer considerably because the value may drop overnight. I am told that before the last war, one particular line of woollen piece goods sold at 10s. a yard. During the war the price rose rapidly to 30s. When the Armistice was declared the price fell overnight to the original

amount. A firm that had a considerable stock of woollen piece goods in hand lost £22,000 and another firm suffered to the extent of £90,000. People must replenish their stocks in order to keep their trade. They cannot take the risk of the war not continuing. However, I am not at present concerned with that aspect, but I do consider that to fix a prescribed date now would be harsh.

The CHIEF SECRETARY: I cannot agree with the contention of the hon. member. It is highly desirable that this legislation should be complementary to the Federal Act. In view of the fact that the 31st August is the date mentioned in the Federal Legislation we should have the same date in our measure. All that Mr. Parker has done is to indicate difficulties that are inevitable when legislation of this kind is introduced. We are anxious to avoid causing inconvenience, but some traders will naturally have to suffer. In quoting the large sums that individual firms lost at the end of the last war the hon. member gave an indication that those firms did very well indeed out of the war.

Hon. J. M. Macfarlane: They were writing off all the time.

The CHIEF SECRETARY: They are still in business.

Hon. H. S. W. Parker: They are very big people.

The CHIEF SECRETARY: Big people can do more or less as they like. No doubt the commissioner will give full consideration to matters of that kind. Mr. Parker talked about Manchester goods. If we allowed a firm having large stocks of such goods to sell at an enhanced price, although the goods had been imported prior to the outbreak of war, the firm would show a handsome profit and would soon get rid of its stocks. There is not much force in the hon. member's argument. Our desire is to work in close co-operation with the Commonwealth Government, and the more we alter this legislation the harder shall we make the task of the commissioner as well as of the trader. If we fix the date at the 31st August traders will know where they stand.

Amendment put and negatived.

Clause, as previously amended, agreed to.

Clause 6—Power to declare commodities:

Hon. H. S. W. PARKER: I move an amendment—

That all the words after "declare" in line 2 of Subclause 1 be struck out, and the words "the commodities to which this Act shall apply" be inserted in lieu.

My object is to shorten the clause and make it more clear.

The CHIEF SECRETARY: I have no objection to the amendment.

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

Clause 7—Appointment of Commissioner of Prices:

Hon. J. NICHOLSON: My object is to have this clause struck out and another substituted. The task it is proposed to place upon the shoulders of the commissioner is too great for one man, and should be shared by at least five persons.

Hon. J. J. Holmes: How would that fit in with the desire of the Commonwealth Government?

Hon. J. NICHOLSON: The Commonwealth Government would still appoint its own commissioner.

The Chief Secretary: He is already acting.

Hon. J. NICHOLSON: The tribunal I would suggest would yield better results than if the work were left in the hands of one man, and everything would be carried out more expeditiously.

The Chief Secretary: Your proposal would have the opposite effect.

The CHAIRMAN: The hon. member may not move to have this clause struck out; he can vote against it. On the other hand, there is a way out, namely, an amendment to strike out all the words after "Governor" in line 1, with a view to inserting other words.

Hon. J. NICHOLSON: Thank you, Mr. Chairman. I move an amendment—

That all the words after "Governor" be struck out and the following words inserted in lieu:—"shall appoint five Commissioners for the purpose of this Act. Two of the Commissioners shall be appointed by the Governor, one of whom shall also be appointed as chairman and the other shall be appointed to represent the interests of the general public and the three remaining members shall be appointed on the recommendation of—
(a) The Primary Producers' Association of W.A.; (b) The Chamber of Manufactures; and (c) The Chamber of Commerce. If at any meeting at which three Commissioners only are present such Commissioners differ in

opinion upon any matter, the determination of such matter shall be postponed until all the Commissioners are present. Each Commissioner may be paid such remuneration by way of salary and allowances as the Governor determines. The Commissioners shall inquire into and from time to time make reports and recommendations to the Minister on the prices, wholesale and retail, and the conditions of sale of foodstuffs and necessary commodities, and upon all such other matters as are within the scope of their authority. The reports and recommendations of the Commissioners shall be presented to both Houses of Parliament, if Parliament be then in session, or within fourteen days of the commencement of the ensuing session. In case of illness or other incapacity, or absence of a Commissioner, the Governor may appoint some person to be Deputy Commissioner during such illness, incapacity, or absence. Every person so appointed shall, until his appointment is terminated by notice in the "Government Gazette," have all the powers and perform all the functions and duties of a Commissioner, and be deemed for the purposes of this Act to be a Commissioner."

Hon. G. FRASER: Could such an amendment be carried in this Chamber? Would it not impose a financial burden upon the people?

The CHAIRMAN: This is not the time at which to determine such a question.

The CHIEF SECRETARY: I hope the clause will not be amended. In what position would the Commonwealth Commissioner find himself? He would be acting on behalf of the Commonwealth Government on the one hand, but would find himself in his State activities acting with four other persons, and might have his opinions over-ridden. How would it be possible to secure uniformity in important matters of this kind with a body of five persons? Under the Bill as framed the commissioner can take the advice of anyone. Apart from the constitutional aspect, raised by Mr. Fraser, I consider it would be a mistake to appoint five commissioners instead of one.

Amendment put and negatived.

Clause put and passed.

Clause 8—Administration of Act:

Hon. J. NICHOLSON: By this clause the Minister will be subject to the direction and control of the Minister. It occurs to me that he should be subject to the direction of Parliament. No provision is made for an appeal. Had the Committee agreed to my earlier proposals that could have been dealt with and an appeal allowed to others who would have a greater grasp of the situ-

ation than one commissioner is likely to possess. In the circumstances, the point arises as to whether Parliament and not the Minister should be the responsible authority, but, in view of the defeat of my previous amendment, I do not intend to proceed with my proposed alteration of the clause, of which I had given notice.

Clause put and passed.

Clauses 9, 10—agreed to.

Clause 11—Duties of the commissioner as to investigations:

The CHIEF SECRETARY: I move an amendment—

That the following words be added to paragraph (iv):—"and as to what from time to time shall be 'reasonable quantities' of any commodity within the meaning of paragraph (b) of Section 14 of this Act."

Hon. J. Nicholson: I had that point in mind, and I am glad you have moved that amendment.

The CHIEF SECRETARY: I do not think any objection will be raised, particularly as the amendment gives effect to a promise made by the Minister in another place when the point was raised as to what constituted "reasonable quantities."

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

Clause 12—agreed to.

Clause 13—Declaration of maximum prices:

Hon. H. S. W. PARKER: I move an amendment—

That after the word "declare" in line 1 of paragraph (i) the words "for any commodity" be inserted.

The Chief Secretary: I do not raise any objection to the amendment.

Amendment put and passed.

Hon. H. S. W. PARKER: I move an amendment—

That in subparagraph (a) of paragraph (i) the words "at which any commodity may be sold" be struck out.

The amendment is consequential on that we have just agreed to.

Amendment put and passed.

The CHIEF SECRETARY: I move an amendment—

That a new subparagraph be inserted as follows:—" (i) what shall be 'reasonable quantities' of any commodity within the meaning of paragraph (b) of Section 14 of this Act."

This is necessary because of the previous amendment.

Amendment put and passed.

Hon. J. NICHOLSON: I move an amendment—

That at the end of Subclause 1 the following new paragraph be added:—“(iv) Take into account and make allowance for the cost of replacement of the commodity in respect of which a price may be fixed from time to time, and also such other matters as may be deemed by the commissioner to be fair and equitable.”

The amendment will arm the commissioner with additional necessary power. Mr. Parker emphasised the need for some such provision when dealing with the prescribed date and prevailing prices. In fixing and declaring a price in respect of any commodity, power to consider the cost of replacements is essential, hence my amendment.

The CHIEF SECRETARY: I cannot accept the amendment. The commissioner will be provided with all the power necessary to enable him to arrive at a fair and equitable decision when fixing prices. He will have full power and authority to take the question of replacements into consideration. There is no doubt in my mind that in some instances he will not give attention to that phase, because there will be no necessity for him to do so. We shall have to leave it to the discretion of the commissioner to decide whether it is reasonable that replacement costs should be a factor in the prices fixed for the time being. The same thing applies under the Commonwealth legislation. We must give the Commissioner authority to do the fair thing and I feel sure he will do it if the Bill is passed.

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

Clause 14—Sale at higher than declared price unlawful:

Hon. H. S. W. PARKER: I do not propose to move the amendment to paragraph (a) of which I gave notice, because the Chief Secretary's proposed amendment to paragraph (b) covers the point.

The CHIEF SECRETARY: I move—

That after the word “sell” in line 1 of paragraph (b) the words “in reasonable quantities” be inserted.

Amendment put and passed.

Hon. H. S. W. PARKER: I move—

That all the words after the word “commodity” in line 3 of paragraph (b) be struck out, with a view to inserting other words.

Under the clause, as worded at present, it would be an offence for a man to sell goods in his possession; but a man may have goods in his possession and not under his control. It does not matter in whose possession the goods are; but if a person has control over them he must sell.

Amendment put and passed.

Hon. H. S. W. PARKER: I move—

That the words “under his control” be inserted in lieu of the words struck out.

Amendment put and passed.

Hon. H. S. W. PARKER: I move—

That a proviso be added to the clause as follows:—“Provided that the Commissioner may from time to time authorise and permit any trader to withhold from sale any commodity or any quantity thereof.”

Amendment put and passed.

Hon. J. NICHOLSON: I move—

That a new paragraph, to stand as paragraph (c), be added as follows:—

(c) In any prosecution under this section it shall be a sufficient defence to show that on the occasion in question—

(i) the defendant supplied, or had not a sufficient quantity of the commodity in his custody or under his control to supply the quantity demanded, in addition to the quantity required to satisfy all other contracts then subsisting, under which he was obliged to supply quantities of the commodity and the ordinary requirements of his business; or

(ii) the defendant was a wholesale trader in the commodity and the person who demanded to be supplied was not a retail trader therein.

For the purpose of this section, in determining what is a reasonable quantity, regard shall be had to all the circumstances of the case, including the question whether the person who demanded to be supplied was or was not at the time of the demand carrying on business as a retail trader in the commodity demanded, either alone or with other goods.

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

Clause 15—Returns of commodities:

Hon. H. S. W. PARKER: I move an amendment—

That the words “may be prescribed” in line 3 of Subclause (1) be struck out, and the words “he shall deem fit” be inserted in lieu.

The use of the word “prescribed” means that there must be a regulation which has to be gazetted. My amendment will provide

that it will be left entirely to the discretion of the commissioner as to what he shall publish.

Amendment put and passed.

Hon. H. S. W. PARKER: I move an amendment—

That the words "greater than is prescribed in such notification" in line 5 of paragraph (a) of Subclause (1) be struck out. I do not think these words are necessary.

Amendment put and passed.

Hon. H. S. W. PARKER: I move an amendment—

That paragraph (b) of Subclause (1) be struck out.

This is consequential on previous amendments.

Amendment put and passed.

Hon. H. S. W. PARKER: I move an amendment—

That Subclause (2) be struck out.

This also is a consequential amendment.

Amendment put and passed.

Hon. H. S. W. PARKER: I move an amendment—

That Subclause (3) be struck out.

This subclause is not required in view of the provisions of Clause 32.

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

Clause 16—agreed to.

Clause 17—Illegal concessions:

Hon. H. S. W. PARKER: I move an amendment—

That the word "proclaimed" in line 3 be struck out.

Amendment put and passed.

Hon. H. S. W. PARKER: I move an amendment—

That the following proviso be added to the clause:—"Provided this section shall not apply to dealings or undertakings in the usual and ordinary course of business or trade."

Part III. of the Bill in which this clause appears deals with combines that endeavour to force up prices and do not carry on business in a straightforward manner; but there are many firms in legitimate business that give a discount. A merchant buys his goods overseas on a discount basis. He then sells to retailers at prices

very often fixed by the original wholesaler who will not permit him to dispose of the goods under a certain figure. The profits of many warehouses consist in the discount allowed by the firms from which they procure the goods.

The Chief Secretary: They are not affected by this clause.

Hon. H. S. W. PARKER: I thought there would be, when I read the clause. There are firms that obtain a rebate only on condition that they deal with retail trader and not with the public. The amendment will safeguard legitimate business people.

The CHIEF SECRETARY: If members examine the clause carefully, they will find that it deals with business that is not conducted in accordance with ordinary practice. This and subsequent clauses are almost word for word with the provisions of the New South Wales Act, which has been in operation for some years, with the Queensland Act, and with the measure that was adopted in 1914.

Amendment put and negatived.

Hon. J. NICHOLSON: The clause provides that every person commits an offence who either as principal or agent, when dealing in any commodity, gives or agrees to give to any other person any rebate, discount, reward or other valuable consideration. That has nothing to do with the making of profit; it relates to giving something away.

Hon. G. Fraser: A reward?

Hon. L. B. Bolton: For a service.

Hon. J. NICHOLSON: Rebates are given in many businesses.

Hon. G. Fraser: Is it not a reward?

Hon. J. NICHOLSON: No, it is an ordinary business transaction that has the effect of reducing instead of increasing prices. Not by the widest stretch of imagination can anyone contend that the giving of a discount is in the nature of profiteering. In fact it is the opposite, and therefore is not incidental to the Bill.

Hon. G. Fraser: That is only a first step.

Hon. J. NICHOLSON: I claim that this provision is inconsistent with the title and should not appear in the Bill. To provide that a man might be prosecuted, heavily fined and even imprisoned for giving a discount or rebate is to me astonishing, and I hope the clause will be negatived.

The CHIEF SECRETARY: To give the other side, the commissioner might fix the

price for a commodity, and 99 per cent. of the traders might honour the decision.

Hon. J. Nicholson: You mean fix a price that traders must not exceed.

The CHIEF SECRETARY: One trader might offer a secret rebate in order to secure the whole of the business in that commodity, and thus take an unfair advantage of others. For that reason the clause is necessary. A firm or combination might secure a monopoly of the whole of a commodity and, by adopting such practices, bring about an increase of price. The way would also be opened to hoard certain commodities, and I say emphatically that Clauses 17 and 18 are essential.

Hon. L. B. BOLTON: I agree with Mr. Nicholson. If the price of a commodity is fixed and the agent's payment consists of the amount of rebate or commission, what would be his position? The clause is dangerous in that it would not permit an agent to collect a rebate or commission for selling a commodity.

The CHIEF SECRETARY: The agent, in those circumstances, would not be committing an offence. If Mr. Bolton reads the whole of the clause, he will appreciate the need for it.

Hon. A. Thomson: Under this provision would not a trader requiring only one case of a certain commodity be able to get it at the same price as the man who purchased 1,000 cases would have to pay?

The CHIEF SECRETARY: I do not know that that applies. Certain trading customs are recognised, and will continue to be recognised.

Hon. A. Thomson: The matter is worthy of consideration.

The CHIEF SECRETARY: No part of the clause would apply to the instance mentioned by the hon. member. It is drafted to prevent the creation of monopolies that would have the effect of increasing prices. It compares almost word for word with a similar provision in the Act of 1914.

Hon. J. NICHOLSON: Apparently the purpose of this clause is to prevent people from giving discounts on the prices of certain commodities. When loans are made to persons in trade it is a common thing to provide that the borrower shall deal only with certain people. To give a discount is not to profiteer.

Hon. A. Thomson: The discount may vary according to the type of trade.

Hon. J. NICHOLSON: Discounts are given, for instance, in the cigarette trade, and the selling price of the commodity is fixed. The clause is dangerous. What we require to guard against is the making of a profit out of the circumstances of war.

The CHIEF SECRETARY: The clause will not interfere with ordinary trade practices. If one thing more than another will lead to profiteering it is the hoarding of supplies.

[Hon. Sir John Kirwan took the Chair.]

Hon. L. B. BOLTON: My objection to this clause would have been overcome if the Chief Secretary had accepted Mr. Parker's proviso. As he declined to do that, I shall vote against the clause.

Hon. G. FRASER: One of the practices referred to in this clause has been followed for a long time in the liquor trade. For a certain sum of money the licensee of an hotel will agree to sell only a certain brand of liquor. Would the clause affect such a custom?

Hon. H. S. W. PARKER: To which statute did the Chief Secretary refer when he mentioned an Act passed in 1914?

The Chief Secretary: I referred to the Control of Trade in War Time Act.

Hon. H. S. W. PARKER: I can find no section in that Act dealing with a question such as this. The clause is similar to a section appearing in the Queensland Act, which is very different in form from the Bill now before the Committee. The price-fixing legislation in New South Wales remained in force for only one year, and may be ruled out for purposes of comparison.

Hon. A. THOMSON: The Chief Secretary might postpone this clause. I have grave doubts as to its application. Mr. Parker's suggested proviso would probably have overcome the difficulty. Considerable restriction has existed for many years. It seems that small purchasers are to be enabled to demand the same concessions as large purchasers. The Government has been purchasing large quantities of cement from local companies at a certain price. Those companies would not supply me, as a private individual, at the same price. I hold that under the Bill I could legally claim to be supplied at that price.

Hon. H. S. W. PARKER: Suppose a cement company supplies me as a builder

with a quantity of cement at a certain price on the one condition that I shall not re-sell the cement to any other person. The matter is provided for in paragraph (b). For that reason I thought the proviso I suggested might be accepted. It would not permit of any wrongdoing.

Hon. C. F. BAXTER: This provision deals with combines. There are different kinds of combines. Some are beneficial. The tobacco combine protects the retailer. Some time ago a certain trader in the South-West began to sell cigarettes at less than cost, by way of advertisement. That practice spread throughout the South-West, and as a result those persons who had tobacco and cigarettes as a principal article of sale were crippled. After a time the persons selling at cut prices were induced to revert to standard prices.

Hon. J. Nicholson: Such a practice would destroy small shopkeepers.

Hon. C. F. BAXTER: Yes. Traders have catch lines at less than cost to attract business. Mr. Parker's proviso was not intended to apply to long-accepted practices of trade. I certainly would not agree to the deletion of the clause. The position is extremely delicate.

The CHIEF SECRETARY: I see nothing difficult about the clause, which is perfectly clear. It would not affect ordinary customs which have existed for years and years in various trades. If Mr. Parker's proviso would put the matter right, I would raise no objection to it. If desired, the clause can be recommitted so that the proviso may be reconsidered. I would certainly strongly object to the deletion of the clause, because every precaution must be taken in dealing with such a problem. If we allow combines and commercial trusts to do as they like, particularly in these times, the public will have to pay dearly.

Clause, as amended, agreed to.

Clause 18—Illegal refusals to deal:

Hon. H. S. W. PARKER: I move an amendment—

That in line 5 the word "proclaimed" be struck out.

Amendment put and passed.

Hon. A. THOMSON: In the "Government Gazette" of the 29th September, the Railway Department notified increases in the rates on small consignments from 3d. to 6d. and also in the mileage rates per ton

under the heading of "miscellaneous" and "C class," which were increased by 10 per cent. The effect is that freights from Perth to Katanning have been increased 6s. per ton for "C" class goods and 2s. per ton under the "miscellaneous" heading. The Government is not bound by this legislation, and the position is rather absurd. On the other hand we attempt to prevent private citizen from profiteering, yet here is a sample of what the Government is doing.

The CHAIRMAN: Will the hon. member connect his remarks with the clause, which refers to illegal refusal to deal in commodities?

Hon. A. THOMSON: I am just wondering whether the Commissioner of Railway could be charged with committing an offence under the provisions of this measure. I, as a private citizen, might contend that in August the freight was so much, and therefore I would refuse to pay the increased rate. Would the Commissioner be in a position to refuse to carry my goods, and if so would he commit an offence under this legislation? The Government should be placed on the same footing as private citizens.

The CHIEF SECRETARY: I do not know what the hon. member wishes to know. Increases in railway freights are not subject to this legislation, because that "commodity" has not yet been proclaimed.

Hon. A. Thomson: But the railways constitute a monopoly.

The CHIEF SECRETARY: I do not know that that is so. If some members of this House were forced to support the monopoly, if it be such, the railways would be better off than they are to-day. At any rate, the clause has nothing to do with the railways.

Clause, as amended, agreed to.

Clauses 19 to 23—agreed to.

[Hon. J. Cornell took the Chair.]

Clause 24—Power of entry and seizure in certain cases:

Hon. H. S. W. PARKER: I move an amendment—

That the following subclause be added: "(3) If after due investigation by the Commissioner it is found that such person was not guilty of any offence as aforesaid, the goods seized or carried away shall be returned to the person or due compensation shall be paid to such person."

The commissioner has only to suspect, and when he has the right to seize a commodity. Merely seek the return of the goods, or compensation in lieu, should the person concerned not be guilty of an offence against the Act.

The Chief Secretary: I have no objection to the amendment.

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

Clause 25—Obstructing officers and similar offences:

Hon. H. S. W. PARKER: I move an amendment—

That in line 1 of paragraph (a) the words "interferes with" be struck out.

In copying the Queensland Act, an error has been made, and I wish to rectify the position. Such an amendment was also agreed to when a similar Bill was under discussion in another place on a former occasion.

The Chief Secretary: I do not think it matters whether the words are embodied in the paragraph or deleted.

Amendment put and passed.

Hon. H. S. W. PARKER: I move an amendment—

That in lines 1 and 2 of paragraph (a) the words "or insults" be struck out.

Amendment put and passed.

Hon. J. J. HOLMES: It is questionable whether the clause will not defeat itself, as here is no discretionary power with respect to penalties.

The Chief Secretary: They are the maximum.

Clause, as amended, agreed to.

Clauses 26 to 28—agreed to.

Clause 29—General penalty:

Hon. J. NICHOLSON: There should be clarification of Subclause (2).

Hon. H. S. W. PARKER: I suggest that the words "chairman and every managing director" in line 3 of Subclause (2) be struck out.

The CHIEF SECRETARY: I move an amendment—

That the words "chairman and every managing" in line 3 of Subclause (2) be struck out.

Amendment put and passed.

The CHIEF SECRETARY: I move an amendment—

That the word "every" be inserted before the word "director" in line 3 of Subclause (2).

Amendment put and passed.

Hon. H. S. W. PARKER: With respect to Subclause (5), it is possible that great hardship might be inflicted upon an employer because a disgruntled worker might, against the instructions of his employer, charge a price higher than the fixed price. This he would do wilfully in order to get even with his employer. I am taking an extreme case.

Hon. C. F. Baxter: The penalty is extreme.

Hon. H. S. W. PARKER: The employer would be liable for the act of his servant in so selling the goods if the servant were acting within the scope of his authority, that is to say, if the storekeeper had not reduced the price in accordance with law.

Hon. G. Fraser: If the alteration were made, do not you think there would be many scapegoats?

Hon. H. S. W. PARKER: I do not think so.

Hon. J. Nicholson: Quite the reverse.

Hon. H. S. W. PARKER: If goods are sold at too high a price, the counter-hand would say, "The price is not altered," or "I was told to sell at that price," and he would have his co-workers to support him.

Hon. G. Fraser: There might not be any co-workers.

Hon. H. S. W. PARKER: I think the hon. member would find that the commissioner would lay the charge against the employer, who would have to prove clearly that his worker had disobeyed instructions.

The Chief Secretary: I do not think the clause would apply to small traders.

Hon. H. S. W. PARKER: I do not think so. I move an amendment—

That Subclause (5) be struck out.

The Chief Secretary: I am not raising any objection.

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

Clauses 30 to 34—agreed to.

New clause:

Hon. J. NICHOLSON: I move—

That the following be inserted to stand as Clause 14:—"Pending the fixing and declaring of prices as aforesaid it shall be lawful for a trader on giving seven days' notice in

writing to the Commissioners of his intention to increase the price of any commodity above the prevailing price to an amount equivalent to the replacement value to the trader of such commodity. In every such notice the trader shall specify the commodity in respect of which he desires to increase the price and shall state the amount of such increase in addition to the then price of the commodity and his reasons for requesting such increase, and failing the Commissioners fixing a price and notifying such price to the trader within said period of seven days, then the trader shall be entitled to increase such price by or to the amount stated in such notice, which increased price shall be deemed to be the declared price for the purposes of this Act as from the expiration of such notice, and until the publication of any proclamation as aforesaid fixing the maximum price for such commodity."

I think the Chief Secretary will concur in this.

THE CHIEF SECRETARY: I am sorry to disappoint the hon. member. If this is agreed to I can hardly imagine any commissioner being able to cope with the number of requests he would receive respecting all manner of commodities.

Hon. J. Nicholson: This is designed to help him.

THE CHIEF SECRETARY: It would not be helpful; it would make the operation of the Act absolutely impossible.

Hon. H. S. W. Parker: It would prevent him from going to sleep!

THE CHIEF SECRETARY: All traders would have the right to charge the price suggested by a particular firm or individual. What would happen in that event can be understood. Every trader desirous of taking advantage of the position would intimate that he proposed to increase prices as from a particular date.

Hon. W. J. Mann: He would have to give justification.

THE CHIEF SECRETARY: Not according to this clause.

Hon. J. NICHOLSON: The Chief Secretary is taking the wrong view. He does not realise the benefit of the clause to the commissioner. We must bear in mind that there are fixed prices for all commodities, namely, those operating on the 31st August. But everybody should be aware that prices have increased from 20 to 30 per cent. Since the 31st August, men engaged in the retail trade have been compelled to order goods from the other States and some from overseas to replace their stocks. Yet the

Bill will compel every trader to sell at the price prevailing on the date mentioned. We are making this retrospective. A man must charge those prices until such time as a proclamation is issued fixing different prices. The position is serious for traders inasmuch as they have no control over the prices fixed by the wholesalers in the other States. Nor has the Government. All the clause proposes is to give the trader the power to notify the commissioner that he has received goods that have cost him much more than formerly and that he proposes to increase the retail price. He must give all the requisite information. If the clause is not agreed to, many people will suffer unemployment, because traders will not be able to afford to open up the cases of goods they have imported until they can have a price fixed that will recoup them for their expenditure.

Hon. W. J. Mann: The goods will lie idle in the warehouses.

Hon. J. NICHOLSON: Yes. They will lie idle at the Customs, and people will suffer unemployment. I desire to keep the wheels of industry moving and this is a means of doing so. The clause is not suggested with the intention of foiling the commissioner but of helping him.

THE CHIEF SECRETARY: The new clause will be tantamount to authorising traders to charge the replacement value for goods that might have been in stock for a month.

Hon. J. Nicholson: The notified price would continue only until the fixed price was declared.

THE CHIEF SECRETARY: So many applications would be forwarded to the commissioner that he could not possibly inquire into all of them and higher prices could be charged when there was no justification for them.

Hon. J. Nicholson: The applications should be dealt with by an army of substitutes. No one man could do it himself.

THE CHIEF SECRETARY: The system will be operated without the large organisation suggested by the hon. member.

Hon. J. Nicholson: The Commissioner will need to act quickly, or every place in the town will be closed.

THE CHIEF SECRETARY: Much will be done in association with the traders. I wish to get this legislation through tonight

an order to end the prevailing uncertainty, which is causing inconvenience to traders. This matter had better be left to the commissioner, and if we pass the Bill tonight, there will be no need for much delay. Many traders have already been in communication with the deputy commissioner; they understand the methods to be applied, and, so far as I can gather, are satisfied with them. The new clause would give a trader the right to fix his own price for a period which might be as long as a month, and if the commodities have been stored and the trader is a retailer, there will be little chance of the purchasers at the higher price getting a rebate in the event of a lower price being fixed.

Hon. H. V. PIESSE: A case occurred in the country on which I should like information from the Chief Secretary. Goods have been purchased at a certain price and have been sold at the price ruling on the 1st August, but those goods have cost 5d. a tin more. What time will elapse before the approval of the commissioner can be obtained, or will that trader have to sell his goods at the old price?

Hon. J. Nicholson: At the old price.

The CHIEF SECRETARY: The sooner his legislation is agreed to, the sooner the commissioner will be acting and the sooner the traders will know where they stand. I understand that the commissioner will be able to deal with such matters promptly.

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

Ayes	8
Noes	11

Majority	against	..	3
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Hon. E. H. Angelo
Hon. L. B. Bolton
Hon. J. A. Dimmitt
Hon. J. J. Holmes

Ayes.

Hon. W. J. Mann
Hon. J. Nicholson
Hon. C. H. Wittenoom
Hon. V. Hamersley
(Teller.)

Noes.

Hon. C. F. Baxter
Hon. J. M. Drew
Hon. W. R. Hall
Hon. W. H. Kitson
Hon. J. M. Macfarlane
Hon. G. W. Miles

Hon. H. S. W. Parker
Hon. H. V. Piesse
Hon. A. Thomson
Hon. G. B. Wood
Hon. G. Fraser
(Teller.)

New clause thus negatived.

New Clause:

Hon. H. S. W. PARKER: I move—

That the following be inserted to stand as Clause 34:—

The Commissioner shall prepare an annual report with respect to the administration of this Act for each year ending on the thirtieth

day of June and a final report up to the expiry of the Act, and such reports shall be laid before both Houses of Parliament.

New clause put and passed.

Title—agreed to.

Bill reported with amendments.

Recommittal.

On motion by the Chief Secretary, Bill recommitted for the further consideration of Clause 17.

In Committee.

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

Clause 17—Illegal concessions:

The CHIEF SECRETARY: Earlier in the debate I agreed that an amendment moved by Mr. Parker, and defeated, should again be put before the Committee.

Hon. H. S. W. PARKER: I move an amendment—

That the following proviso be added:—
“Provided this section shall not apply to dealings or undertakings in the usual and ordinary course of business or trade.”

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

Bill again reported with a further amendment, and the reports adopted.

The CHIEF SECRETARY: I do not know whether, in the circumstances, it will be possible for me to move that the Bill be now read a third time.

Hon. J. CORNELL: It would be almost impossible for the Chairman of Committees to go through the Bill in its present form and initial all the amendments that have been made to it. I suggest, therefore, that the Bill be reprinted and the third reading stage postponed.

The Chief Secretary: It seems that I can follow no other course.

House adjourned at 11.14 p.m.