

Legislative Council

Wednesday, 19th October, 1955.

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

QUESTIONS.

PRESS UNION ITINERARY.

Exclusion of Midland, Geraldton and Wongan Areas.

Hon. L. A. LOGAN asked the Chief Secretary:

(1) Who was responsible for the itinerary for the Press Union representatives?

(2) Why were the Midland, Geraldton and Wongan areas not included in the itinerary?

(3) Will the Minister give an assurance that future visitors to Western Australia will be given the opportunity of visiting these areas, particularly between the middle of August and November?

The CHIEF SECRETARY replied:

(1) Representatives of the Press.

(2) The Government has no information on this matter.

(3) Subject to the wishes of the visitors concerned, the places mentioned, along with other parts of the State, are given consideration in the preparation of official itineraries.

PREPARED POULTRY MASH.

Increase in Price.

Hon. A. R. JONES (for Hon. N. E. Baxter) asked the Minister for the North-West:

(1) Is it a fact that the price of prepared poultry mash has been increased 7s. 6d. per ton this week?

(2) If so, will he ascertain the cause of the increase?

The MINISTER replied:

(1) Yes.

(2) As a result of the shortage of mill offal, gristed grains are being used as a substitute in poultry mashes. Gristed grains have a lower protein content than mill offal so that a higher proportion of animal protein must be added to maintain the required protein level, and animal protein is the most costly ingredient of the mashes. Therefore an increase in the proportion of animal protein causes an increase in total cost.

MOTION—PERTH CITY COUNCIL.

To Disallow Central Districts Classification By-law.

Debate resumed from the 11th October on the following motion by Hon. H. Hearn:—

That by-law No. 33 made by the City of Perth under the Municipal Corporations Act, 1906-1953, and the Town Planning Act, 1928-1953, published in the "Government Gazette" on the 18th February, 1955, and laid upon the Table of the House on the 9th August, 1955, be and is hereby disallowed.

THE MINISTER FOR LOCAL GOVERNMENT (Hon. G. Fraser—West) [4.35]: It is rather unfortunate that I should have to speak on this important motion tonight when so few members are present. I would have liked a fuller House before I spoke to the motion, and before a vote was taken. This is an important motion, particularly in the light of the case put up by Mr. Hearn. It is also important from the point of view of the Perth City Council. I think I can be bold enough to say that any planning is better than no planning at all.

Hon. H. Hearn: Not necessarily.

The MINISTER FOR LOCAL GOVERNMENT: I will repeat that I feel that any planning is better than no planning at all. I would also go so far as to say that I do not care what planning scheme is put up; objection can always be taken to it, and will always be taken to it.

It is far easier when planning is done in relation to virgin areas. Everything can be planned as required, and everyone knows where the items in the plan are to go. But it is a most difficult matter to plan

a district that is already occupied, particularly when an area like the City of Perth is affected, which has grown up over the last 125 or 126 years, and in respect of which there was no idea of planning in any shape or form until the present time. That being the case, members will appreciate the difficult task that faced the people who planned that area. It is inevitable when planning an area like the City of Perth, that one will strike a lot of difficulties and anomalies. The Perth City Council has endeavoured to do something to set things right from now on, and naturally it has run up against many difficulties.

It has been said—and it is quite true—that I approved of the application when it was received from the Perth City Council. I take full responsibility for my action, though I would not attempt to say for one moment that what was put up to me was perfect. I do not wish to make any excuse; nor do I admit that I made a mistake in signing the application. But from my point of view, I had to consider the scheme which was presented to me in relation to zoning by-laws that govern the City of Perth. Whether I or any other Minister was concerned it was necessary to iron out the difficulties before approving the by-law.

But this would have meant having to examine every block of land in the City of Perth to see it was properly zoned. Members will appreciate that that would have been almost impossible. At the same time, I had proposals from the Perth Road Board. So I was actually called upon to put my signature to something that covered almost every block of land in the Perth City and Perth Road Board areas. No Minister can be expected to do that. Sandwiched with that are by-laws from various parts of the State.

The fact that a Minister approves such an application does not mean that the scheme is 100 per cent. correct. That is the position. I will admit quite freely that possibly the best method was not adopted in this instance when the by-law was gazetted. Mr. Hearn made a good case; but anybody can make a good case concerning any zoning by-laws whether for the City of Perth or anywhere else in the State. As I mentioned earlier, when a change is being made to something that has been in existence for any length of time, defects cannot be remedied without our treading on somebody's corns.

I am sorry that the hon. member has moved in this direction. I think the matter could be straightened out without going to the extreme proposed by him. Since the motion was introduced, I have asked various members to secure the adjournment of the debate with a view to my finding a way out of the difficulty. I thought I had done so yesterday when I suggested to the Lord Mayor and the Town Clerk

that the difficulty could be overcome by the council setting this by-law out as a planning proposal. The difference between a planning proposal and by-laws is that once by-laws are gazetted they become law, but a town planning proposal has to be advertised each week for three weeks, following which a certain time is allowed for the lodging of objections. Then the proposal has to be held over for three months before being submitted to the Minister.

Yesterday I suggested to the Lord Mayor and the Town Clerk that if they turned this by-law into a planning scheme and adopted the procedure I have outlined, everyone in the Perth City area who wanted to object would have an opportunity to lodge his objection. I think that Mr. Hearn would agree with that, too. But here is where the hon. member and I disagree: The Lord Mayor and Town Clerk agreed that I had made a good suggestion; but I further proposed that the by-law should be regarded as an interim by-law and remain in existence until the planning scheme was submitted. That is the point on which the hon. member and I disagree.

He wants to disallow the by-law and throw the gate wide open; but I think the matter needs tying up until such time as the planning scheme goes before the public. That is our only point of difference—as to whether we shall throw out the by-law or retain it as an interim development, and then allow objections to be heard regarding the planning scheme.

From experience, I know just what could happen in the City of Perth area if this by-law goes overboard. The whole area would be optional, and so long as a person conformed to the building by-laws of the council, he could build anything anywhere. Do members want that position to arise? I do not think they do.

Hon. A. R. Jones: Has it happened in the past?

THE MINISTER FOR LOCAL GOVERNMENT: I will tell the hon. member what has happened. The whole of the Perth City area has not been zoned. What is known as the city area has been zoned, and that goes as far as Vincent-st. During the past few weeks I have had numbers of appeals against decisions of the Perth City Council. I believe that respecting one of them there was a letter in the week-end Press concerning my attitude. I did not see the letter because I do not read the week-end papers. But I understand the complaint was about a decision I gave concerning an application for the erection of a building in the City of Perth area.

What happened was that the person concerned applied to the Perth City Council for approval to erect a shop in a certain area. The council refused, and the man exercised his right to appeal to me.

I went out and had a look at the place. It was a nice residential area, and conveniently situated in the centre of a number of fine buildings was a vacant block of land immediately opposite the hotel. Whether I was right or wrong I do not know, but I said "This looks like a betting shop proposition."

When I came back to Perth and examined the situation, I found that the Perth City Council had not zoned that area. Therefore, it was an optional area, and I had nothing else to do but uphold the appeal. My own personal feelings could not enter into the matter. If an area is optional, a person can build what he likes in it. There is no law to stop him, but only a few words in an Act which provide that he can appeal to the Minister. Notwithstanding what I may be called at various times, I am not going to set myself up to be a Hitler or Mussolini in this country by saying what people can do at all times.

Hon. H. Hearn: You have delegated your power to somebody else.

The MINISTER FOR LOCAL GOVERNMENT: No.

Hon. H. Hearn: You have in these by-laws.

The MINISTER FOR LOCAL GOVERNMENT: My attitude on all these questions is: "What is the law of the land? Is there any law to prevent this person from doing what he has applied to do? If there is no law, he goes on with it." There is another residential area in respect of which there is an appeal against the Perth City Council's refusal of an application for the erection of an open-air picture gardens. I have not given a decision yet; but it is obvious what the decision must be, because there is no zoning by-law for that area, which is therefore optional.

The same thing has occurred in the Victoria Park area with regard to the refusal of the council to permit the erection of service stations. Appeals have been made to me, and my personal feelings cannot enter into the matter. What is the law of the land? It is that there is nothing to prevent these persons from establishing these service stations where they want to, because it is an optional area.

These instances are occurring almost every day; and during my term of office, I have been endeavouring to persuade local authorities to zone their areas, so that any person can walk into their offices and, when he asks, "What is the law regarding this area? What can I build here?" the plans are there for him to see, and there is no argument with anybody.

Therefore I welcome any local authority submitting either planning schemes or zoning by-laws that will put everybody on the same plane and not leave it at the whim of some individual to say that one

person shall be able to do something and another shall not. The danger is that if Mr. Hearn succeeds in his motion, the whole of the central area of the Perth City Council—

Hon. H. Hearn: Will be as it was before last February.

The MINISTER FOR LOCAL GOVERNMENT: Yes; and a person will be able to build what he likes, where he likes and how he likes. That is the true position, and it cannot be disputed. Everywhere will be an optional area; and at this stage of our development that should not be so.

Let us not forget that development has been rapid, not only in Perth, but in the suburbs; and if the motion is agreed to, quite a lot of damage can be done in the period between now and when the planning scheme becomes law. It has to be advertised for three weeks. I would say, at a rough guess, that before the scheme can receive final approval at least five months, and possibly six months, will elapse. Am I asking too much of members when I say to them: Keep this by-law for the interim so that it will cover the position for approximately six months, until the planning scheme comes into operation?

In the meantime, all those people who, Mr. Hearn says, have objections to certain phases, will have the opportunity of presenting their case, and they may be able to achieve the desired alteration. I would have liked to arrange for a conference between the Town Planning Committee of the Perth City Council and some bodies who had studied the zoning by-laws and knew the anomalies in them, to see whether those anomalies could be ironed out. Unfortunately that has not been possible.

I appeal to members not to carry the motion, because I assure them that in my estimation quite a lot of damage will be done to this city in the space of the next six months. If there is an attempt to remedy the position after the planning scheme has been approved, it will be a very costly business. I have sympathy with those who, under the present zoning arrangements, have been placed in an awkward position, but I do not think any of them have been placed in such a position that the anomalies cannot be rectified.

Certain objections were raised by the hon. member, who said that in some areas warehouses were permitted, but not shops, and in other areas there were only professional chambers. Evidently there are some areas where the zoning does not meet with the approval of those concerned, but I cannot see any great difficulty in getting that position altered to suit the requirements. I think, however, that the method adopted by the hon. member is far too drastic and I appeal to members not to carry the motion.

HON. L. A. LOGAN (Midland) [4.54]: I can appreciate the Minister's position in this matter. But I would say that the two questions before the House are: Firstly, that the Perth City Council has been premature with its by-law and has not given the public sufficient time to work out what it means; and, secondly, that it differs from the Stephenson plan. Should we accept the by-law today, we cannot in a few months' time, if we have to consider the town-planning scheme prepared by Professor Stephenson, accept both if they differ from each other. Which is the one we should accept—the Stephenson plan, or the Perth City Council plan? I am inclined to think that the Perth City Council has no right to bring this plan forward until the Stephenson plan, or some other plan, has been accepted by Parliament.

The expansion that might take place if this by-law is disallowed has the Chief Secretary worried; but probably the greatest expansion in the history of Western Australia has occurred over the last five or six years. With the shortage of money today, the expansion will perhaps not be anywhere near as great during the next six months as it has been in the past few years; it certainly will not be greater. We will not be any worse off. There might be one or two buildings, but that is all.

I cannot see any danger in asking the Perth City Council to wait a little longer for this by-law. By that time the public will have appreciated just what it means. Mr. Hearn has already pointed out quite a few discrepancies in the plan. It is obvious to the layman, just glancing at it, that full planning has not been carried out by the persons concerned; it has been rushed.

The Minister for Local Government: They have only been on it since 1946!

Hon. L. A. LOGAN: They may have been. But who have been on it since 1946? In their hurry to have the by-law laid on the Table of the House, they by-passed the Stephenson plan, and forgot what it had to say about the position.

The Minister for Local Government: This has been done in conjunction with one of those who assisted with the Stephenson plan.

Hon. L. A. LOGAN: It differs from the Stephenson plan; and that is why I say it was rushed. If it was prepared with the help of one of the men who assisted with the Stephenson plan, then, as it disagrees with the Stephenson plan, it must have been rushed. I do not see any harm in disallowing the by-law for the time being. If after three months, or by the beginning of the next session, the public are quite satisfied with the plan, or the authors of it realise the mistakes they have made, it can be redrafted to suit the requirements.

I am of the opinion that a place can be over-planned, and that is what this looks like to me. Under the by-law, if a person in a building had to go out of business, the building would have to be held for the purpose of the planning. It might be in an area where the business just would not be warranted, and so there would be an empty shop. I do not think that is right.

If this were to take effect from a certain date it might be all right, but to make it effective from the time it is laid on the Table of the House, or agreed to here, is too drastic altogether. I am sure that a more mature consideration of the planning scheme and the by-law, will be in the best interests of Western Australia, and particularly the City of Perth.

HON. H. HEARN (Metropolitan—in reply) [4.58]: I first of all thank members for their contributions to the debate. I believe in town planning; and we cannot have town planning without zoned areas. I come back to the point, however, that I tried to make in my address: that if one were extreme one could say that the City Council had put a confidence trick over the people of Perth.

Here we have a plan which is just being considered by a top-level committee. The Town Planning Commissioner consented to this by-law, the Minister unfortunately signed it, and it became the law of the land without any person whatsoever having a chance to look at it and object to it. On the other hand, 90 per cent. of the people affected were not aware that the by-law was contemplated. I listened with sympathy to Mr. Davies when he said that it was a question of trying to get together; and I think that the Minister will say that as far as I personally am concerned, I have done my best.

But I would also like to say that the City Council's attitude to this by-law is very different to even the Minister's attitude. At present the city councillors are of the opinion that they have produced an ideal set of by-laws to which no one could take any objection. Never at any time throughout the negotiations did the City Council admit that it had made any mistakes.

For instance, I was told by the Town Clerk that in every zone they have alternate uses. I am sure, notwithstanding the fact that the Minister is a very busy man, that he knows enough to realise that that statement is not true. All I am asking is that the people of Perth be given an opportunity to examine the proposals so that they will know what the City Council intends to do to them. The Minister talked about chaos, and I think he overplayed his hand. This city has been in existence for well over a century.

The Minister for Local Government: I never overplay my hand.

Hon. H. HEARN: Not much! In addition, he would have us believe that if this by-law were disallowed there are no other by-laws governing buildings in the City of Perth. I ask members, as intelligent people: Is that true?

Hon. F. R. H. Lavery: He did not say that.

Hon. H. HEARN: I was asked whether I would be prepared for the proposal to be used as a planning scheme. I would be prepared to agree to that; but I am absolutely amazed that the Minister thinks he could get a planning scheme worked out in a short period of six months. I imagine that interval is much shorter than would be required. I would say that it would take nine to 12 months. The advice of the man imported from Melbourne by the City Council was that the basic principle underlying any planning scheme was to sell it to the public. Instead of selling this scheme to the public the City Council has foisted it on them. The Minister wants the by-law to remain the law of the land, and he said that it could be altered afterwards. How can we have it altered if the City Council is not prepared to alter it?

The Minister for Local Government: It will drop it immediately—

Hon. H. HEARN: As soon as the motion was taken from the notice paper, nothing more could ever be done by this House. This proposal is a terrible imposition upon so many people.

Let me tell the Minister something: Last night a city councillor visited me at the House. He was one of the leading lights in advocating the passing of this zoning by-law. He came to me in great distress and told me that he had been to see his solicitor in regard to his properties—incidentally he is a large property-owner in the city. When he saw me, he said, "My goodness! I did not know what I had advocated. This is the most terrible thing that could happen to anybody."

He then went on to say that his claim, which was going into the City Council, was for over £250,000. He may have exaggerated in regard to the sum; but surely the Minister is not going to tell us that, if we postpone the adoption of this zoning plan for six or eight months, in order to give the public a chance to understand it and to rectify some of the anomalies, the odd building which he might have to consent to is of more importance than the rights of the people who will suffer under this grave disability.

I would have liked the Minister to mention the poor unfortunate property-owners in West Perth. They can use the area only for residential flats; but in order to build such flats, it is necessary to have a frontage of 79 ft., and these poor people have only 50-ft. frontages.

The Minister for Local Government: There is nothing in the by-law to that effect.

Hon. H. HEARN: There is no by-law to that effect; but these people cannot get a permit. I know, because I have checked on the point. I do not think the Minister has enough time to look into the workings of the Perth City Council.

The Minister for Local Government: They have the right of appeal to me if they do not like the ruling of the Perth City Council.

Hon. H. HEARN: Why should we put these people in the position that they have to appeal to the Minister? Suppose the Minister owned land and had lived in the house all his life, and wanted to do something about converting it into residential flats. Would he like to be told that, although the area was reserved for residential flats, he could not get a permit to build them? That is the point I am trying to make. Why should we allow the Perth City Council to zone the city this way? The right method, as the Minister knows only too well, is to have a town-planning scheme. This zoning proposal should not have been submitted in this way, and so I hope that the House will support me in my move.

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

Ayes	12
Noes	11

Majority for 1

Ayes.

Hon. J. Cunningham	Hon. J. Murray
Hon. L. C. Diver	Hon. H. L. Roche
Hon. H. Hearn	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. McI. Thomson
Hon. A. R. Jones	Hon. F. D. Willmott
Hon. L. A. Logan	Hon. A. F. Griffith

(Teller.)

Noes.

Hon. C. W. D. Barker	Hon. R. F. Hutchison
Hon. E. M. Davies	Hon. Sir Chas. Latham
Hon. G. Fraser	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. W. R. Hall	Hon. W. F. Willesee
Hon. E. M. Heenan	

(Teller.)

Pairs.

Ayes.	Noes.
Hon. L. Craig	Hon. Sir Frank Gibson
Hon. H. K. Watson	Hon. G. Bennetts
Hon. N. E. Baxter	Hon. F. R. H. Lavery

Question thus passed.

BILLS (5)—FIRST READING.

- 1, Metropolitan Water Supply, Sewerage and Drainage Act Amendment.
- 2, Soil Conservation Act Amendment.
- 3, Health Act Amendment.
- 4, Marketing of Barley Act Amendment.
- 5, Soil Fertility Research Act Amendment.

Received from the Assembly.

BILLS (3)—THIRD READING.

- 1, Swan Lands Revestment.
- 2, Mining Act Amendment.
Passed.
- 3, Traffic Act Amendment.
Transmitted to the Assembly.

**BILL—JURY ACT AMENDMENT
(No. 1).**

Report of Committee adopted.

**BILL—MEDICAL ACT AMENDMENT
(No. 2).***Second Reading.*

THE CHIEF SECRETARY (Hon. G. Fraser—West) [5.17] in moving the second reading said: The principal object of this very small Bill is to reduce from seven years to five years the period that regional and auxiliary doctors have to serve before they can obtain full registration under the principal Act. The Act provides that a regional or auxiliary doctor may be accorded full registration if, after three years' service, he passes examinations set by the Medical Board. The board, in its discretion, may reduce the three-year period of service to a lesser term.

Some 15 doctors have completed their seven-year service, and are now at liberty to practise wherever they wish in the State. In view of the experience, it is obvious that a five-year probationary term would be quite adequate. The Medical Board and the British Medical Association are quite agreeable to the amendment. I move—

That the Bill be now read a second time.

HON. J. G. HISLOP (Metropolitan) [5.18]: There is no need to hold up the passage of this Bill. It is wise to reduce the term of service from seven years to five years. The seven-year period was introduced as a war measure so that medical practitioners who came to this State, and who occupied positions in regional zones and later became auxiliary doctors, should not interfere with the practice of doctors away on war service. That phase has disappeared, and five years is quite long enough to ask any doctor to serve in the outback portion of the State before he can be fully registered. I support the second reading.

HON. SIR CHARLES LATHAM (Central) [5.19]: I do not think the statement of Dr. Hislop is quite correct. The main idea of the seven-year period was to allow the public to gain confidence in the work of regional doctors. Quite a number of migrant doctors came to the State in the early days of the war, and there was some doubt as to whether their qualifications equalled the standard required here. At

that time it was decided to send them to the country to serve as regional doctors. I objected when that measure was debated. Before they were sent out, they had to serve for a short while at the Royal Perth Hospital and to pass an examination.

It was possible that a regional doctor serving in the country might encounter a difficult case and have difficulty in consulting more experienced doctors. It was unfair to send those men to the country where they were unable to contact more experienced doctors. They should have qualified persons to keep an eye on their work. I know that all doctors have a great interest in their profession; but if an experienced doctor were called to attend a case where there had been some misadventure, and I use the word advisedly, he would see that the regional doctor did not "bury the patient" without some investigation. It is possible for regional doctors to give a certificate of death in country areas, and the death would not normally be further investigated. I hope that the greatest care will be taken in future in regard to this aspect.

Some of the earlier doctors serving in the country did not give as satisfactory a service as others. On the other hand, some were very clever men who returned to the city; and today they may be found practising among the best doctors. I do not want to prevent qualified regional doctors from practising in the city. In years past, it was suggested that they should pass an examination, but the difficulty was the language problem. Even today we find that some of these doctors do not speak very good English.

In Western Australia only two foreign medical diplomas were recognised. Doctors who qualified in Italy and China were allowed to practise. I know of instances where Englishmen who had qualified in Indian universities were refused permission to practise in this State; but not long ago, a Bill was passed to enable them to practise in the wheat belt.

This matter should not be passed over lightly. I do not object to reducing the period from seven years to five years; but I would like the medical profession to be more careful in cases in which doctors are sent to practise in isolated areas, where the whole care of patients is placed in their hands. It is not fair to country people if inadequately qualified doctors are permitted to issue certificates of death.

The Chief Secretary: If regional doctors were not sent to isolated areas, there would be no medical service available at all.

Hon. Sir CHARLES LATHAM: They have to serve a term in the Royal Perth Hospital and pass an examination before they are allowed to go out; even so, some of them were pretty crude.

HON. C. W. D. BARKER (North) [5.24]: I do not intend to delay the passage of the Bill. After hearing Sir Charles Latham, I want to put the other side of the picture before the House. I consider that five years' service in the outback is long enough for any doctor. I want to tell members how well these regional doctors have served in the North. We may have been extremely lucky there because, without exception, the regional doctors have been of the very highest standard. I can assure members that all the people of the North owe a debt of gratitude to those men.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; the Chief Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 11 amended:

Hon. J. G. HISLOP: I want to add to what I have said, in view of the statement made by Sir Charles Latham. The idea of the seven-year period was to protect doctors who were away on war service. The scheme of regional doctors was inaugurated to provide a medical service for country areas for which no medical practitioners could be found. It is not possible to order a doctor to practise in a place where he cannot make a living unless a Government subsidy is provided. At that time, a very poor subsidy was given to regional doctors by the Government, amounting in some cases to as low as £600 a year, out of which they paid their own expenses. It was a very poor salary.

Hon. Sir Charles Latham: It was not a salary.

Hon. J. G. HISLOP: It was, in the main. Some of those doctors did not make more than that, and the result was that the subsidy became the salary. The whole scheme worked very well during the war years and afterwards. There are still vast portions of the State to which our own medical men refuse to go, because there is very little to entice them and very little emolument to be made. During peacetime, a doctor who serves in such an area for five years is rendering good service to the community. Before a regional doctor is sent out, it is ensured that he is capable of performing any medical work he may be called upon to do. In these days of fast travel, most of the difficult cases can be sent to areas where patients can receive the necessary treatment.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

**BILL—COAL MINE WORKERS
(PENSIONS) ACT
AMENDMENT.**

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. H. C. Strickland—North) [5.29] in moving the second reading said: This Bill is designed mainly to rectify anomalies which will arise through alterations that have taken place in employment conditions at Collië. Other amendments are of a machinery nature and have as their object the facilitation of administration of the pensions scheme.

The principal Act provides that a miner on retirement shall be entitled to certain benefits, provided he has worked a minimum number of days in the industry over a specific period. Under the Act, any time served by a miner in the armed forces during the last war is regarded as employment for the purpose of eligibility for pension benefits.

Now that miners are entitled to long-service leave or may be called up for national service training, it is necessary for the Act to be amended to provide that the period a miner is away on leave or doing his training shall also be regarded as days of employment so far as pension benefits are concerned.

Another anomaly has arisen as the result of the introduction of national service. When a mine worker is away on war service, he is regarded as lawfully absent from the industry, and he is not required during his absence to contribute to the pension fund. As yet, this does not apply to a worker undergoing his national service training, and the Bill seeks to rectify this position.

A further amendment deals with the amount a pensioner may earn. Section 10A provides that any amount in excess of £2 10s. per week received by a pensioner or his dependants from a business or occupation or from personal employment shall be deducted from the pensions payable to him and his dependants. It has been found practically impossible to police this provision so far as income from a business or occupation is concerned, and so the Bill seeks to delete this reference. As a matter of fact, no pension has yet been reduced because of earnings from a business or occupation. It is recognised, for instance, that a retired mine worker is entitled to retire to a small property he may have built up in his spare time and to reap any benefit from it as a result of his thrift and labour.

It is considered, however, that the matter of earnings from private employment should be treated differently. The unions claim that private employment at Collië should not be open to retired pensioners

at the expense of persons who do not receive any pensions. To meet this situation, the rate of £2 10s. was fixed as the reasonable amount which could be earned without reduction of pension. Where a pensioner earns more than £2 10s., his pension is reduced by the extra amount.

In view of the reduction in staff made by the coalmining companies, it has become even more necessary that retired pensioners should not compete on even terms with other applicants for employment at Collië. For this reason, it is still not proposed to allow pensioners to enjoy the full benefit of any wages they may earn. However, in view of the increased cost of living, it is proposed in the Bill to increase from £2 10s. to £5 the amount they may earn without a reduction of pension. Because of the variation in allowable income under the means test, which was agreed to last year, this increased figure will not result in any reduction of a Commonwealth pension.

Another desirable amendment is to provide that a blind pensioner may earn any amount without his pension being affected. Members will agree that blinded persons are deserving of special treatment. This, of course, is the Commonwealth's policy regarding its pensions, and there is every reason why blinded ex-mine workers should be treated similarly.

The machinery amendments I have referred to are designed to facilitate administration. The items concerned are the provision to write-off irrecoverable arrears of contributions where the pensions tribunal is satisfied that they cannot be collected, and to implement a standard practice where, for accounting reasons, the owner pays a contribution only where the mine worker pays his contribution. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Simpson, debate adjourned.

BILL—PRICES CONTROL.

Second Reading.

Debate resumed from the 13th October.

HON. C. H. SIMPSON (Midland) [5.35]: The Chief Secretary, in moving the second reading, said it was the view of the Government that legislation was necessary because of the continued upward trend of prices of many essential goods and services, and that the Government considered it had a clear obligation to give the general public all possible protection against any industry or trade that might be tempted to charge unduly high prices or profits on essential goods because of prevailing circumstances.

That is the Government's claim, and it has presented a Bill to restore price control. It is for us to examine the validity of the claim and particularly the Bill presented to us, and to determine whether the proposition is soundly based and whether the Bill is the right way to implement the intention.

Members will recall as well as I do that this matter of price control has been criticised again and again in this House over the past few years. In 1953 a continuance Bill was presented to us designed to continue further the prices legislation on the statute book. This House refused to continue that measure and price control lapsed. In 1954, a Bill was presented to us containing 18 clauses and two schedules in place of a continuance Bill, but that was a permanent measure which, quite rightly, was rejected by this House.

On this occasion we are presented with a very formidable Bill containing 63 clauses and two schedules with the idea of continuing price control for all time as a permanent measure. At this stage we must examine the Bill very closely, quite apart from the principle contained in it of controlling prices allegedly in the public interest. The Bill is a most drastic one that might be suitable for a police state, but it is certainly not suitable for a young State which is developing and has an economy that can best be developed by the removal of restrictions and by giving encouragement to the utmost to free enterprise.

I shall mention various clauses in order to give members an idea of how the measure would operate. Clause 10 deals with the obligations of secrecy. It specifically provides that information may be passed on to the Attorney General—which would be quite right and proper—but it also provides that information shall be made available to the Commissioner of Taxation. That is a distinct departure from the practice of the past. It is recognised that while the Commissioner of Taxation has certain powers which he can exercise, it is his duty and responsibility to do his own police work and not to be assisted by sweeping legislation such as this.

Clause 11 proposes to exempt officers from all liability. Clause 13 provides that officers cannot be compellable witnesses, and yet they may be necessary to a case in order that counsel for the party prosecuted may be able to examine them. This is a principle of British Law that should be preserved. Clause 14 provides that the Commissioner or any officer authorised by him may (a) summon witnesses, (b) take evidence on oath, and (c) require the production of documents, books and papers, and the person concerned would not be protected by Section 11 of the Evidence Act should he refuse to give evidence that might possibly incriminate him.

Clause 18 sets forth that an officer may require any person (a) to furnish him with such information as he requires, and (b) to answer any question put to him, and he may also require evidence to be given on oath, or the question to be answered orally or in writing and for that purpose may administer an oath. Thus an officer under this measure would be made all-powerful and, as members will see further on in the Bill, an officer would be empowered to do certain things which, generally speaking, are regarded as being a serious interference with the liberty of the subject and not to be done without a warrant from an authorised person.

I now pass to Clause 52, which sets out that an officer may enter into or break into and use force to enter premises or vessels and break open and search any chest, trunks, packages or other things without a search warrant. Clause 58 relates to the application of the measure. It sets out in what respects it would apply to persons or institutions and the class of goods, etc., which is a very sweeping application of the principle of price control and does not provide for any exemptions whatever. Everything is to be at the discretion of the commissioner. The clause reads—

Any order, declaration or notice authorised to be made or given under this Act may be made or given so as to apply according to its tenor to—

- (a) persons generally;
- (b) all or any persons included in a class of persons;
- (ba) in the case of an order, any person to whom a notice is given in pursuance of the order;
- (c) all or any persons in any area;
- (d) any particular person;
- (da) the sale of goods or supply of a service or services to a particular person by a particular person;
- (e) goods or services generally;
- (f) any class of goods or any class of services;
- (g) all or any goods or services in any area; or
- (h) specific goods or a specific service.

That is all-embracing and is to operate for all time unless, of course, the Act be repealed or amended.

The Minister for the North-West: The clause says "may be made".

Hon. C. H. SIMPSON: Yes. Such powers may not be mandatory, but they may sometimes be used.

The Minister for the North-West: The Bill would be no good without power.

Hon. C. H. SIMPSON: Clause 62 prescribes the penalties. If the case is dealt with summarily, the penalty could be up to £200 or imprisonment for six months. If the offence is prosecuted upon indictment, the penalty could be up to £750 or imprisonment for two years. Clause 63 stipulates that a convicted person may be required to provide sureties, and failure to comply with the Act could involve him in a further penalty of six months gaol.

Those brief extracts show that the Bill now before us is much wider in its scope and much more drastic than anything we have been asked to accept before, despite the fact that we had refused to continue the Act two years ago and that we had refused to accept another much milder Bill last year.

The Minister for the North-West: This Bill has all the regulations embodied in it.

Hon. C. H. SIMPSON: I think that the penalties have been increased over and above what were provided in the regulations. Anyhow, the regulations had to be tabled and could be challenged. But this will be put into the Act, and it could not be challenged once the Act was passed.

We have to ask ourselves whether the Bill is necessary at all. Any increase in prices has not been due to the lapse of controls, and I want to establish that first of all. The increase under price freedom, in Western Australia, was smaller than the increase in prices under price control in Queensland. Some of the increases were due to circumstances over which the sellers had no control whatever; and I refer to factors such as the increased price for Government services—rail freights, electricity, gas and water charges, and so on. All those contributed to the cost of selling the goods; and so some increase in price, at least, must be attributed to those influences, and those services were Government controlled.

I do not say that the increased cost of those services was wrong; but I am trying to prove that under a system of price control, there is no effective means of arresting price movement. Prices move up or down according to influences quite apart from price control. All that price control does is to register the progress of those movements. Those increases represent the influence of realities, as I have just said. Price control can only do slowly and at great cost what a free market does immediately and at no cost at all. Price control produces black markets, under-the-counter shopping, and so on. Very often it also drives quality goods from the market. But where there is plentiful supply, or no emergency, the retention of price control is of no use whatever.

Let us try to get at the facts. This side of the House is just as anxious as is the Government side, to try to arrest the process of inflation. We know the effect it has on the economy of the State and how hardly it bears on the primary producer, who is not in a position to pass his costs on. It affects pensioners and all those who have fixed incomes, and so there is every reason to try to arrest the upward movement of inflation. But this is not the way in which to do it.

As I pointed out two months ago, when speaking to the debate on the Address-in-reply, since December, 1953, when controls were abolished, and up to the 30th June last, the increase in prices in Western Australia was only 3.6 per cent. In South Australia, which is often cited as a State controlled by a Liberal Government, and where price control is still in force—but administered I should say, very liberally—the rise in prices was 3 per cent. There are certain factors in Western Australia which had a tendency to increase prices and which were not operating in South Australia.

Firstly, there was the increase in wages which we have enjoyed over the past few years. For some years now the Federal award has been 10s. 6d. higher in Western Australia than in the other States; and now, since the recent adjustment, it is 16s. 5d. greater. We have had to face the greatest increase in population in our history—27 per cent. in the period from 1947 to 1954. There was also the increase in our work force; an increase of 25 per cent. In addition, there was the shortage of manpower, and a demand which still exists and which exceeds sales. Every machine was in full production.

Other countries, faced with a similar position, have abandoned controls, realising that they were not the answer. When they abandoned controls and got down to really hard work, their economies showed an amazing recovery. That was so in Great Britain, America, Canada, Scandinavia and Western Germany.

Last year, when the restoration of price control was sought, we were told that the cost of living had gone up; but it was revealed, in the course of debate, that only two commodities had contributed towards that rise, and that any other increases were negligible. The two factors concerned were rent and meat. Rent is already controlled by the rents and tenancies legislation, and in all the States of the Commonwealth it has been found impossible to control the price of meat, partly because the supply fluctuates so much from period to period with the seasons.

I will give some figures, which I think are interesting, in regard to meat prices. This is a summary of Australian statistics for June, 1954, in respect of meat and the price which then operated. I will mention the Federal figures first.

	Federal.		Western Australia.	
	s.	d.	s.	d.
Beef, sirloin	3	3	3	3
Beef, rib	2	8½	3	3
Steak, rump	4	4½	4	6
Steak, chuck	3	0	3	0
Sausages	1	9	1	8
Corned				
silverside	3	2	3	3
Corned brisket	2	6½	2	8
Mutton, leg	2	6	2	8
Mutton, fore-quarter	1	6½	1	8
Chops, loin	2	6	2	6
Chops, leg	2	6	2	6
Pork, leg	5	2½	4	4
Pork, loin	5	2½	4	4
Pork, chops	5	2½	4	4

It is interesting to note that, if we add up the two columns, we find that at June, 1954, the total for the Federal figure is £2 5s. 5½d. whereas the Western Australian figure at June, 1955, was down to £2 3s. 11d. That does not point to an increase in the cost of living, so far as the cost of meat is concerned.

Everyone will have seen during the last day or two, a Press statement that Western Australia was the only State where the cost of living had decreased. Certainly it was only a slight shift, the downward movement being 1s., but we believe that that shows a trend which has been indicated by a reduction in prices of some lines in the last three months. I have here a brief summary of certain lines to prove that there has been a definite reduction in prices during that time. It is as follows:—

	July, 1955.	Present time.
	s. d.	s. d.
Knitting wools	2 3	1 7½
Knitting wools (different quality)	2 9	2 0
Boys' woollen jerseys	36 6	29 11
Winceyette pyjamas	18 6	15 0
Men's woollen work socks	9 6	7 6

The Minister for the North-West: Would they be the same socks?

Hon. C. H. SIMPSON: Yes. To continue—

	July, 1955.	Present time.
	s. d.	s. d.
Wool and nylon stockings	14 4	13 6
Another line	15 11	14 11
Another line	17 11	14 11
Cotton frocks	25 0	21 0
Blankets all down by 5s. per pair.		
Sheets all down by 3s. per pair.		
Linen frocking per yard	21 6	19 11

Those are ordinary standard lines. There was no question of sales or anything such as that to affect the prices, and the authority for the figures given is the Retail Traders' Association of Western Australia.

Meat prices throughout the quarter have been stationary, and one of the main reasons for that has been an interesting degree of competition in the trade. At least 12 new butcher shops have opened in Perth and suburbs during the quarter, in addition to which the advent of the meat marts is beginning to have an effect on trading. The meat marts are a type of super-butchery and the meat sold is pre-cut and prepackaged. The sales are made by female or male shop assistants and not by higher-paid butchers, as is normally the case. The meat is pre-cut in bulk and is kept in cold storage.

While this development has not yet led to any actual decrease in meat prices, it has held them steady over the quarter and is expected to lead to price falls as competition increases in the near future. The authority there is the Meat and Allied Trades Federation. In regard to groceries, the prices for basic grocery commodities remained stable throughout the quarter. There was no change in the prices of potatoes, milk or sugar. Eggs fell from 5s. 2d. to 4s. 7d. per dozen and the price of one grade of coffee—

The Minister for the North-West: But eggs are price controlled.

Hon. C. H. SIMPSON: That is so; but this reflects the general trend, and other items are expected to follow. Coffee in 1 lb. lots was 12s. 3d., and is now down to 11s. 8d.; while $\frac{1}{2}$ lb. lots have fallen from 6s. 4d. to 6s.

The trend throughout the grocery trade is downwards, and wholesalers and manufacturing grocers express the opinion that grocery prices are 10 per cent. down as compared with six months ago in the self-service stores.

It has been said that price controls protect the inefficient trader because, under the old system, a man would come along and check his books and show that he was making only a certain margin on certain lines, and the prices commissioner fixed the price to suit the average turnover, allowing a recognised profit. It was really a case of cost plus, but now there is true competition. Goods are in more plentiful supply and it is a customer's market. The customer can now choose, and does so. He demands quality, service and variety and sees to it that he gets them.

While the price trend may not be downwards so much as one would expect, it is, generally speaking, because the customer is usually more prosperous and more choosy. He insists on getting quality; and if one man cannot supply it, he goes to the next. If the Minister's assumption

that certain unscrupulous traders are exploiting the public is correct, that should show up in the balance sheets, and profit and loss and trading accounts at the end of the year. But that is not so, because many of them have shown reduced profits. A few have shown increased profits; but there is now a real spirit of competition, which means that the trader who wants to get the patronage of the public has to make his prices competitive; and that is what we have always claimed will benefit the customer. Under conditions of price freedom that can be done; but under price control, prices are usually kept up.

I have tried to show that the real answer is in efficiency of service and that competition which brings about the efficiency. An instance of which members are probably aware is to be found in the price of cement, a commodity which used to cost farmers and other primary producers a considerable amount of money. Under the influence of competition, where more efficient methods of production had to be employed and better plant had to be installed, the price of cement has been reduced considerably.

Hon. H. L. Roche: Could they not do that with superphosphate?

Hon. C. H. SIMPSON: I do not know much about superphosphate. I should say that would be competitive at present; and also, to a great extent, most of the super companies are owned by the primary producers themselves. They hold a large interest in such companies, so I take it that their representatives would see—

The Minister for the North-West: I will say they have!

Hon. C. H. SIMPSON: I know that 45 per cent of the capital of one super company is subscribed by farmers. As to cement, the Government must benefit from competition and lowering in price, because it is a large user of that commodity.

I think I have said sufficient to indicate that the present trend of prices is not upward, but, if anything, is downward, considering that there are unavoidable circumstances such as marginal adjustments and increases in the cost of services which undoubtedly tend to force prices up. However, the actual margin that retailers get has, on balance, been reduced. In any case, whether that is so or not, I still claim that under price freedom one will get better services and lower prices than under price control.

At the moment, I do not wish to say any more on the subject. It has been debated in this House on a number of occasions, and I think members are well aware of the pros and cons of the question. Nevertheless, I would particularly ask them to bear in mind the provisions of this Bill, and consider whether they want to establish control of this kind, with all its drastic provisions; or whether they intend to carry on a price system which we consider is

extremely satisfactory, which preserves freedom and which ensures an absence of any restriction on the public and on traders. I oppose the Bill, and I earnestly recommend members to do the same.

HON. E. M. DAVIES (West) [6.3]: I consider that it is necessary we should introduce to the Parliament of this State legislation to provide for a system of price fixation and do our best to have it placed upon our statute book. Mr. Simpson, in his endeavour to give reasons why we should not have some system of price fixation, has dealt with a mass of figures. He has also told us that migration and other circumstances have had an effect on inflation in this State. Possibly that is so.

Migration to this State is continuing, and I believe it will carry on for some considerable time, because those of us who have given any thought to the question of populating this continent realise that it must be peopled from outside sources since we cannot achieve a natural increase rapidly enough with the population we have at the moment. Therefore, we must encourage migration. I believe everybody agrees with that policy; because if we are to develop this country as we would like it developed, we must have a greater population than we have now.

Whilst there is a continuous influx of migrants, those people must have somewhere to live; and, by various means, they find themselves accommodation. In addition, they must be fed. There is an abundance of some commodities at a certain period of the year, and a scarcity during other periods; and we find that prices are inclined to rise when goods are in short supply.

When the figures for the cost of living are compiled, there are many items that are not taken into consideration. I will admit that many commodities, especially foodstuffs, are considered when the cost-of-living figure is computed; but when one visits some of the smaller trading establishments in the residential parts of the metropolitan area, one finds there is a great difference between the prices charged by them and the prices charged by other establishments. As it is not possible for every person to travel to the central business section of the city many are forced to deal with these smaller retail shops.

People are claiming today that it is costing them considerably more to live than it did some time ago. There are some who say that they desire some system of price fixation. We have to consider that the basis upon which the basic wage is fixed is the cost-of-living indices. So we find that those who depend on wages and salaries have to go to a tribunal to prove to it that, in view of the increased

cost of living, it is necessary that they should receive an increase in their incomes.

Unfortunately, during the past few years those people have not received any basic wage increase, and so they have been forced to carry the increase in the cost of living. If it is good enough for a large section of the community to be told what their labour is worth, it is equally just that those who engage in the sale of commodities which are necessary to sustain life should also be subject to some tribunal which fixes prices.

During the course of his speech Mr. Simpson told us of the detrimental effect of price fixing in many directions: If that be so, it is remarkable that South Australia, which has a Liberal Government, with Mr. Playford as Premier, has continued with price control. I would point out that it has often been said during debates that he is the Premier who gets things done. So apparently he and his Parliament realise that there must be some virtue in a system of price fixation. If he thinks that—and he is not of the same political opinion as I am—there must be some virtue in his policy, because he has held to price fixing for some time.

I said previously that many items are not taken into consideration when the cost-of-living figures are compiled. Such items include hardware, and plumbing and electrical installations, which are charged for at exorbitant prices. People have complained about the cost of plumbing and electrical installations, and the price of certain items of hardware. I do not see why certain traders should be permitted to exploit the public as they are doing.

I consider that the Bill is extremely necessary, and the House should give serious consideration to the acceptance of some form of price fixation. Mr. Simpson has read out some of the provisions in the Bill which he considers would not be conducive to the best interests of the people generally; but I venture to say that there is no Bill that comes before this Parliament upon which everybody can agree. If the party on the other side of the House desires to move certain amendments there is nothing to prevent it.

For my part, I can see no logic in Mr. Simpson's argument against the Bill being read a second time. At least some portion of it should be placed on the statute book. Most of us do not care for certain forms of control. But whilst we have a shortage of certain articles—I do not think it can be said that we have reached the level where everything we desire is in abundance—a system of price fixation is essential.

I have already pointed out—Mr. Simpson referred to it also—that we are continuing with a migration policy; and whilst there are hundreds of people entering this State

who are seeking accommodation, it is necessary that certain items of hardware, and the services required for plumbing and electrical installation, should be amply provided. Unfortunately, however, that is not so; and we find there are certain people who take advantage of that fact, and charge what they like.

This Bill is a measure which must be considered seriously, and I trust that members will at least give it a reasonable hearing, and in their speeches will not unduly criticise it, but will put forward something constructive. I feel sure that if we are to have some system by which people can be protected, each and every one of us must play his particular part. I support the second reading.

Sitting suspended from 6.15 to 7.30 p.m.

HON. C. W. D. BARKER (North) [7.30]: In rising to support the Bill, I feel sure every member in the House will agree that prices throughout the world have risen considerably since 1939. The year 1939 seems to be the generally accepted date for a comparison to be drawn with normal times. It is only fair, therefore, that we should review the figures to see how they have risen since then. I am sure we all realise that there is a degree of inflation in Australia today which is making this country one of the most expensive in the world.

Hon. Sir Charles Latham: What is the cause of the inflation?

Hon. C. W. D. BARKER: I will come to that.

Hon. H. Hearn: You will tell us.

Hon. C. W. D. BARKER: If I do not, the hon. member may remind me; and before I sit down I will have another go. The retail price index for Britain since before the war has risen 96 per cent.—that is, taking 1939 as the basis.

Hon. H. Hearn: And they have no price fixing.

Hon. C. W. D. BARKER: In the United States, it has risen 90 per cent.; in Canada, 85 per cent.; in South Africa, 103 per cent.; and, in Australia, it has risen 163 per cent. In case anyone would like to say, "Where do you get those figures?", I would point out that they have been obtained from the Victorian Chamber of Manufacturers. The cost of clothing and miscellaneous goods in Australia has risen roughly two and a half times since 1939. The cost of food and groceries has risen more than three times.

Hon. L. Craig: And wages more than that.

Hon. C. W. D. BARKER: Some members may say that by controlling prices we are not getting at the cause of inflation. I believe that only by getting at the cause of inflation can we cure it.

Hon. Sir Charles Latham: Hear, hear!

Hon. C. W. D. BARKER: There may be several causes of inflation, such as shortage of goods and labour. Some members on the opposite side may say that too high wages and too low production could be other causes.

Hon. Sir Charles Latham: Hear, hear!

Hon. C. W. D. BARKER: Another cause could be the high profit demanded by industrialists and investors. I think we could safely list those as the main causes of inflation today. Shortages of material and labour are almost non-existent, although in the early postwar years they played a major part in inflation. Today, however, I think we can safely say they do not exist. I think that excess profits are clearly the main cause of inflation.

Hon. H. Hearn: What rot!

Hon. C. W. D. BARKER: Everyone knows that the industrialists and investors have flatly refused to share the burden and take any part of the responsibility to stop this mad, vicious circle. They ask the worker and the primary producer to bear the full burden. They not only ask them, but force them to do so by fixing wages, and refusing to fix prices or accepting a lower percentage of profits. Today we find ourselves almost priced out of the competitive markets of the world, and the wage-earner and the primary producer have become flotsam and scum on the flood-tide of muddy profits.

Hon. H. Hearn: What do you mean by that?

Hon. C. W. D. BARKER: Let us see how it is affecting the wage-earner. Again taking 1939 as our basis, and allowing that the Australian £ bought 20s. worth of real goods—that is in 1939—

Hon. A. F. Griffith: What was the basic wage then?

Hon. C. W. D. BARKER: About £4. The same £ in 1946 was only worth 16s. In 1955, it is worth approximately 7s. 8d. It is clear, therefore, that the purchasing power of the £ at 7s. automatically reduces the basic wage to £4—a reduction of £8.

Only two years ago the employers asked the Arbitration Court to reduce the basic wage by £3 a week, and the case was dropped. I say it was dropped because the employers were assured of the reduction of this £8 by profiteering being permitted and by an assurance that nothing would be done to control prices. But something has been done to control prices. It has been done by the monopolies and combines fixing a minimum price on their goods and refusing to allow retailers to sell them under that price.

Hon. H. Hearn: That is what price control wants to do; it wants to fix a minimum price.

Hon. C. W. D. BARKER: It has already been done.

Hon. H. Hearn: By whom?

Hon. C. W. D. BARKER: By the manufacturers.

Hon. H. Hearn: You are reading the "Tribune."

Hon. C. W. D. BARKER: No one in the House can say with any truth that this form of price control is fair. It means that competition has no say in the governing of prices. This Bill is an attempt to bear down on prices where necessary, to allow the community as a whole to share the responsibility of carrying the burden of inflation, and to give us some hope of stabilising our economy and allowing us to get back to a constant level where we can compete with world markets.

Immediately prices are fixed, wages and salaries automatically become fixed. What is the good of giving a wage-earner an extra 5s. in his pay packet at the end of one week if it is immediately thrown back on the cost of living? No worker views that with any hope for the future. It is an Irishman's rise and it is no good at all.

Some members may say that price control was tried and failed; that prices rose and wages rose. I would be the first to admit that to be true; but why was that? I contend it was so because price control was not carried out to the letter. If I were responsible, and I personally had to bring down this Bill, it would not be a measure to control prices, but rather a Bill to fix prices.

Hon. H. Hearn: Prime Minister Barker!

Hon. C. W. D. BARKER: Then, of course, during the period that prices were fixed, somebody would have to suffer; and the ones who would suffer would be those who are making huge profits.

Hon. H. Hearn: The battle-axes.

Hon. C. W. D. BARKER: I did not call them that, but I could give them a much stronger name. They could fully afford to take their share of the burden. Price control is operating in some form in most States of Australia; but where it has been dropped completely, consideration is now being given to reintroducing it.

Hon. A. R. Jones: Who has made all these profits?

Hon. C. W. D. BARKER: We will come to that. I might add that the people whom the hon. member represents—the primary producers—are the greatest sufferers under the scheme of things as they are now. The Liberal Premier of South Australia has recognised the necessity of price control to a certain degree, and I think I would be right in saying that competition in interstate trade is something to be reckoned with from that State. When

price control of goods and services was in operation during the war years, it was recognised as a necessity and was accepted by all. What is more, it worked. I maintain it worked, and every member in this House at that time accepted price control—

Hon. H. Hearn: As a war emergency measure.

Hon. C. W. D. BARKER: As a war emergency measure. I maintain that we have an emergency before us today which is equally as great as that which existed in those times. If we do not recognise that we are up against the wall in relation to overseas markets and the cost of production now—and this at least is one effort to cure it—then I fail to see what we are going to do. The main produce of Australia is primary products. We are in trouble all over the world today with our primary products as they relate to marketing. It is not as though these goods are over-produced today; it is more due to the fact that there is under-consumption and the inability of other people to pay the high prices our farmers are forced to ask.

Hon. L. Craig: That is just a platitude.

Hon. C. W. D. BARKER: It is not. It is true, and the hon. member knows it. The position of the primary producer today is not a happy one. The primary producer is the backbone of Australia; and without his exports, Australia would be in a sorry plight. How does this affect the farmer? If we follow prices, as from 1939, we will see how the cost of goods has increased. The cost of implements has risen 200 and 300 per cent.

Hon. Sir Charles Latham: And wages.

Hon. C. W. D. BARKER: Exactly. The companies who supply goods to the primary producers are making huge profits. Only the other day I saw that one company was paying 10 per cent. bonuses, and that company's sole object was to supply goods to farmers.

Hon. L. Craig: What is wrong with that?

Hon. C. W. D. BARKER: Let us analyse it and see where the poor old farmer comes in, in the long run. He has been the hardest hit of all in these times. The companies who manufacture tyres and machinery, and who supply the goods so necessary for the primary producer, are getting too high and really excess profits.

Hon. Sir Charles Latham: That is taken away in taxation.

Hon. C. W. D. BARKER: The consequences are that the cost of production has risen so high that today the primary producer is being priced out of the world markets. The British Government is subsidising the agricultural industry of that country to the extent of £300,000,000.

Several reasons have been given why the British Government is subsidising primary producers to that extent, but it could be that it is doing so to force down the cost of primary products. The same applies in France, where more wheat is being grown than ever before in the history of that country. And what about Australia? We have millions of bushels of wheat left on our hands. That is not because the world does not need wheat but because people cannot afford to pay the price we have to ask.

Hon. L. C. Diver: Rubbish!

Hon. C. W. D. BARKER: Rubbish nothing! It is not as though there is enough food in the world. I think everyone will agree that there are still two-thirds of the people of the world who are not receiving sufficient to eat. Every member will probably have read an article in the paper this morning which clearly indicates the position.

To ask the wage-earner to take any heavier part of the burden than he is already handling would be impossible. It must be remembered that, although the basic wage throughout Australia generally is £12, in actual money the wage-earners are receiving only £4 4s. If this Bill were passed and everyone were asked to bear a full share of the burden, prices would at least be fixed at their present level. Then, over a period, we could bring down prices and wages to a sane level until we could produce goods that would be acceptable on the world's markets.

Hon. A. F. Griffith: Tell us how you would fix prices.

Hon. C. W. D. BARKER: If any member says that that is not the way to do it, I would like to hear any suggestions he has to offer by which the faults in our present-day economy could be rectified.

Hon. A. F. Griffith: Tell us how you would fix prices.

Hon. C. W. D. BARKER: We will tell you as we go along.

Hon. A. F. Griffith: Don't forget!

Hon. C. W. D. BARKER: It may be said that the problem is international and can be cured only on an international basis. That may be so. I realise that we would still have to import goods which are sold at inflationary prices. I realise that some people would have to accept lower profits; but I believe that in the interests of the country as a whole, they could easily afford to do so. If the people of Australia had voted "yes" when Mr. Chifley went to the country and asked for permission to retain price control, I firmly believe that we would not find ourselves in the difficulties we are facing today.

Hon. Sir Charles Latham: You seem to be the only one out of step.

Hon. C. W. D. BARKER: I might be. If members believe that price control was necessary in an emergency during time of war, they must believe that such an emergency exists today.

Hon. A. F. Griffith: Do not forget to tell us, before you sit down, how you would fix prices!

Hon. C. W. D. BARKER: The old story that price control stifles competition is not true, and members know it. When prices are fixed, they are fixed at a maximum and not at a minimum; and if any manufacturer or retail trader wants to enter into competition and sell goods at a lower price than the maximum fixed, there is nothing in the world to stop him.

It might be said that when price control was in operation previously in Western Australia, this did not apply; and I would agree. But I would remind members that goods were then in short supply, and there was no need for competition. Today we are back to the stage at which manufacturers and retailers have to push their goods in order to sell them. Let members look at any paper they like, and they will see full-page advertisements costing hundreds of pounds.

Hon. Sir Charles Latham: Of cut prices.

Hon. C. W. D. BARKER: Radio advertising costs thousands of pounds a year. We have travellers back on the road again, and house-to-house canvassers. If price control were reinstituted in Western Australia, it would not lessen the flow of goods, and there would still be need for wide competition to effect sales. I admit that attempts have been made to bring down the price of goods, particularly by the super markets in Western Australia. They have made a serious attempt to reduce the prices of goods by cutting overhead costs, establishing self-service stores, and buying in bulk; but even they are not as popular as they were, because the better brands of goods sold by the larger manufacturer are disappearing from their shelves. I wonder why!

Hon. L. C. Diver: Give us concrete instances.

Hon. C. W. D. BARKER: If this is not concrete, we must get some more cement. I wonder if it could be that the firms will not allow them to sell the goods at any price lower than that at which those firms have fixed them.

The Minister for the North-West: Of course!

Hon. C. W. D. BARKER: Yes; and members know that is so. I think we can safely say that is the position. We have the so-called petrol war in the city, with one company trying to out-do the other in the building of petrol stations. But we find those self-same companies standing as one when it comes to the question of a

rising price for their products. The profits being made as commission on the sale of radios, refrigerators, automobiles and domestic appliances are nothing short of ridiculous.

The time has long passed since, in the interests of the people of Western Australia, we should have done something to control and call a halt to this mad, vicious circle. That should be done before we find ourselves in the position which faced us in 1929 and 1930. All of us can remember those days, when we had soup kitchens, workers on sustenance, and men carrying their swags through the length and breadth of Australia. I do not want to return to those days, and I do not think anyone else does.

But with this mad rush for higher and higher profits, something is bound to crack sooner or later. If we do not take some measure to control prices, I believe that sooner or later, like the proverbial house built of cards, our whole economic system will topple. I will go so far as to say that we will find ourselves, like the Nazis after the last war, using currency notes to paper our walls.

I believe that the changes necessary to bring stability to our economy will have to be drastic, and will need the full co-operation of capital and labour. One can only squeeze a lemon to its last drop, and to say that the worker is not giving a fair day's work for the pay he receives is so much rot. The hon. member on my right may laugh, but I would ask whether we have caught up with the supply of goods. How is it that company after company is putting up higher and higher production figures and securing higher and higher profits if that is not so? The only cry I have heard all through the years is that the worker is not giving a fair day's work for a fair day's pay and that he should be working 48 hours instead of 40. Yet science has proved that 40 hours a week returns just as much as 48 hours.

Hon. L. C. Diver: How many have two jobs in one week?

Hon. C. W. D. BARKER: Is that anything for which the worker should be cried down, if he is willing to try to do more to help his country? Is there any need to cry him down for that?

Hon. L. C. Diver: I am not crying him down.

Hon. C. W. D. BARKER: The position in which the worker finds himself is that he is like scum on a floodtide of muddied profits. During the time of war, price control was considered necessary, and we had a Profiteering Prevention Act which was also regarded as being necessary. What were those measures for? They were to protect the public, which is all this Bill seeks to do. When the States took over price control by Act of

Parliament, such control was thought necessary; and that was only in 1952. Today we have to ask ourselves not whether we want price control, but who is to control prices.

I maintain that prices today are controlled by the monopolies and combines, which makes it impossible for the public generally to control prices on an open competitive market. I will freely admit that the best way to control prices is to let the people themselves determine what is a fair price for goods by competitive buying. But so long as we have firms making goods that must not be sold under a certain price, people have no say in the matter.

Hon. H. L. Roche: This Bill will not stop that.

Hon. C. W. D. BARKER: I think it will. We have to ask ourselves whether we are to leave monopolies and combines to control prices in this fashion, or whether they are to be controlled by legislation on behalf of the people, and fixed at a maximum and not a minimum. When prices are fixed at a maximum, there is still room for competition, because there is no clause in the Bill that forbids any vendor of goods selling them under the maximum price. This is a Bill which fixes the maximum price.

Hon. A. F. Griffith: How?

Hon. C. W. D. BARKER: It prohibits certain transactions involving departure from the normal course of trade; prohibits the sale of goods or supply of services before a maximum price is fixed; provides for excessive charges to be refunded; imposes a penalty for refusal to sell goods at the fixed price; imposes a penalty for refusal to perform services at fixed rates and against speculators in goods, cornerers and for restriction of the circulation of goods. It provides for the seizing of goods when the market is cornered or when any person is acting to retard trade.

If price control can do the things I am sure it can do, then it is vitally important that this Bill be placed on the statute book. There is nothing in its provisions of which to be afraid. I do not think it will hurt anyone except the racketeers and profiteers who are destroying our economy. With the supply of goods having caught up with the demand, we need have no fears of under-the-counter or blackmarket practices.

I may be wrong, and there may be some other way by which we can bring down the cost of production and break this mad vicious circle in which we are caught; but personally, I cannot see it. I think all members will admit that prices and costs of production have to come down. Since we relinquished price control there has been no evidence of prices coming down, but rather of their rising.

This legislation is in the interests of everyone and of our economy. In this case the sky is not the limit. There is a limit to what other people in the world can pay for our goods. As industry will do nothing about controlling prices, they must be controlled by legislation. The primary producer is in more danger to-day than he has been since 1939. To say that prices in Western Australia have come down since price control was relinquished is just rot.

Hon. A. F. Griffith: How much was cement three weeks ago?

Hon. C. W. D. BARKER: It has been brought down a little, I admit.

Hon. A. F. Griffith: You said it had not.

Hon. C. W. D. BARKER: The price of cement has come down because another firm is now operating, and the one firm cannot control the price as it did a few weeks ago. But it will not be long before the two of them get their heads together and put a price on cement in the same way as the oil companies fix prices. No one can tell me it is right that a man should get £150 merely for selling a car; that a man should get £40 for selling a wireless; that any firm in Australia should be allowed to make £10,000,000 profit. Compare that on a population basis with the position in England. A firm in that country could make a profit of £60,000,000.

Hon. J. M. A. Cunningham: Like the big unions.

Hon. C. W. D. BARKER: Yet we are crying out about the high cost of production. The only way to bring down the cost of production is to control prices. Immediately prices are controlled, wages are automatically fixed. From there on we can bring prices down to a sane level; and, above all, we can begin to put value back into the £.

Hon. A. F. Griffith: You still have not told us the method you would employ to fix prices.

Hon. C. W. D. BARKER: It is quite simple. For a start, we can fix all prices at their present-day levels, and this would automatically fix wages as they are today. In controlling prices, we should not allow the manufacturer to come along next week and say, "My cost-of-production figures have risen by 10 per cent., and so another 10 per cent. must go on my prices." We must fix prices at their present-day level and gradually bring them down. There is still a big margin of profit, and if members tell me that these people are not making excess profits I feel I will not be able to believe them.

I know some members are satisfied with the present state of affairs, and I cannot do anything about it; but at least I have this satisfaction, that I have told members

what is happening, and I have told them some home truths. I have read the Bill and I know what it says.

Hon. A. R. Jones: It deals with price control.

Hon. C. W. D. BARKER: That is one thing that disappoints me. The Bill should not be one to control prices but rather to fix prices. Unfortunately, I was not in a position to say what should go into the Bill.

The PRESIDENT: Order! I remind the hon. member that the heading of the legislation is "Prices Control Bill."

Hon. C. W. D. BARKER: I am referring to that. I have discussed prices for the last half hour; and, I hope, to some effect. I realise that when one is kicking a stone wall one needs boots fitted with steel toe-caps. I hope that the Bill will be given serious consideration on this occasion; and if it will do the things that I think it will—that is, bring down the costs of production and gradually allow us to level our prices and so put us in the position of being able to sell our goods more freely on the world's markets—members should agree to it. I support the Bill.

HON. H. L. ROCHE (South) [8.61: When speaking on the Address-in-reply, I did my best to make plain what I thought of our prospects in the future, and the possibility that the comparatively good times and buoyant economy that we have had in Australia may be in the discard for quite a while. If the position gets as serious as it well may, it is not beyond the bounds of possibility that we will have to accept certain legislation and interference in matters that we have come to regard as being the established order of things. At the moment many people are not prepared to acknowledge this.

While everyone is entitled to his own opinion, mine is that the measure will not achieve a great deal. I suppose that to the average family, 3d. off a lb. of butter and 6d. off a lb. of tea, and such like reductions, might mean 5s. a week; but this measure seems a futile and inadequate attempt to meet the position that is arising today. I think it would have been in the best interests of all concerned if last year this House had been prepared to accept the legislation that the Government then submitted when one of the chief causes of increasing costs—the continued adjustments in the wage level—was temporarily suspended. It would be foolish for anyone to argue that we have that opportunity now.

The Bill is inadequate; but I am supporting it because, if it does nothing else, it will give us time to think this thing out and appreciate that any action that has been taken, in a national sense, to deal with the deteriorating economic position of Australia, has only meant that we have been

jumping from one hot brick to another. The measure may at least do some good. Legislation which has been proposed in another place, and which aims at preventing private price agreements to stop prices going down, would be considerably more effective than these proposals of the Government. Whether this House will ever see that legislation I do not know.

It is quite likely that within the next year or so not only wages but other items that make for the present unbalance, or which may contribute towards the present unbalance in our economy, must come up for reconsideration, not only by the State Parliaments but by the national Parliament. I am not particularly impressed by the contention that this is not the time that something should be done or that this is not the method that should be adopted. These arguments are usually advanced by the champions of one side or the other when any controversial proposal is put forward.

Neither am I impressed by the suggestion that the cost of price-control administration will be so much. When all is said and done, if it did not cost more than one-tenth of one per cent. of the budget of Western Australia, and it did achieve anything worth while for the people of this country, it would be a cheap proposition.

The people I am particularly concerned with are those comprising the farming community. Undoubtedly, they are the ones who finally come up against the ever-increasing costs. For those of their products that are not protected by Government intervention or some stabilisation plan, they have to carry the Australian costs, and they have to sell them on a free market. There is a limit to the passing on of costs, which are likely to increase still more whilst we have such things as import restrictions which are making of the Australian economy a Tom Tiddler's ground where the manufacturers and suppliers can pass everything on. The costs are eventually borne by the producers who, as I have said, have to sell on the free markets of the world.

I am not particularly influenced in my attitude on this question by the contention that has been continually advanced that price control has been such a failure. In South Australia, a government of a very different political outlook from this one has retained price control. If it has been such a failure as some of its opponents contend, then why are they so antagonistic to it; because surely there is nothing to worry about if it is a failure. If that is so it will do no harm to the interests which some of these people represent. This is not a matter on which I cared to cast a silent vote. I just wanted to express my opinions and let the House know why I was supporting the measure.

On motion by Hon. A. R. Jones, debate adjourned.

BILL—ACTS AMENDMENT (LIBRARIES).

Second Reading.

Debate resumed from the previous day.

HON. L. A. LOGAN (Midland) [8.15]: The main intention of this Bill is to amalgamate or bring together the old Perth Public Library and the Library Board of Western Australia. Probably this amalgamation could have been made when the Bill to set up the Library Board of Western Australia was introduced. However, certain difficulties arose, and it was thought wise to postpone that amalgamation for the time being. Now, owing to circumstances, it is considered that the time is ripe to carry on with the amalgamation. It seems wrong that we should have in Western Australia two free lending libraries working in opposition to each other; and as Parliament has seen fit to set up the Library Board of Western Australia, it seems only right that the Public Library should come under its control.

Hon. J. G. Hislop: Is that a free lending library?

HON. L. A. LOGAN: I do not know that it is. However, it is a reference library; and I am led to believe that, from that angle, it has not functioned quite as well as it could have done. At present the Public Library has attached to it the Museum and Art Gallery, and I believe that in these enlightened days those three bodies should not be under the one control; they should be divorced from one another. With the number of books owned by the Perth Public Library and its excellent staff, there is no reason why the organisation should not be brought under the Library Board. We are fortunate that we have a librarian of outstanding ability to control it. The divorcing of the library from the Museum and Art Gallery, and the amalgamation of the library services of Western Australia, will lead to an improvement. That is all the Bill intends to do; the rest of the measure is merely machinery to bring about the amalgamation.

There is no need for me to give a lecture on library services in Western Australia. Since the formation of the Library Board, the field has been extended to a good many country areas, and a number of them are taking advantage of the library services offered. There is still plenty of room for an extension of these services throughout all country districts. However, that will come when the time and opportunity are available. In recent years, the Library Board has run into several snags, and I shall not name any particular place concerned. I know of one or two, but I think that eventually the opposition will be broken down, and we will have the Library Board of Western Australia controlling the libraries throughout the State.

It could be said that this is a socialistic proposition, and that we are endeavouring to run lending libraries which are at present being handled by private enterprise, and as a result those people will be put out of business. I do not think that will come about, because in my opinion there is room for both. It is essential that the work of the Library Board be extended, and I hope that the Bill will have some effect in improving the library services throughout Western Australia. I support the measure.

HON. C. H. SIMPSON (Midland) [8.20]: I, too, would like to support the measure, because in my opinion the decision to amalgamate the two bodies is a move with the times. A system of administration which might have been adequate for our needs a considerable number of years ago does not meet the requirements of today, and the proposal to reorganise the administration is one which will be to the benefit of everybody concerned.

I am particularly interested in the move to extend library facilities to the country. I think that can best be achieved by the steps which it is proposed to take. This will avoid a certain amount of duplication, and I am advised that those administering the reference library will have a much easier task in meeting the needs of country students when they wish to borrow books—a much easier task than they have under the system which is now operating. I have not studied the Bill in detail; but from the discussions I have had with those actively associated with the new set-up, I am quite satisfied that the measure should be supported.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 to 12—agreed to.

Clause 13—Section 20A added:

Hon. J. G. HISLOP: I think this might be an appropriate time to ask a question of the Minister. I have always believed that the library was not able to lend books of any note, but that one could read the books there. Will this Bill make a difference, and will the library become a lending library or be a sort of central store for the Library Board?

Hon. C. H. Simpson: It will be a lending library.

Hon. J. G. HISLOP: Some of these books are valuable, and I want to know what control there will be over them.

The CHIEF SECRETARY: I have no information in regard to it, but I will obtain the information and give it to the hon. member at the third reading stage.

Hon. J. G. Hislop: I would like to know how the lending will be controlled, and whether we will need to have regulations to cover it.

Hon. C. H. SIMPSON: For the information of members, I had the pleasure of a talk with Mr. Sharr a little while ago, and I learned from him that the system would provide for reference books being sent for a set time to individuals who applied for them. The tendency would be to make such books more readily available for study by issuing them from the library, with certain understandable exceptions such as valuable books which could not be replaced.

Hon. J. G. Hislop: Will a deposit be required for valuable books, historical documents and so on?

Hon. C. H. SIMPSON: I could not state authoritatively; but from the information given to me by the librarian, I would say that certain books would not be permitted to leave the library. The idea is to make standard books of reference available to people in the country, and in the city as well.

Hon. J. G. HISLOP: The Minister can see what I am driving at, and I think we should know how these valuable books will be protected.

The CHIEF SECRETARY: I realise the hon. member's concern, and I will obtain the information for him.

Clause put and passed.

Clauses 14 to 22, Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—LOCAL AUTHORITIES, BOUNDARIES AND SERVANTS, SUPPLEMENTARY PROVISIONS.

Second Reading.

Debate resumed from the previous day.

HON. L. CRAIG (South-West) [8.30]: This is a machinery measure and must be read on the assumption that the proposed amalgamation of local authorities is going to take place. The Bill is supplementary to the amalgamation which the Minister has power to insist on. The Minister has power to join two local authorities, or part of one local authority to another. But there is no power to join wards together. For instance, if one local authority were joined with another, and there were four wards in one and nine in the other, and the reconstituted local authority wanted to amalgamate the wards and

reduce the number to seven, it would have no power to do so at present. This Bill seeks to give that authority.

Another provision empowers the Minister to institute an inquiry into the operations of a board with the object of altering the boundaries. It seems to me there is a weakness in that no suggestion is made that the ratepayers concerned should be consulted. The Government—which means the Minister—may appoint any person to inquire into the operations of a board. That person may recommend that certain changes should be made. The board is then notified that it is desired to make the changes, and is requested to bring forward evidence as to why such changes should or should not be made. After that the Minister makes a determination.

In no way is provision made for the holding of a referendum of ratepayers as to the desirability of the changes. Today, in local government affairs, ratepayers appear to be ignored to too great an extent. In my view they should have a say in the affairs of their organisation. This Bill contains the machinery to make it easier for the Minister to make any changes thought fit.

Perhaps the most important provision is that relating to employees. Under the proposed amalgamation it is probable that there will be a surplus of employees. With two boards joined together, there is a likelihood of a surplus of secretaries, inspectors and other officers. The Bill makes it obligatory on the local authority to take over all the officers and employees of the two separate authorities before the amalgamation takes place. Where three local authorities are joined together, there will, in the reconstituted authority, be three secretaries, a number of engineers, health inspectors and others. Two of the secretaries may be required for further service, one to serve as general secretary and one as the assistant; the third may not be required. The same applies to engineers and health inspectors.

The Bill provides that the new authority shall be responsible for the full rates of pay of all the employees, and that it shall employ them as near as possible on the same type of work they were doing before the amalgamation. It further provides that employment shall be guaranteed for two years, except in the case of misconduct, when employees may be dismissed forthwith. If employees are dismissed in that period of two years, except for misconduct, they shall be paid four weeks' full pay for every year of service given in any local authority in their lifetime.

An employee may have been employed by the local authorities at Leonora, Wyalatchem, the Kimberleys, Perth, and some other district. If the employment has been continuous, and not broken for a

period, it is to constitute his full time of employment and he is to be entitled to four weeks' pay for every year's service, provided that the total payment shall not exceed 12 months' pay.

Another weakness in the Bill which could be examined in the Committee stage is that an employee, having served one year 11 months after the amalgamation, may give notice to leave. The period of one year 11 months is just one month short of the two-year guarantee obliged to be given by the local authority. Unless the local authority gives that employee an offer of employment in writing for a further two years, it must then pay him the gratuity—four weeks' pay for every year of service up to a maximum of 12 months' pay. This seems to be a great concession to an employee, and one which might be abused.

If a local authority dismisses an employee for misconduct within the two-year period, the Bill provides "where the local authority of a reconstituted district terminates the services of a person for misconduct, he is not entitled to, and the local authority shall not pay him any gratuity." Just imagine an old employee with a gratuity right of nearly 12 months' pay, committing a misdemeanour. This Bill provides that he shall not receive any gratuity. In other words, if the board thinks the misconduct is serious enough to dismiss the employee, it is not allowed to pay him any gratuity. It seems to me that the board should have some discretion.

I know what takes place in boards. The conversation might follow these lines: "Let us sack old Joe, who is a scoundrel, but let us not turn him loose without anything. Let us give him some gratuity." It would be a good idea to substitute the words "shall not be obliged to pay," for the words, "shall not pay." In other words, the board need not pay if it does not want to; but if it wants to pay something it should be permitted to do so.

Hon. L. C. Diver: That could be accomplished by using the word "may" instead of "shall."

Hon. L. CRAIG: The word, "may" is not strong enough. That means the local authority has sacked the employee for misconduct, but it may pay him a gratuity. That is not desirable. I would prefer the words, "the local authority shall not be obliged to pay."

Hon. L. A. Logan: It is the same thing.

Hon. L. CRAIG: There is a big difference. If I were to say, "You give me £1 and you may eat my hat," it almost amounts to saying that one can eat the hat. But if I were to say, "Give me £1 and you will not be obliged to eat my hat" one could reply, "I shall not eat it." However, that point can be discussed in Committee. This is my only real objection to

the Bill, other than the general objection that ratepayers are not consulted on these matters. I know that referendums can be held; but no one seems to take any notice of them.

Under the Bill, an inquiry can be instituted as to whether a local authority is running its affairs properly. The inquiry can be made into any purpose whatsoever. When a report is made to the Minister he can question the local authority about the matter. I am not sure that referendums should not be held to see what ratepayers have to say about any inquiry.

HON. L. A. LOGAN (Midland) [8.44]: Mr. Craig has summed up the position and has referred to the two points with which I was concerned—not consulting ratepayers by the holding of a referendum; and the responsibility for employment of the staff. It was one of the guarantees given to local authority officers that they would not lose by any amalgamation, and that is the reason they agreed to work for amalgamation.

One point that strikes me in particular is this: When three boards are amalgamated, the reconstituted board, under Clause 4, is compelled to engage all the employees of the affected boards. As Mr. Craig said, there could, as a result, be three town clerks, three secretaries, three treasurers, three engineers, three traffic inspectors, three pound keepers, three health inspectors, and three constables, besides other staff, after an amalgamation. With an amalgamation of boards, this could be the position.

These men from the affected boards could not be sacked during the two years unless they were guilty of a misdemeanour; but there would be nothing to prevent the reconstituted board from sacking its former employees, even if they had been servants of the board for 20 years. It is quite possible that some of these men will not remain with the reconstituted board, but will leave and find employment in other fields. If they have any nous at all, that is what they will do.

Hon. L. Craig: The amalgamated board would have a higher income and the top men would get a higher salary.

Hon. L. A. LOGAN: The amalgamation would result in the board's revenue being increased, and so the salary of the top men could be increased; but it seems to me that for two years the effect of the amalgamation is not going to be worth while. The reason for the amalgamation is to cut down administrative expenses; and yet for two years it could happen that the board would have to carry those employees. In times like the present, when jobs are available, some of these men would probably get other employment; but this might not be too easy in times when

jobs were scarce. If they could not get other jobs, they would be spending two years with the amalgamated authority and would have nothing to do except make a nuisance of themselves.

I do not know what we can do in the matter: I am afraid we are going too far in our endeavour to safeguard the interests of the employees. If I take over a business, I do not have to agree to take over the staff. If I take over a farm, I do not have to agree to take over the employees. Thus I think we are going a little too far with these proposals to preserve the rights of these employees. Apart from expressing those views, I do not intend to oppose the Bill; but I wanted to voice my opinion on that particular phase.

HON. L. C. DIVER (Central) [8.47]: I rise to support the second reading of the Bill. Mr. Logan foresees difficulties ahead regarding the staff of the bodies that are absorbed in the amalgamation. It is obvious that for a short period some difficulty will be experienced, but I think the Government had no alternative to introducing a Bill of this sort in order to protect the officers and staff who will be absorbed.

Tremendous changes are taking place in local government week by week and month by month, and it is clear that a great majority of these officers will sort themselves out. Every local authority, when appointing executive officers, has to submit the names to the Minister; and it would be only natural for him to say that, wherever possible, these men should be absorbed in other local authorities where perhaps they would receive a better remuneration than before. In my opinion the Bill does not hold the terrors that Mr. Logan fears.

The only disadvantage I can see is with regard to the higher officers in the newly-constituted authority. They will receive an increase in salary, but the population in the area concerned would be paying the cost and without the amalgamation would continue to pay indefinitely; whereas, under the amalgamation, there will be a time limit, namely, two years. As has been pointed out, this period could shrink considerably by the employment of these executive officers as vacancies occurred in other local authorities, because these vacancies do occur from time to time.

Hon. L. A. Logan: That would happen only when jobs were plentiful.

Hon. L. C. DIVER: It is not a question of the particular time; it is a question of the capacity of the individual concerned to do the work. In the bad old days, it was difficult to get trained men for these positions. Those who have training are sought after, and therefore I cannot see the difficulty that Mr. Logan fears. I trust that the Bill will be passed, and that it will prove beneficial.

HON. J. G. HISLOP (Metropolitan) [8.52]: This Bill provides the machinery for something that is to occur and there is provision for the existing staffs of the amalgamated bodies. There is a danger in that I believe that local government should be closer to the people. If the idea of amalgamating local bodies is pursued to its logical limits, we shall find these bodies controlling very considerable portions of the metropolitan area or of the State. The result will be that local government will become further and further away from the people, and this will end up, as these bodies grow in size, in difficulty in finding men to occupy the positions of aldermen and councillors who can give the time requisite for the work to be done.

Then we shall reach the stage where the work becomes so considerable that we shall have to employ paid men; and when we have to have paid men in local government, it will prove to be the greatest drawback. There are many indications in the Eastern States of the tendency to produce large local governing bodies and to pay large sums to the members, whereas under former conditions, these men were ready to give honorary service.

There are many men of good type willing to give their time to working within their own districts, but I think it would be extremely difficult for such men to spare the time required to accept office in a local authority that had expanded to a considerable size. If I were convinced absolutely that local authorities today could not carry out their work because of the cost of the machinery they need, I might conclude that something would be gained by amalgamation, but I cannot see any difficulty in providing a pool of machinery which the local bodies could use if they so desired.

I am opposed to these amalgamations without their first having been submitted to a referendum of the ratepayers. I have been informed that in the Claremont area 66 per cent. of the ratepayers have been approached on the question of amalgamation and 80 per cent. or more would have voted against amalgamation had the question been submitted to a referendum. So it seems to me that, if we deliberately act against the wishes of the people and break away from their ideas, we shall be showing a tendency to become autocratic. When the Local Government Bill comes up for consideration we should see that such amalgamations as are contemplated are made possible only after a referendum of the ratepayers has been taken.

Under the Bill, the rights of the employees of the absorbed bodies will be protected and I have no objection to the provision to that end, but I am wondering whether it would not be wise to provide for a period of less than two years, if so

desired. A local authority might take the opportunity to discharge some of these people; but if it did, then the persons might get less than the two years' provision. I think we should permit the local authorities to grant the full gratuity that an employee would have received had he continued in the service of the new body for the period of two years. In that way, the local body would be saved the necessity of keeping for a period an excess number of clerks who were not required.

The Bill has considerable merits and I shall vote for the second reading, but I do not know that I shall support those proposals which presume to make amalgamation easier without first holding a referendum of the ratepayers.

HON. A. R. JONES (Midland) [9.0]: It has been stated that there is not much objection to the Bill; but I cannot see that there is very much in favour of it, as I have heard every clause criticised during the debate. I am of the opinion that the second reading of this measure should not be agreed to, because of the wide dissatisfaction already expressed with the Bill as it stands. Mr. Craig pointed out that the measure does not contain any provision for the ratepayers to be given a say in what is to happen, and to my mind that constitutes a major reason why we should not continue with the Bill.

When all is said and done, if an amalgamation is proposed between two or three local authorities, should not the ratepayers have some say as to what is to take place? It is all very well to place in the hands of the Minister power to say that people of a certain area shall be taken over or amalgamated with another local authority; but in the end the ratepayer is the one who must foot the Bill, and without being consulted.

It has been pointed out that where the area is the same, the number of ratepayers will remain the same; and that may be so, with the result that they would have to pay only the same amount in wages as was being paid previously. But they would have to meet a greatly added cost within the two-year period. They cannot, of course, dismiss an employee within the two years except for a misdemeanour. But throughout that period there would be much greater costs; and when the time for dispensing with the services of any of that staff arrived—it could be a considerable number—some of them might have had many years of experience and continuous employment with other local authorities, and might therefore be eligible for a total of perhaps 12 four-weekly pay periods.

An engineer, for instance, would be a very poorly paid officer if he did not receive £1,200 or £1,400 per year and there

might be three of them, and three secretaries, as well as numerous other officials. The least retiring allowance they could be paid would be the full amount if they had been in employment that long, and the average, taking it as six years of employment, would represent a considerable amount of money. These officers would have to be retired on an average of about £800 each. Inside the two-year period it would be possible that 20 or 30 people would have to be retired at that figure; and, although the ratepayers might not have been willing for the amalgamation to take place, they would have to foot the bill. This is a grave weakness in the measure and one which requires very careful examination.

After hearing the objections raised by various members, I think the Minister might be prepared to take the measure back and examine it further. If the power is left entirely with the Minister to say that amalgamations shall take place, I think it is up to the Government to help the local authorities concerned in respect of any added expense due to amalgamation. I cannot bring myself to support the second reading, and will therefore oppose it.

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

House adjourned at 9.5 p.m.

Legislative Assembly

Wednesday, 19th October, 1955.

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

BILL—LOCAL GOVERNMENT.

Message.

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

QUESTIONS.

TRANSPORT BOARD.

Inspectors and Fines.

Mr. ACKLAND asked the Minister for Transport:

(1) How many inspectors are employed by his department to check road vehicles on country roads?