

Legislative Assembly

Tuesday, 18th September, 1956.

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The DEPUTY SPEAKER (Mr. Moir) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS.

MOTOR VEHICLE STANDARDS COMMITTEE.

Tabling of List of Standards Adopted.

Mr. JOHNSON asked the Minister for Transport:

(1) Does the Motor Vehicle Standards Committee set up agreed desirable Australian standards for motor-vehicle designs and safety?

(2) Will he have prepared, and lay on the Table of the House, a list showing—

(a) standards adopted by the committee that have been made compulsory in Western Australia;

(b) standards adopted by the committee that have not been made compulsory in Western Australia?

The MINISTER replied:

(1) Yes.

(2) The particulars are shown in the report hereunder. In order to decipher this report, it is necessary to refer to a copy of the draft regulations defining vehicle construction, equipment and performance standards for road vehicles, issued by the Australian Motor Vehicles Standards Committee, also copies of the Traffic Act and traffic regulations.

The report is as follows:—

The Chairman,
W.A. Transport Board,
Perth.

Subject: Traffic Regulations.

Referring to your minute of the 4th instant I attach a statement showing the degree to which the draft regulations of the Australian Motor Vehicle Standards Committee have been incorporated in the regulations in this State.

Our regulations were reprinted before finality was reached in connection with many of the recommendations of the standards committee and although many of our regulations cover the same ground they are not identical with those of the standards committee but the general effect is very much the same.

Acting Secretary for Local Government.

13th January, 1956.

Australian Motor Vehicles Standard Committee Draft Regulations.

Comparison With Western Australian Regulations.

(1) (a) Definitions:

"aggregate weight" not defined.

"alternative headlamp" definition similar but more specific. Regulation 85.

"articulated vehicle" definition similar but not identical. Regulation 4.

"axle load" not defined.

"dipping device" similar definition. Regulation 85.

"motor vehicle" definition in this State wider. Second Schedule of Act.

"motor omnibus" definition different less exhaustive. Section 4 and Second Schedule.

- "mudguard" not defined.
- "pole type trailer" similar definition. Regulation 4.
- "semi trailer" similar definition. Second Schedule to Act.
- "side car" not defined.
- "trailer" definition is different. Second Schedule to Act.
- (b) Not included.
- (2) Similar definitions embodied in individual provisions. Regulations 85 to 100.
- (3) Items (1) to (4) almost identical except for motorcycles and motor carriers. Item (5) not taken in. Regulations 85 and 87. Item (6) almost identical but dipping must be downwards. Regulation 87. Item (9) similar but not quite identical. Regulation 87.
- (4) Almost identical. Regulation 88.
- (5) Not included.
- (6) Similar provision. Regulation 101.
- (7) Similar provision. Regulations 89 and 90.
- (8) Similar provisions. Regulation 97.
- (9) Similar provisions. Regulation 93.
- (10) Only item 1(d) included; all others not included. Regulation 92.
- (11) Included. Regulation 96.
- (12) Not included.
- (13) Included. Regulation 91.
- (14) Included. Regulation 102.
- (15) Our provisions less comprehensive. Regulation 64.
- (16) (a) Included in Regulation 103.
(b) Not quite so definite but embodied in Regulation 86.
- (17) Included. Regulation 86.
- (18) Onus cast upon the user. Owner onus generally included. Regulations 40 and 86.
- (19) Not specified but implied. Distance fixed at fifty yards. Regulation 101.
- (20) Provision applies only to trailers. Regulation 95.
- (21) Item (1) included in Regulation 172 but length still fixed at 33 feet and 31 feet. Item 2 included but rigid portion still fixed at 33 feet and 31 feet. Regulation 172. Item (3) included Regulation 172. Item (4) included Regulation 175 and Section 46A. Item (5) included as in draft before amendment. Regulation 174. Item (6) included in Regulations 175 to 174.

- (22) Partly included but not so comprehensive. Regulations 55 and 263.
 - (23) Partly included but not so comprehensive. Regulation 170 and Section 11 (a) of Act.
 - (24) Included somewhat more comprehensive. Regulation 173.
 - (25) Included in similar terms. Regulation 79.
 - (26) Not included.
 - (27) Not included except for omnibuses. Regulation 108.
 - (28) Similar provisions. Regulation 51.
 - (29) Similar provisions. Regulation 51.
 - (30) Not included.
 - (31) Included. Regulation 76.
 - (32) Not included.
 - (33) Not included but solid tyres require express approval. Regulation 308.
 - (34) Not included specifically but provision made in Regulation 40.
 - (35) Not so specific but similar provisions. Regulations 40, 49, 50, 81.
 - (36) Not included but in practice insisted upon by police for driver's licences.
 - (37) (a) Included Regulation 170 and Tenth Schedule Regulations.
(b) Axle load fixed at 17,000 lbs. Regulation 1709 and Tenth Schedule regulations.
(c) Not included but schedule achieves results on slightly lower weights. Regulation 170 and Tenth Schedule regulations.
- Schedule.
- (1) Included. Regulation 86.
 - (2) Equivalent provision. Regulation 41.
 - (3) Equivalent provision. Regulation 44.
 - (4) Equivalent but more drastic provisions. Regulation 42 and Fourteenth Schedule.
 - (5) Partly included but qualified. regulation 75.
 - (6) Identical. Regulation 53.
 - (7) Maximum dimensions included by implication. Regulations 172 to 174 and Section 46A.

(8) Identical provisions. Regulation 55.

(9) Provided for omnibuses only. Regulations 135, 136 and 138.

(10) Almost identical dating from the 1st February, 1955. Regulation 59.

(11) Not included.

(12) Not included.

(13) Similar provisions. Regulation 57.

(14) Similar provisions. Regulation 63.

(15) Identical provisions. Regulation 62.

(16) Similar provisions. Regulation 64.

(17) Similar provisions. Regulation 50.

(18) Not included.

(19) Similar provisions. Regulation 60.

(20) Similar provisions. Regulation 60.

(21) Similar provisions. Regulation 58.

(22) Included for omnibuses only. Regulation 133.

(23) Similar provisions. Regulation 187.

(24) Not included.

(25) Similar provisions but excluding motorcycle. Regulation 56.

(26) Included for omnibuses only but not quite so comprehensive. Regulations 149 to 151.

(27) Similar provisions. Regulation 132.

(28) Similar provisions but not so exacting. Regulation 120.

(29) Different provision allowing for smaller aisles. Regulation 126.

(30) Similar provisions. Regulation 126.

(31) Slightly different provisions. Regulation 126.

(32) Identical provisions. Regulation 107.

(33) Similar provisions but less comprehensive. Regulation 129.

(34) Not included.

(35) Not fully included. Regulation 131.

(36) Not included.

(37) Not included except by general safety requirements. Regulation 120.

(38) Not included.

(39) Similar provision but distance two feet. Regulations 134 to 138.

(40) Somewhat similar provisions. Regulations 120 and 126.

(41) Similar provisions. Regulation 120.

(42) Somewhat different provisions. Regulation 139.

(43) Similar provisions. Regulations 111 and 156.

(44) Similar provisions. Regulation 120.

(45) Similar provisions. Regulation 113.

(46) Not specific but covered by general requirements for certain types of vehicles. Regulation 64.

(47) Similar provisions by general requirements. Regulations 114 and 120.

(48) Similar provision. Regulation 127.

(49) Not included.

(50) Not included.

(51) Not included.

(52) Somewhat different provisions. Regulation 28.

(53) Not included.

(54) Not included but wider provision made in Regulation 79.

(55) Included by inference in Regulations 44 and 79.

(56) Not included but similar provisions made by inference in Regulations 44 and 81.

(57) Similar but more stringent provisions provided in Regulation 43.

(58) Not included.

(59) Partly included but provision made for special concession to disabled persons. Regulations 71 and 72.

(60) Not included. Provision made for front and rear only. Regulation 25.

(61) Same as provision (60).

(62) Similar provision. Regulation 28.

Part (2).

(1) Slightly different provisions. Regulation 98.

(2) Similar provisions. Regulation 98.

(3) Similar provisions. Regulation 98.

(4) Similar provisions. Regulation 101.

(5) Similar provisions. Regulation 89.

(6) Similar provisions. Regulation 89.

(7) Covered by side marker provisions. Regulation 90.

(8) Not included but somewhat similar provisions made in Regulation 101.

(9) Similar provisions in Regulation 263.

(10) Covered by general provisions. Regulations 172 to 175 and Section 46A.

(11) Partly covered by Regulation 263.

(12) Included. Regulation 172 to 175 and Section 46A.

(13) Partially included in respect of vehicles only. Regulation 173.

(14) Not included but provision made for brakes in Regulation 46 for four wheeled carts.

Part (3).

(1) Almost all included in Regulation 100 and 101.

(2) Included in Regulation 45.

(3) Provision for bell only. Regulation 84.

Part (4).

(I) Not included but similar result obtained by Tenth Schedule to regulations.

(II) Fixed at 17,000lb. by Tenth Schedule to regulations.

(III) Included apart from tyre pressure in Tenth Schedule to regulations.

(IV) Included in Regulation 172.

RAILWAYS.

Boyerine and Lime Lake Goods Sheds.

Mr. NALDER asked the Minister representing the Minister for Railways:

(1) How many rail trucks were used to haul material and equipment for those engaged in painting and renovating the goods sheds at Boyerine and Lime Lake?

(2) Was a house on wheels also supplied?

(3) If so, what was the rental charged?

(4) Do employees receive a living-away allowance?

(5) If so, what is the amount per week?

The MINISTER FOR TRANSPORT replied:

(1) Two "H" type wagons, one of which contained a living cabin and the other ladders, equipment, paint and stand for cabin.

(2) Answered by No. (1).

(3) Nil, but away-from-home allowance reduced by 6s. each per day.

(4) Yes.

(5) In this particular instance, 8s. each per day.

COKE.

Quantity Available in Western Australia.

Mr. JOHNSON asked the Minister for Industrial Development:

(1) Is there sufficient coke in Western Australia to ensure continuity of supply to private users?

(2) Are steps being taken to procure a local supply of this product, and when will this be available?

The MINISTER FOR WORKS (for the Minister for Industrial Development) replied:

(1) There is no shortage of imported metallurgical coke for industrial use, but the demand for coke produced as a by-product from the use of imported coal in gasworks has outstripped the supply.

(2) The economics of local production of a substitute for imported metallurgical coke are at present being examined, but no action has yet been taken for commercial production. Endeavours will be made to have the situation improved in connection with the supplies of gasworks coke.

EDUCATION.

(a) Schools Completed and Payments to Contractors.

Mr. PERKINS asked the Minister for Education:

(1) Which schools have been completed but have further payments to be made to the contractors?

(2) What is the total amount still to be paid on the above?

(3) Which schools are being added to or built on the deferred payment basis and what sum of money to contractors is involved?

The MINISTER replied:

(1) and (2) Nil.

(3) Applecross, Brentwood, Capel, Hampton Park, Maddington, Melville, Merredin High, North Innaloo and Wembley. To date progress payments totalling £24,995 have been deferred.

(b) Goldfields Parents and Citizens' Associations.

Mr. EVANS asked the Minister for Education:

What amount of money has been expended by the Education Department in subsidising parents and citizens' associations on the Goldfields, for the purchase of school equipment for the last three years?

The MINISTER replied:

The subsidies total £2,702 13s. 5d.

(c) Physical Education.

Mr. EVANS asked the Minister for Education:

(1) In what centres in Western Australia are special instructions in physical education provided?

(2) How many instructors are thus provided?

The MINISTER replied:

There are six instructors—three men and three women. These three pairs cover the whole State.

(d) Wiring of Roleystone School.

Mr. WILD asked the Minister for Education:

(1) What were the reasons for having the new school at Roleystone wired for electricity by the contractor when there was no intention of supplying electricity for the school?

(2) Was the fact that two extra poles would be required to be paid for by the Education Department not known at the time of letting the contract?

(3) If not, why not?

The MINISTER replied:

(1) It is more economical and a neater job to provide for the electric wiring in the original contract for a new school.

(2) It was known that four or five poles would be required. The State Electricity Commission was requested to extend the mains but will not do so until there is further development in the area.

(3) See answer to No. (2).

Mr. WILD (without notice) asked the Minister for Education:

With further reference to this question and the two previous questions I asked last week, does the Minister not think it fantastic that the department can wire a school for electricity at a cost of approximately £80 to £90, in view of the number of points installed, and yet not install two poles at a cost of £20 to complete the job and provide the children with the attendant facilities?

The MINISTER replied:

I cannot add anything to the answer I have already given. The State Electricity Commission has declined to provide the extra poles and at this stage the Education Department does not propose to bear the cost.

(e) Goldfields High School, Contamination from Gases.

Mr. EVANS asked the Minister for Health:

(1) Has the Department of Health carried out experiments to determine the amount of contamination in the air at the Goldfields High School as the result of sulphurous gases from a neighbouring treatment plant?

(2) What were the findings of the investigating officer?

(3) Will he release the departmental report?

The MINISTER replied:

(1) Experiments were carried out at the request of the Department of Health by the Government Chemical Laboratories with the assistance of the School of Mines.

(2) and (3) A final formal report has not yet been presented but I would be pleased to arrange for the hon. member to be informed on the situation by interview with departmental officers associated with the investigation.

NATIVE WELFARE.*Activities of Warburton Mission.*

Mr. GRAYDEN asked the Minister for Native Welfare:

(1) Does the Department of Native Welfare intend that the Warburton Mission should continue to endeavour to provide for the spiritual and physical welfare of the natives in the area, or is it the intention of the department that the mission should confine itself to religious work and that the welfare work should be the responsibility of missions closer to Laverton?

(2) If the answer to the above question is "Yes," what are the reasons for the new policy?

The MINISTER replied:

(1) The United Aborigines Mission Council has indicated its intention to maintain a spiritual service to natives in the Warburton area. The welfare of the children and adult indigents can be more satisfactorily attended to at Cosmo Newbery Mission.

(2) Cosmo Newbery Mission provides a better scope for educational and training facilities for children with avenues of gainful employment.

CIVIL DEFENCE CONFERENCE.*Attendance of Women Delegates.*

Mr. GRAYDEN asked the Premier:

(1) Has the Government received details of a civil defence conference or meeting which is to take place at Mt. Macedon, Victoria, and to which representatives of women's organisations will be invited?

(2) Will women delegates from this State attend; and if so, what organisations will they represent?

The MINISTER FOR WORKS (for the Premier) replied:

(1) Yes. This is one of a series of short courses conducted by the Commonwealth Civil Defence School. It will deal particularly with social service aspects of civil defence.

(2) The Australian Red Cross Society, the Country Women's Association, and the Child Welfare Department will each send a representative.

JURORS.

Additions to Lists.

Mr. OLDFIELD asked the Minister for Justice:

By what procedure are the existing jury lists made up and new names added?

The MINISTER replied:

A card is kept for each person on the jury list. Cards are sent out each year to suburban police stations for checking in respect of change of address, incapacity, death, etc.

All suburban police stations keep a record of jurors and the police obtain names for addition to the list. The new names are submitted to the clerk of courts when the new list is being compiled.

STATE SAW MILLS.

Nedlands Timber Yard.

Mr. JAMIESON asked the Minister for Native Welfare:

(1) Is the present site of the State Saw Mill timber yard at Nedlands considered adequate for future expansion?

(2) If not, would he give consideration to acquiring land for this purpose?

The MINISTER replied:

The present site is considered adequate for the area served from this yard.

WATER SUPPLIES.

Goldfields Line, Consumption and Cost.

Mr. EVANS asked the Minister for Water Supplies:

(1) What has been the consumption of water in Kalgoorlie and Boulder for the years ended—

(a) June, 1955;

(b) June, 1956?

(2) What is the cost of pumping water per thousand gallons to—

(a) Cunderdin;

(b) Merredin;

(c) Kalgoorlie?

The MINISTER replied:

(1) (a) 972,064,000 gallons.

(b) 1,007,546,000 gallons.

(2) Costs of pumping only, not including interest, sinking fund, maintenance, etc., are—

(a) 18.34 pence.

(b) 27.07 pence.

(c) 47 pence.

WAR SERVICE LAND SETTLEMENT.

Perpetual Lease Forms.

Hon. A. F. WATTS asked the Minister for Lands:

Will he lay on the Table of the House today a copy of the first form of the perpetual lease under the War Service Land Settlement Act, and also a copy of the form of lease now prescribed?

The MINISTER replied:

Yes.

P.W.D. SHOPS.

Machines and Employees.

Hon. D. BRAND asked the Minister for Works:

(1) How many machines are parked in the yard, and in the vicinity of the P.W.D. shops at Jewell-st. awaiting repairs and overhaul?

(2) How many new machines are awaiting service?

(3) What number of employees were employed at—

(a) the 30th June, 1956;

(b) the 30th June, 1953, at these shops?

The MINISTER replied:

(1) 79.

(2) Nil.

(3) (a) 317.

(b) 266.

IRON AND COPPER.

Meekatharra Deposits.

Mr. O'BRIEN asked the Minister for Mines:

(1) What iron ore deposits are obtainable in the Meekatharra district (Murchison)?

(2) What is the approximate value per ton?

(3) What copper ore deposits are obtainable in the Meekatharra district (Murchison)?

(4) What is the approximate value per ton?

The MINISTER FOR EDUCATION (for the Minister for Mines) replied:

Million tons.

(1) Tallering Range	3.5
Weld Range	18.8
Mt. Hale	1.3
Mt. Gould	14.9

(2) These iron ore deposits have no value until they can be shown to be capable of exploitation at a profit. Comparable iron ore mined at Yampi Sound is valued at 19s. 10d. per ton according to Mines Department statistical returns.

(3) Numerous small deposits of copper ore are known in the Murchison Goldfields, but none of large dimensions has yet been discovered. It is quite impossible to assess total reserves, but they are small.

(4) Copper ore is bought in Western Australia mainly by the fertiliser industry at so much per cent. of copper content. A recent average price per 1 per cent. of copper content is £1 15s. 6d.

HEALTH.

Claremont Police Station.

Mr. CROMMELIN asked the Minister for Police:

(1) Is he aware of the fact that office accommodation for the sergeant and four constables at the Claremont police station consists of a room 12ft. x 12ft.?

(2) If so, does he consider that the public have any chance of privacy under these conditions when interviewing one of the police officers?

(3) Do the conditions under which the police at this station carry out their duties conform to Health Act regulations?

The MINISTER replied:

(1) Yes.

(2) The position is not satisfactory.

(3) The conditions require improvement and the necessary work has been given high priority.

GOVERNMENT TENDER BOARD.

Details of Tender No. 1100/56.

Mr. COURT (without notice) asked the Minister for Works:

With reference to the tender accepted—vide "Government Gazette", page 2206, the 31st August, 1956, and being Tender Board No. 1100/56—

(a) Were there any other tenderers?

(b) If so, who were they and what were their tenders?

(c) Was the accepted tender the lowest?

(d) If not, why was it accepted?

(e) What is the total cost under the accepted tender and what would it be under the other tenders?

(f) Has the successful tenderer all the plant and facilities installed to do the work, or will expenditure be needed to fully equip its plant?

The Minister for Lands: A tender subject.

The MINISTER replied:

The hon. member was considerate enough to let me know beforehand the nature of the questions he proposed to

ask. It has therefore been possible to obtain the information sought which is as follows:—

(a) Yes.

£

(b) Mephan Ferguson	97,250
Humes Ltd.	77,760
State Engineering Works	80,320

(c) No.

(d) Allowing for profit included in the tender, the overall cost to the Government was less by acceptance of the second lowest tender.

(e) By accepting the following tenders, the cost to the Government would have been as follows:—

£

Mephan Ferguson	97,250
Humes Ltd.	77,760
State Engineering Works: £80,320 less £7,000 profit allowance plus £1,200 for duplication of automatic welding plant	74,520

(f) All facilities are available, but the additional plant referred to in (e) was required owing to the time limit for delivery of pipes. This welding plant will be a valuable addition to the equipment of the works.

POTATOES.

(a) Growers' Meeting at Brunswick Junction.

Mr. I. W. MANNING (without notice) asked the Minister for Agriculture:

(1) Is the Minister aware that a mass meeting of potato growers, representative of growers from all potato-growing districts in the State, took place at Brunswick Junction last Friday afternoon?

(2) Is he aware that the meeting was called for the specific purpose of enabling the growers to meet the Minister in order to give them an opportunity to discuss with him the present difficulties in the industry, and afford him a chance of making a statement on Government policy relative to those difficulties?

(3) Has he been informed that owing to his non-attendance, the meeting was without purpose?

(4) If the Minister was unable to attend, why was not an effort made to send another Minister to represent him?

The MINISTER replied:

The reason I did not attend the meeting at Brunswick Junction was that I went to bed with a serious bout of influenza shortly after the House rose. I did not get out of bed until today and was therefore not able to attend. I am not aware, however, that the meeting failed in any

way because of my non-attendance. It was not called specially for my benefit, but to give the Potato Marketing Board and myself—if I were able to attend—an opportunity to instil into growers a sense of loyalty which they should have to the organised marketing system in this State. Whether that object was achieved or not I do not know because I was not there, and I have had no reports in connection with it. It would have given me a great deal of pleasure to attend, but, unfortunately, I was unable to do so.

(b) Non-Attendance of Minister.

Mr. I. W. MANNING (without notice) asked the Minister for Agriculture:

Since the Minister was not able to attend the meeting at Brunswick Junction, was an attempt made to send another Minister to represent him?

The MINISTER replied:

The fact is that until I left here on Thursday night it was my intention to attend the meeting on Friday morning. But when I did not feel too good, and was unable to attend, it was too late to get in touch with any other Minister who was not already committed. Accordingly, so far as I was concerned, the matter had to lapse. I would hesitate to think the meeting was a failure. It should have done a lot of good, particularly if the growers from the hon. member's area attended and gave due consideration to what I have already outlined.

(c) Suggested Abolition of Board.

Mr. OLDFIELD (without notice) asked the Minister for Agriculture:

In view of the fact that potato growers are perturbed about the present position, will he give consideration to abolishing the board?

The MINISTER replied:

At the present time I would not give consideration to a recommendation being made to the Government for the abolition of the board.

**BILL—FACTORIES AND SHOPS ACT
AMENDMENT (No. 2).**

Introduced by Mr. Ross Hutchinson and read a first time.

**BILL—INDUSTRIAL ARBITRATION
ACT AMENDMENT.**

Message.

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

Second Reading.

THE MINISTER FOR LABOUR (Hon. W. Hegney—Mt. Hawthorn) [4.56] in moving the second reading said: In submitting

this Bill to the House for consideration, I would indicate that it is not the first occasion on which a measure substantially of this nature has been introduced. Some few years ago an amending Bill was submitted, but was defeated in another place. A number of the provisions in this measure follow those of the 1953 Bill, and I propose at this stage to explain briefly the main reasons why this submission is being made to the House.

Many members on the Opposition benches, and I think all members of the Government side of the House, will realise that since the Industrial Arbitration Act was placed on the statute book in the early part of the century, there had not been many substantial amendments made to it until 1925. That was the year in which a provision was first written into the statute for a declaration by the court of an annual basic wage. As years went by—I think it was about five years after—the then Government, a Liberal-Country Party Government, at a time of falling prices, introduced what were known as quarterly adjustments. Speaking from memory, they operated from March, 1931. In one measure therefore the workers of Western Australia had their wages reduced from a basic wage of £4 5s. per week, to, I think, £3 18s. a week when the statistician supplied the cost of living figures to the court.

After that brief reference, I will go on to show that a 22½ per cent. reduction took place at about the same time, or a little later. As a matter of fact, it took place after the Liberal Government had wages reduced by virtue of the introduction of the quarterly adjustment to the basic wage.

Mr. Bovell: You cannot blame the Liberal Government. It was the Arbitration Court that did that.

The MINISTER FOR LABOUR: As time went on, we find that the year 1952 was one of panic for the then Government, certainly as far as industrial legislation was concerned. There had been, it is true, an engineers' strike and as a result the Liberal Government of the day introduced what is generally known as a number of penal clauses into the Industrial Arbitration Act and there is no doubt that the attitude of the Government of that day bordered on unbridled savagery. It panicked because there was an industrial dispute.

Mr. Court: I do not think it panicked.

Hon. Sir Ross McLarty: No, not panicked.

The MINISTER FOR LABOUR: I said "panicked," and I propose to deal with the penal clauses.

Mr. I. W. Manning: It did not panic.

The MINISTER FOR LABOUR: I do not suppose I will win over the member for Harvey. One type of provision that was introduced in 1952 was a series of very severe penalties including imprisonment for

a number of what may be described as industrial offences. Quite a number of them! Amongst others was one which was just a normal penalty in the Industrial Arbitration Act—a penalty which could be imposed on an industrial union for not providing records as to membership for the inspection of the Arbitration Court—and even that was increased. In 1952, six months' imprisonment was a common sentence for workers who might have been on strike or in some way transgressed the provisions of the Arbitration Act. When one reads the Hansard reports now, one can only come to the conclusion that there was a very strong attempt in those days to try to undermine the trades union organisation generally because of a temporary industrial dispute.

Hon. Sir Ross McLarty: It was not very temporary.

The MINISTER FOR LABOUR: I will give one instance. Provision was made in the amending legislation of the Liberal Government that if a number of workers or a substantial section of the union was engaged in an industrial dispute, the court could cancel entirely the whole of the industrial agreement and award covering that particular industry, and reference is made in three or four sections of the 1952 measure to the cancellation. It is proposed to alter radically the penalties which may be imposed in regard to industrial offences.

Mr. Bovell: Which, in fact, will condone and encourage illegal strikes.

The MINISTER FOR LABOUR: I have long held the view—I know some of my colleagues may differ from me in this respect—that there should be no penalties as far as arbitration is concerned.

Mr. Evans: Hear, hear!

The MINISTER FOR LABOUR: Workers and employers should meet in a spirit of arbitration and, what is more important, conciliation.

Mr. I. W. Manning: It might be better to talk to the Minister for Potatoes.

The MINISTER FOR LABOUR: The hon. member should talk to his spud growers! There are times when the atmosphere may not be very friendly, but I certainly suggest that the provisions which were placed on the statute book in 1952 did not improve the industrial relationship between workers and organised employers in this State.

Mr. Court: Do you approve of the changed set-up?

The MINISTER FOR LABOUR: I think it is a blot on the statute book. I said there should be no penalties in regard to industrial arbitration matters, but a spirit of arbitration and conciliation should be applied. There is a case before the High Court. Members will realise that the provisions were even in the Commonwealth

Conciliation and Arbitration Act. The Commonwealth Government had made an appeal to the Privy Council against the High Court decision, and, as a matter of fact, the Commonwealth Government has gone so far as to divorce one part of the industrial arbitration procedure; it has set up two separate courts.

Mr. Court: Do you agree?

The MINISTER FOR LABOUR: I am not going into that aspect at this stage. Western Australia is a sovereign State and I am not prepared, as a layman, to say whether the same law would apply to the State Industrial Arbitration Act as has been ruled by the High Court. My point is that the penalties which were imposed on State unions by the Liberal Government in 1952 were unwarranted. They were unduly severe and we are taking the opportunity to change to a great extent those penal provisions.

Mr. Bovell: What harm has that measure done in the public interest?

The MINISTER FOR LABOUR: I propose to refer to a few of the clauses in the Bill, one of the main ones being preference to unionists. The policy of preference to unionists is one that looms largely in the industrial sphere and it can be said that in quite a number of awards and industrial agreements, the policy of preference to unionists has been made operative. Personally, I agree with the policy entirely. I do not propose to enter into a long discussion in regard to the reason or decision for it, other than to say that, as industry is organised, and as workers, on a collective basis through their industrial unions, spend money to obtain rates and conditions of employment through the Arbitration Court, there should be a form of preference. Personally, I would like to see one hundred per cent. membership in any industry covered by an award or industrial agreement.

If members will read the clause in the Bill dealing with this aspect closely, they will find that it provides that preference in employment should be awarded by the court where the parties mutually agree. That is the point. The next is that where a union makes an application to the court for a preference clause, the court should grant that preference to the union and may grant preference to any other union or group of unions on such terms and on such conditions in all cases as it thinks fit. So it will be found that if Parliament agrees to the principle of preference to unionists, the court will set down the conditions to be imposed on any union or group of unions.

Mr. Court: Are you submitting this on the basis of compulsory unionism?

The MINISTER FOR LABOUR: I am not going into the question of compulsory unionism. At all times the court will

grant preference, provided these clauses survive in another place. I think the court will give that preference on such conditions as it thinks fit. It is proposed to alter another section in the Act and I hope some of the representatives of the farming community—we have some on this side—will adopt a more reasonable attitude in regard to industrial unionism than was my experience many years ago. Under the Arbitration Act at present the court, amongst its other powers, can regulate working hours. It has the power to award a basic wage or a wage lower than the declared basic wage to persons who may be infirm or aged and not able to earn the basic wage.

I am not allowed to quote the clause concerned, but the provision provides power to limit the hours of pieceworkers in any industry, except in the agricultural and pastoral industries. I must explain that that provision, as it stands, prevents the court from granting any prescribed number of hours for the shearing industry if the Australian Workers' Union applies to the court for a State award. The court would not have power to set down the hours for pieceworkers in any branch of the agricultural or pastoral industry.

It is proposed to delete the words "except the workers engaged in the agricultural and pastoral industries" and the section then would read, "The court shall have power to limit the hours of pieceworkers in any industry." I would like to explain that there are a number of shearing sheds in Western Australia, the owners of which do not come under the jurisdiction of the Commonwealth pastoral award and if the Australian Workers' Union makes an application to the court, as it is entitled to do, for a State award covering a certain section of the pastoral industry, then I submit that the court, after hearing evidence from both parties, should be entitled to state the hours for pieceworkers in any industry if it considers fit to do so.

Hon. Sir Ross McLarty: Why do you want to limit the hours of pieceworkers?

Hon. L. Thorn: You cannot answer that!

The MINISTER FOR LABOUR: The attitude adopted in 1952 is the proof. The Leader of the Opposition, who is the Leader of the Liberal Party in Western Australia, has indicated in talks, on more than one occasion, that he believes in the 40-hour week and the court limiting hours, yet he says from his seat, "Why limit the hours of pieceworkers?"

Hon. Sir Ross McLarty: Tell us why.

Mr. Bovell: The Leader of the Opposition asked a civil question.

The MINISTER FOR LABOUR: I know the Leader of the Opposition would like pieceworkers to work for 24 hours per day seven days per week.

Hon. Sir Ross McLarty: That is stupid, of course.

The MINISTER FOR LABOUR: It was in conformity with the nature of the hon. member's question.

Hon. Sir Ross McLarty: Answer it.

Mr. I. W. Manning: The Minister cannot answer it.

The MINISTER FOR LABOUR: I have an idea what is in the—

Mr. Ackland: Tell us what is in your mind.

Mr. Bovell: He would not have a clue.

Hon. Sir Ross McLarty: The Minister is not going to answer it.

The MINISTER FOR LABOUR: I shall answer the question. We will take the mining industry. In that industry the hours are regulated, and the miners are on piecework. If they do not earn the prescribed award rates of pay for wages employees in the time, they receive the minimum amount. Their rates are fixed having regard to a 10 per cent. margin over the timework rate; and I think the workers in the shearing industry have their rates fixed on that basis too.

Mr. Hall: Incentive rates.

The MINISTER FOR LABOUR: The workers in the shearing industry get the basic wage plus a margin for skill, and a certain amount for expedition. Why do I want to limit the hours of pieceworkers? Well, why was the Factories and Shops Act amended? There is still reference to the old sweated days in the Act, as instanced by the people who were on piecework and the out-workers. Another reason why the hours of pieceworkers should be regulated is so that they may conform to present-day standards and may protect the working people, generally. Labour organisations do not object to piecework, but they object to uncontrolled piecework.

Mr. Court: I think they do object to certain forms of piecework.

The MINISTER FOR LABOUR: They object to uncontrolled piecework and that is the reason why, in the shearing industry, where there is a 40-hour week, pieceworkers are entitled to earn in 40 hours sufficient to be equal to a margin over the time rate of wages.

Mr. Hearman: What about industries where you do not have hours laid down, such as the agricultural and rural industries?

The MINISTER FOR LABOUR: If the workers in any particular industry are registered in a State or Federal court, the union is entitled to apply to the court for a piecework rate, or a rate on a task basis.

Mr. Roberts: What about workers in the potato-growing and dairying industries?

The MINISTER FOR LABOUR: The hon. member must have misunderstood me. I said that in regard to any industry which

is registered in the State or the Federal court, the union could obtain an award or an industrial agreement, and the workers in that industry would have their remuneration based on either a daily, hourly or weekly wage, or on a piecework rate.

Mr. Hearman: What about the potato-growing industry?

The MINISTER FOR LABOUR: As far as I know, there is no award or industrial agreement covering the potato-growing industry.

Mr. Roberts: Are you trying to bring them in, under this?

Mr. Lawrence: I think the member for Bunbury should be broadminded.

Mr. Roberts: This is just a question.

The MINISTER FOR LABOUR: It is a sensible question. I might explain for the benefit of the hon. member that the main reason why it is proposed to alter the paragraph to which I refer—that is, to remove from the Arbitration Court the restriction on the court to limit the hours of pieceworkers in the agricultural and pastoral industries—is that the A.W.U. may, in the very near future, be applying for a State pastoral award to cover shearers; and shearers are on a piecework basis.

To come to the hon. member's question, there is no award at this stage for the potato-growing industry or for a number of other industries. There is an award for the chaff-cutting industry, but that is worked on the basis that the employees are paid the award rates of pay by the contractors. Before there would be any award or industrial agreement with local coverage for potato growers, or for any other agricultural industry, it would be necessary for the union concerned to negotiate with the employers in regard to rates and conditions, and if there was no agreement, the union would make an application to the Arbitration Court.

I am very much surprised at the way in which the Leader of the Opposition put his question: Why do we want to limit the hours of pieceworkers? There are still plenty of people in this country who would like to have the hours of pieceworkers unlimited, and who would be glad to revert to the old sweating conditions.

Another matter I wish to refer to is a simple one, dealing with apprentices. The court, when determining rates of pay for apprentices, is obliged to have regard to a percentage of the basic wage. It is proposed to remove that restriction and enable the court, if it so desires, to set the apprentices' rate having regard to the tradesmen's rate, so that instead of an apprentice during the first to fifth year, inclusive, being on a percentage of the basic wage, his rate can be fixed by the court on a percentage of the full tradesman's rate.

The next point that I propose to deal with, shortly, is self-explanatory in the Bill. It refers to the right of authorised union officers to enter premises for the purpose of their business. The clause is a long but clear one, and it appeared in a similar measure a few years ago. Briefly, it provides that authorised officers of unions shall be entitled to enter the premises of employers for the purpose of seeing whether the award or industrial agreement is carried out and for the purpose of interviewing union members; but they are not to interfere with the working of the establishment or to hinder the employees.

Ample safeguards for the employer are contained in the provision. He may report any breach. As a matter of fact, there is provision so that a particular union officer may be kept out of an establishment, by the court, for a period. The court can impose any restriction it thinks fit. The clause has been taken largely from the Queensland Act where it has operated very satisfactorily for many years.

The other main provision of the Bill is one dealing with the declaration of the basic wage. With the indulgence of the House, I would like to explain that since about 1930 or 1931 the quarterly variation of the basic wage has been in operation. From October, 1953, for quite a period, the basic wage variations were not applied by the Arbitration Court; and I might say that most of them were on the upward trend.

The reason why the variations showed an upward trend was that the price levels, or what is generally regarded as the cost of living, had risen. But, as I say, the court refused to declare the adjustments—it did not do it automatically—and as a result—it does not matter what arguments are put up to the contrary—the purchasing power of all workers bound by awards or industrial agreements had been reduced.

I have a vivid recollection of the present members of the Opposition arguing strongly against the continuation of price control when the present Government took office in 1953. There were loud protestations against the continuation of the control of prices, and it was a common statement by members of the Opposition, and many of those whom they represent, that if price control were abolished, prices would find their own level and would be reduced; that the price-fixing department was just a registry office for registering increased prices.

But what has time shown? It has disclosed that since 1953, in accordance with the provisions of the statute, there has been an ever-increasing cost of living; and actually where the basic wage in the metropolitan area is now £13 1s. 6d., had the working people received the benefit of the increase of the cost of living, in accordance with the Industrial Arbitration Act, they would be receiving £14 5s. 7d. In

other words, there has been an aggregate of £1 4s. 1d. per week per adult employee withheld from the working people of this State. The same applies to an extent to the South West Land Division and to the goldfields areas.

In brief terms, the meaning of the clause, as members can see, is that the court shall adjust the basic wage quarterly in accordance with the Government Statistician's figures; and that in any case there shall be no reduction in the basic wage until the sum of £1 4s. 1d. in respect of the metropolitan area has been absorbed in reductions. That is the attitude we take on this question. We believe that is more or less in accordance with the law. The Government Statistician has his expert officers around the metropolitan area and other parts of the State, and they receive certain information regarding items in the basic wage regimen, and the Government Statistician calculates, in money terms, the difference in the price levels. Over the years, since September, 1953, to the present time, an amount of £1 4s. 1d. per week has been withheld from all those who work under awards or agreements.

Mr. Court: You are not prepared to entrust it to the Arbitration Court?

The Minister for Transport: You are not prepared to trust to a prices commissioner.

The MINISTER FOR LABOUR: In answer to the hon. member's question, I personally think it the duty of Parliament to see that the adjustments are made quarterly, and I point out that whereas some years ago it was obligatory on the court to have an annual declaration of the basic wage, since 1950 or 1951, the court could at any time have initiated an inquiry into the basic wage. The amendment provides that, notwithstanding anything contained in the amendment, the court shall still have the power to initiate and hold that inquiry into the basic wage at any time it thinks fit; twice a year if it so wishes.

Mr. Court: The unions can initiate that at any time they want to, too.

The MINISTER FOR LABOUR: And the employers also.

Mr. Court: That is correct.

The MINISTER FOR LABOUR: Do not forget that the Liberal Government of 1930 introduced the quarterly adjustment. From 1925 to 1930 there was an annual declaration of the basic wage, and I think that during those years the basic wage fluctuated by about only 2s. per week. That was over a period of five years. Prices, apparently, were falling in 1930, and the Government of which the late Mr. Lindsay was Minister for Works—

Hon. Sir Ross McLarty: He is not late; he is very much alive.

The MINISTER FOR LABOUR: I mean, the late hon. member. I do not mean as late as the Leader of the Opposition thinks. Perhaps I should say, the ex-member for Toodyay.

Hon. L. Thorn: For Mr. Marshall.

The MINISTER FOR LABOUR: Well, Toodyay was put in.

Hon. L. Thorn: You are wrong again.

The MINISTER FOR LABOUR: I stand corrected. Anyway, I am speaking of Hon. J. Lindsay, ex-member of this House who was Minister for Works and Labour at the time.

Hon. L. Thorn: You are on the right track now.

The MINISTER FOR LABOUR: I know his able successor very well. Mr. Lindsay introduced the Bill which provided for the quarterly adjustment. At the time, the basic wage in the metropolitan area was £4 5s. or £4 6s.. When the statistician provided his figures to the court the basic wage was reduced to £3 18s. per week and it eventually fell as low as £3 8s. per week in the metropolitan area. That was 26 years ago. It is only of recent years, when prices have been on the up grade all the time, that the court—and I have no doubt that the State court followed the Federal court at the time—decided it would grant these increases in the basic wage.

Hon. L. Thorn: Everything fell at that time.

The MINISTER FOR LABOUR: Yes, the hon. member's Government fell just after that, too, and it was out for about 14 years as a result of the conservative attitude adopted by the Mitchell Government in those days.

Mr. Bovell: Nothing of the sort!

The MINISTER FOR LABOUR: I was old enough to know that. This particular clause is an important one. Its object is merely to give to the industrial workers of Western Australia a meed of justice. That is all it seeks. I repeat that when price control was in operation—I will not deal with that subject because there will be another measure concerning it to which members can direct their attention shortly—the workers were assured that if the basic wage was stabilised, prices could be stabilised.

Mr. Court: You know, of course, that with controls prices rose here, whereas in other States, without controls, prices rose no more, and in some cases, a little less, than in the States with controls.

The MINISTER FOR LABOUR: That is quite an old argument.

Mr. Court: The Premier put forward the figures the other night.

The MINISTER FOR LABOUR: The Premier is not here at the moment. I am merely quoting the comparative figures by stating that the basic wage in Perth at the moment is £13 1s. 6d., but if the basic

wage had been adjusted in accordance with the increases in prices, it would be £14 5s. 7d. today.

I have no doubt that possibly there will be some discussion in the Committee stage of the Bill and to the best of my ability I will then try to give members the information that they want. Having explained the main outlines of the measure, I move—

That the Bill be now read a second time.

On motion by Mr. Court, debate adjourned.

BILL—FACTORIES AND SHOPS ACT AMENDMENT (No. 1).

Message.

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

Second Reading.

THE MINISTER FOR LABOUR (Hon. W. Hegney—Mt. Hawthorn) [5.35] in moving the second reading said: On a perusal of this measure I think members will find that it is no more contentious—much less, if anything—than the Bill which has just been introduced.

Hon. Sir Ross McLarty: Thank you!

The **MINISTER FOR LABOUR**: I do not know what the member for Greenough is laughing at, but if he will study the provisions of that Bill closely he will find that they conform to reason and justice and when he has the opportunity to study the contents of this Bill, he will find that, in large measure, it tidies up many of the outmoded sections of the Act. I do not intend to outline each clause. Suffice it to say that a number of the clauses deal with the same subject. I might also mention that apart from one or two amendments made to the Act some years ago, many of the provisions in the Factories and Shops Act have not been altered for the past 36 years. Therefore, if I give examples of the types of amendments that are proposed in this Bill, members will get an idea of the trend of the contents of it.

Mr. Bovell: The marginal notes in the Bill are very informative.

The **MINISTER FOR LABOUR**: I suggest that they follow normal procedure and if the member for Vasse will obtain the original Act and compare it with the amendments proposed in the Bill, I am sure that the position will be clarified for him. I will now deal with the question of Saturday afternoon closing. One of the main provisions of the Bill deals with that aspect. At present—I am quoting round figures—there are 115 of what are called shopping districts in Western Australia.

Hon. Sir Ross McLarty: One hundred and fifteen?

The **MINISTER FOR LABOUR**: Yes, I am not sure whether it is 115 or 153. In all cases, with the exception of about 12 or 14,—

Hon. Sir Ross McLarty: I do not think there are that many.

The **MINISTER FOR LABOUR**: Yes, there are. One has its closing period on a Thursday afternoon. All these shopping districts conform to Saturday afternoon closing and this Bill proposes to make Saturday afternoon closing general.

Mr. Bovell: And the wishes of the local people do not enter into it?

The **MINISTER FOR LABOUR**: The Act does not apply north of the 26th parallel and I have just mentioned that only a handful of shopping districts do not conform to Saturday afternoon closing. One or two have Thursday afternoon closing, one of which, I think, is Nungarin.

Mr. Bovell: Why should they not have Thursday afternoon closing? I suppose it suits their convenience.

The **MINISTER FOR LABOUR**: I have received a letter from Bruce Rock. The minister for the Church of Christ who is interested in the youth movement in that district is anxious that shops shall close on Saturday afternoons so that youths may engage in sport with youths from other districts.

Mr. Bovell: The Church of Christ, I am sure, would not indulge in sport on a Saturday afternoon, I can tell you.

The **MINISTER FOR LABOUR**: I am not sure, but I will produce the letter at some later stage and the member for Vasse can read it for himself if he so desires, and can ascertain from where it came. This proposed amendment for the Saturday afternoon closing of shops will necessitate the repeal of four or five lengthy sections of the Act. This deals with the interjection made by the member for Vasse, because it concerns the question of the holding of a poll periodically and the issuing of proclamations by the Governor and a declaration of shopping districts. If one looks at the Act, it will be seen that there is provision for a late shopping night in districts outside the metropolitan area, including such places as Brownhill-Ivanhoe and other centres long since extinct.

Hon. Sir Ross McLarty: How many of them are open after 6 p.m.?

The **MINISTER FOR LABOUR**: That is what I am trying to explain. Some of the provisions are obsolete and the Bill, among other things, seeks to bring about a general Saturday afternoon closing, which will mean the repeal of four or five sections of the Act.

Another provision concerns factories. What I have just said refers to shops and what I will say now relates to factories. In practically all awards and industrial agreements, it is provided that factory workers shall work a 5-day week and in this Bill there is a provision which will make factories conform to that pattern. Also, the overtime provisions in the Act are not up to date and it is proposed that the conditions outlined in the shop assistants' award will be set down in the Act.

Mr. Court: Are you trying to go outside the operations of the Arbitration Court now?

The MINISTER FOR LABOUR: No. I am glad the member for Nedlands made that interjection because I can explain that in Section 138 or Section 163—I am not sure which—it states that the provisions of an industrial award shall override those of the Act. What the Bill proposes is to bring the overtime provisions in the Factories and Shops Act into line with those of the shop assistants' award. In the Arbitration Court the award is made by the court itself. The overtime provision in the award is time and a half for the first four hours and double time thereafter. On public holidays it is provided in the award that double time shall be paid. To show how obsolete the Act is, I might mention that there is one section which provides that if an employee works back after ordinary hours he is entitled to 1s. 6d. to enable him to buy a meal.

Mr. Hall: Is that 1s. 6d. under the State award or 3s. 6d. under the Federal award?

The MINISTER FOR LABOUR: No, it is the Factories and Shops Act which provides for 1s. 6d. to be paid to a worker for a meal. The Bill proposes to increase that to the modest sum of 3s. 6d. I do not think any member will say that 3s. 6d. is an extravagant amount to pay for a meal to a worker who is obliged to work after the normal hours.

Mr. Court: Reverting to your previous point, you are laying down mandatory provisions beyond which the Arbitration Court will not be able to go.

The MINISTER FOR LABOUR: When we provide for the 3s. 6d. allowance—

Mr. Court: I was not interested in that, but in the overtime.

The MINISTER FOR LABOUR: This bill provides for 3s. 6d., but there is provision in the factories and shops award where agreement on a payment of 3s. meal money has been reached.

Mr. Court: You are laying down certain statutory provisions in the Factories and Shops Act which will mean that the Arbitration Court cannot go beyond them in fixing an award. In other words, you are taking a certain discretion away.

The MINISTER FOR LABOUR: All that is being done to bring some of these provisions regarding overtime and public holidays into line with Arbitration Court standards. As I said before, there is nothing to stop the Arbitration Court, on an appropriate application being made, from granting extra holidays, extra overtime or extra margins. It does not matter what is in the Factories and Shops Act, the Arbitration Court can override the provisions.

Mr. Court: Is that the position?

The MINISTER FOR LABOUR: The hon. member can take it that is the position under the Act and has been for a number of years.

Mr. Roberts: Will it be mandatory for all shops in the State to close at 5.30 p.m.?

The MINISTER FOR LABOUR: In reply to that question, the direct answer is "No." But that depends on the hours set out in an award or a registered industrial agreement for any particular area. Substantially, the hours of shop assistants terminate at 5.30 p.m., where they used to terminate at 6 p.m. They terminate now at 12 noon on Saturdays where they used to terminate at 1 p.m. There used to be a 48 hour week, but now there is a 40 hour week. In the Act there is reference to 44 hours of work for women and boys whereas the standard for years has been 40 hours. Wherever 48 and 44 hours are mentioned in the Act, the Bill provides to alter them to 40 hours.

Mr. Roberts: What if a shopkeeper wants to close at 5 p.m. Can he still do that?

The MINISTER FOR LABOUR: I do not think the shop assistants will object. There will be no law to prevent a shop from closing at 5 p.m.

Mr. Hall: How many hours in the week from Monday to Wednesday are wasted?

Mr. Roberts: It states here that a shop will close at 5.30 p.m.

The MINISTER FOR LABOUR: That is the standard closing hour provided in industrial agreements made between the Shop Assistants' Union and branches of the shopkeepers in different parts of the State. Where it used to be 6 p.m., it is now 5.30 p.m.

Mr. Bovell: Will that apply all over the rest of the State and not within a certain radius of the G.P.O., Perth?

The MINISTER FOR LABOUR: I shall explain that later. It relates to milling. At all times an industrial arbitration award overrides the provisions of the Factories and Shops Act. To divert for a moment, Section 123 of the Act provides—

Nothing in this Act contained shall in any way affect the jurisdiction conferred on the Arbitration Court established under the Industrial Arbitration Act, 1912-1941, and any provision of this Act as to any matters within the jurisdiction of the said

court may be varied, altered, modified or excluded by any award now made or hereafter to be made by the said court or of any industrial agreement now made or hereafter to be made under the said Act.

I have emphasised that the court by an award would override the provisions in this Act.

To put the minds of members at ease, I would point out that the idea underlying the amendment to the Factories and Shops Act is to write into the statute a certain set of standards below which the employers cannot go. It was introduced for the protection of isolated workers. Reading through the Act we find reference to sweating and to a woman being paid 9d. an hour if she works overtime and similarly to boys, 6d. That is how far behind the times the Act is. There are a number of references to closing down at noon on Saturdays instead of 1 p.m., and there is reference to closing at 5.30 p.m. instead of 6 p.m. There is reference to overtime and public holidays, and I have already mentioned a five-day week for factory workers.

There is a small reference to amending the section dealing with hours of trading for petrol stations in Perth. The purpose of that is to alter the hour from 1 p.m. to 12 noon and to make reference to one week day, to bring that section into line with another section. Apart from that, I give the assurance that there is no intention of altering the present practice in regard to opening and closing of petrol stations. As members know, a Royal Commission has been inquiring into this question. I can satisfactorily explain why we are seeking to alter the hours. The reason is because there is reference to another section. There is no intention to alter anything materially in that section.

The member for Vasse asked if the provisions of the Bill would apply outside a 15 mile radius of the G.P.O., Perth. That being so, the sawmills would be considered as factories for certain purposes in that they will have to provide change rooms and washing facilities.

Reference is made in a couple of clauses to ventilation. At present the Chief Inspector of Factories can order certain installations to obviate gases, vapours, dust and other nuisances where such are injurious to the health of workers. It is proposed to eliminate the words "injurious to the health of the workers" because in some cases it could happen that fumes, dust or gases could be very inconvenient and distressing to the workers, but nobody would be able to prove that they were injurious to health. Reference is simply made in the Bill to delete the term "injurious to the health of workers" and thus give the inspector more authority to order, if necessary, the installation of dust prevention appliances.

Mr. Court: Have you any case in point?

The MINISTER FOR LABOUR: I could quote one or two but not a great number. There may be cases where an employer could say that it could not be proved that such conditions were injurious to the health of the workers, although it could not be denied that they were an inconvenience to the employees.

Dealing with late shopping nights, the member for Bunbury will be interested in what is proposed. There is no doubt that under the Act late shopping nights could not be prevented. The Bill provides for a slight amendment to one of the sections to indicate that the closing time shall be at the end of the ordinary working hours and there shall be no late shopping night at all. In these days the need for a late shopping night should not arise. Everyone has an opportunity to do shopping some time before 12 noon on Saturdays.

Hon. Sir Ross McLarty: Is there any late shopping carried on anywhere?

The MINISTER FOR LABOUR: Not so long ago an attempt was made in Bunbury to carry on a late shopping night; there was another at North Perth. The point was taken that as long as the employer paid overtime to his shop assistants, he could open for business. It is hoped to prevent that sort of thing happening because there is really no necessity for it.

The Bill also deals with process workers. They are entitled to only time-and-a-half for overtime. So that there will be no misunderstanding in regard to process workers if they are called upon to work overtime, a reference to employees who work on rotation has been included in the Bill. On perusing the measure, members will be able to see that it is proposed to bring half-dressing shops within the jurisdiction of the Factories and Shops Act. There is a doubt as to whether or not they are included at present. The Bill will make the position very definite.

As I said in my opening remarks, the parent Act has not been amended substantially for a number of years. It was first introduced in the early days of industrial union organisation in this country. At that stage it was an attempt to prevent any unduly long hours from being worked by unorganised workers. In some cases it attempted to control piece-work to which the Leader of the Opposition made reference earlier. In a way, it laid down certain standards for factories. It is intended to increase the space per person from 350 to 400 cubic feet. I understand that the higher figure is the minimum requirement laid down by local authorities and this amendment will bring the Act into line with the local authorities' regulations.

Over the years the Act has provided for certain minimum standards, but the time has arrived when we should remove some of the outmoded provisions and bring the

Act up to date. The Bill should receive the blessing of the employers generally and of the trade union movement. I move—

That the Bill be now read a second time.

On motion by Hon. L. Thorn, debate adjourned.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

Second Reading.

Debate resumed from the 13th September.

MR. CROMMELIN (Claremont) [6.2]: In 1955, the Minister for Labour (Hon. W. Hegney), when introducing the State Government Insurance Office Act Amendment Bill, said—

This measure is not new to this Chamber. Members will recollect that on two previous occasions a similar Bill has been submitted for the consideration of Parliament, and the one now being introduced is practically identical with that brought down last year.

In October of the same year, the Chief Secretary said—

I suppose that this Bill might be described as a hardy annual. However, the Government is very firmly of the opinion that it should continue its efforts to give the State Insurance Office authority to conduct all forms of fire and general accident insurance business in open competition with the private companies.

Similar statements have been made by the Minister for Labour in introducing the present measure, and this is the fourth attempt of the Government to force its ideas on the community which, by its actions in the past, has very definitely expressed its opposition to such measures being forced on it.

The Minister for Transport: The community or the Council?

MR. CROMMELIN: Notwithstanding this, the Government is still determined to go ahead with its intention, if it possibly can. I have no doubt that members will recollect that, in the last few weeks, the Premier has made many statements and many appeals to the people of Western Australia to support local industries. With that, I am in complete accord. The Premier went further and, in dealing with the economy of the State in general, said that we must attract new industries and more capital here in order to absorb more workers and increase the productive capacity of the State.

How, then, can the Government reconcile its action in introducing such a measure as we are now asked to consider, which, to me, appears to be antagonistic to private enterprise? Can this measure in any way help to attract new industries to the State? I feel that any businessman would have to think seriously before he would be prepared to commence a new industry here if it is the intention of the Government to restrict normal trade.

Dealing with the operations of the State Government Insurance Office, I have found the front page of "The Civil Service Journal" of the 31st August, 1956. That page contains an advertisement of the State Government Insurance Office and it reads as follows:—

Wind Blows a Man Into Debt.

While Mr. ——— was driving his car along Brighton-rd., Scarborough, in Sept. last year, the wind blew down a tree that was being grubbed out. The tree fell on top of the car, but Mr. ——— was not injured.

Because his driver's licence had expired 10 days before the accident, an insurance company would not pay the cost of repairing the severe damage to the car. Under the present system of renewing licences, this could happen to you, but not if you are insured with the State Government Insurance Office.

Established to serve.

From that, several points appear to me to emerge. Does the State office waive the necessity for its policy-holders and the drivers of the vehicles which it insures to comply with the law and have valid drivers' licences? If so, surely it is undermining the authority of Parliament and various other State departments by cultivating in its clients the habit of avoiding their obligations. Obviously, the private companies are certainly more law-abiding in insisting on their policy-holders obeying the law.

The Minister for Transport: What if he had not paid his radio licence? It would be just as appropriate.

MR. CROMMELIN: I do not think a radio is a very dangerous weapon compared with a car.

The Minister for Transport: Paying a few bob does not make it more or less dangerous.

MR. CROMMELIN: Possibly not. I was saying that the private companies are more law-abiding in insisting on their policy-holders obeying the law. If not, is not this advertisement completely false and misleading?

The Minister for Transport: No; your reasoning is.

MR. CROMMELIN: Can it reflect anything but discredit on a Government department? Private companies have a clause

in their policies requiring the driver of a vehicle to have a current driver's licence. Can any member of this House suggest that that condition is anything more than a reasonable requirement, when the company is asked to take the risks that are involved in granting insurance on such a lethal weapon as a motorcar can be? Whether a company takes advantage of the condition to avoid a claim is entirely a matter for the company; and instead of advertising in this way and encouraging drivers not to worry about renewing their licences, surely the State office would be better advised to induce motorcar drivers to keep their licences in order and obey the law.

Members will no doubt admit that it is only reasonable in a contract of insurance to have conditions which must be fulfilled; and, if so, the State office does not measure up to requirements because it has conditions in its contract. Government members have mentioned fair competition with private companies; but I submit that this advertisement is a justification of my statement that Government departments do not fairly follow many of the terms, and Government competition under these conditions is not fair.

On the matter of competition, there are a large number of insurance companies in this State, and I appreciate that some of them are tied to a bond under which they all charge the same rates. But apart from them, there are overseas companies like Harvey Trinder; and from my own experience I have found that if one wants to get a pretty good rate of cover, one will certainly get it on a much finer basis from those companies than from some of the other companies that have their own agreements.

I consider that there are all the insurance companies established here that the country requires; and I cannot see that it is fair for the Government to enter into this type of competition any more than it would be for it to start chain stores or similar types of business. Therefore I oppose the second reading.

MR. HEARMAN (Blackwood) [6.13]: I would not like to disappoint the Minister by letting him think I was in favour of this Bill, because such is not the case. As previous speakers have mentioned, it is a hardy annual; and the more I see of it and the more the Minister tries to persuade me it is a desirable piece of legislation, the more objections I seem to find to it.

Personally, I disagree entirely with the suggestion that all profits made from insurance are evil and should be handed back to the policy-holders in the form of a reduction of premiums, because I realise that there must be some stability in the insurance business and that stability is best obtained by accumulating reserves and endeavouring to run the business to make

a profit. This enables security to be provided, which is such an essential part of insurance business.

Actually the State office does not seem to have such a vital opposition to the security that the vast profits and investments of older companies have given them, because the State office in the normal course of business, reinsures with those older companies and takes full advantage of the security and the stability that their reserves have established.

Sitting suspended from 6.15 to 7.30 p.m.

MR. HEARMAN: Before the tea suspension I was discussing the criticism that is levelled at tariff companies and others, for making profits and pointing out that it is those profits that give them stability and are protecting the persons who are insured. I also went on to point out that the State Insurance Office does take advantage of the stability that is created by those profits made in the past because it reinsures a great amount of its business with private companies. On the one hand we find the private companies being criticised for making profits and, on the other hand, we find the State office taking advantage of those profits to provide security for its own risks.

The question of reinsurance raises another rather interesting point and that is that most of the private companies reinsure—in fact, I think they all do—but they distribute that reinsurance over a wide range; some of it, of course, goes overseas and some of it is retained in Australia. It all depends on the particular company's arrangements and its policy in that matter. It is worth mentioning in passing, I think, that the whole of the reinsurance business of the State Insurance Office goes to London. That in itself might not necessarily be a bad thing.

I understand that the firm that handles it is a very reputable one and provides the fullest kind of security. But it poses the question as to whether it is a good thing for a Government instrumentality to ask for a widening of its franchise when it would mean that more business and more money would be going out of Australia at a time when we are having considerable credit difficulties due to the fact that our overseas balances are running down. This policy of the State Insurance Office is obviously adding, even if only in a small way, to the problems that are confronting us in regard to our overseas trade balance generally.

For my part, I question very much whether this House should, at this stage at any rate, in view of that fact alone, widen the franchise for the State Insurance Office because it will aggravate the position still further so far as our overseas balance is concerned. I am not suggesting that pressure should be put on the State office to alter its policy; I do not think it should

be. But I think that this House should take note of just what that policy is when the office in effect comes to us and says, "Please widen our franchise so that we can send some more money out of Australia."

The question of Government interference with the policy of the State Insurance Office is one which the Minister has endeavoured to assure us just will not happen, and he says that the office will conduct its business in the normal way and that it will not be interfered with. I think that is most desirable, but I ask myself whether it is likely to happen. The Minister was hardly reassuring in his speech when he mentioned the question of tenants for the new State Insurance Office building. He said that it had been discussed at one stage and it was suggested that private tenants would be put there. But after thinking the matter over, the Government decided not to do it. If the Government decided that, it means that the Government is influencing the State office policy.

In my opinion it should have been left to the State Insurance Office to decide who it was going to put into the new building. The office should have been able to decide who would be the best possible tenants and the best possible rentals that could be obtained for the accommodation available. That would have been only reasonable and fair.

The Minister for Labour: You are on thin ice there because the rentals are based on an economic rent and it has been valued. You are just beating the air.

Mr. HEARMAN: I am pointing out that the Government influenced the policy on this occasion, and the Minister said so in his own speech. Whether those rentals would have been sufficient or not, I do not know, because I am not competent to discuss them. But the Minister himself stated quite clearly that the Government had influenced the office policy in that regard. So it was a Government decision and it indicates, in my opinion, that the Government is not prepared to leave the office free to operate in a completely untrammelled manner. It also seems quite evident that the Government will see that the State Insurance Office does as the Government wishes. So I question very much whether it would be simply another office operating, to all intents and purposes, in the same manner as another insurance company.

It would, I think, inevitably be influenced by Government policy. Of course, that question raises the whole point of whether it will compete on an even basis with other companies. I notice that the Bill provides for the appointment of agents and other officers who would, of course, be necessary for the conduct of the type of business envisaged in this Bill. The Minister said nothing about it this year; in fact, his speech was only a very short one. But previously he has mentioned the idea of

appointing civil servants in country areas to take on the additional job of acting as agents for the State Insurance Office.

Personally, I feel that this is most undesirable on two counts; firstly, if a civil servant is fully occupied in his present job, he should not have an additional task given to him; secondly, I question whether under those circumstances it is reasonable to expect that the same sort of service could be given to the clients of the State Insurance Office as would be given by the private companies that have their own agents and, on top of that, have their own travellers. These men are experts in the insurance business and they are able to advise clients as to the best and most economical methods covering their risks generally.

Mr. Lawrence: Do not you think it would increase employment?

Mr. HEARMAN: Of course, if the State office had the same policy as the private companies, it would increase employment. But the proposition put forward by the Minister would not have that effect because it would provide two jobs for one man. The idea of using civil servants, such as policemen, clerks of courts, and people like that to act as agents in the country, would have the reverse effect.

Mr. Lawrence: How many jobs have you got?

Mr. HEARMAN: What has that to do with this?

Mr. Lawrence: It has plenty to do with it.

Mr. HEARMAN: It has nothing to do with it at all; I think the hon. member is on the wrong foot altogether. The Government proposal would reduce the amount of employment. The way the private companies conduct their businesses, so far as agents and travellers are concerned, inevitably means the employment of more men, and I think they give a better service. It must cost the companies more but if the State office is to compete on an even basis it must be prepared to give the same service and will have to be prepared to expend the same amount of money for overheads.

Mr. Hall: There is the question of the 2 per cent. and 1 per cent. unemployment value.

Mr. HEARMAN: I do not like the idea of civil servants being given these jobs; not that I have any objection to the civil servants concerned but I think, in the circumstances mentioned by the member for Nedlands, these people would be serving two masters.

The Minister for Labour: Why do not you admit that you disagree with the principle embodied in the Bill instead of going on like that?

Mr. HEARMAN: I said that at the beginning. I do not know how often the Minister wants me to repeat it but if it

gives him any satisfaction I will repeat what I said earlier. I am sorry about this repetition but for the Minister's benefit I will say that the more I see of this Bill, and the more often I hear this argument trotted out, the less I like it and the less sincere I feel that the arguments are.

Again, I can remember the time when members of the present Government used to point to the large buildings being erected by the private companies, from their profits, in St. George's Terrace. They said that this was evidence of the excessive premiums being charged. But today we hear nothing of that—for an obvious reason. Furthermore, in the Minister's speech he mentioned that the State Insurance Office had made some very satisfactory land deals in the city area. I do not blame the State office; it is a very good thing and the office is to be commended for it and I do not see anything improper about that action.

But apparently it is a laudable thing when the State office does it, whereas it is wrong when the private companies do this sort of thing. I would like to see a little consistency in matters of this kind; members of the Government cannot have it both ways. I think that if the State office sees an opportunity of getting a good investment for its money, it should seize that opportunity.

Mr. Lawrence: Do you believe in competition?

Mr. HEARMAN: I believe in fair competition.

Mr. Evans: Is the present position fair competition?

Mr. HEARMAN: I do not think it is fair competition in this instance and I cited one case where I did not think it was fair in regard to risks that should be insured and those that should not be insured. A week or two ago I made certain inquiries to see if it would be possible to insure members of the Police Force and to give them some protection in a position such as a constable found himself in recently. I found on inquiry that it was not possible to cover that type of risk because it would be insuring a man against the consequences of breaking the law and such a policy could not be taken out with the private companies. However, tonight the member for Claremont said that the State office is apparently quite prepared to insure a man against some of those consequences—such as the breaking of the law by a man driving a vehicle when he is not the holder of a driver's licence.

Mr. Lawrence: Do you refer to an action arising out of his employment?

Mr. HEARMAN: I am referring to the case—and the hon. member knows it very well—which was the subject of a good deal of debate last week. It concerns Constable Hardy. I found, on inquiry, that it was not possible to cover a member of the Police Force in such circumstances.

Mr. Lawrence: I said an accident arising out of his employment.

Mr. HEARMAN: Yes, but this was not an accident. I was trying to find out whether it would be possible to cover a person under such circumstances.

Mr. Lawrence: They are covered now.

Mr. HEARMAN: They are not covered. If he had been covered, I do not think the Government would have passed out £450 to get that particular constable out of trouble. I was merely investigating the possibility of insuring a man against that sort of risk. But because it was insuring him against the consequences of breaking the law, I found it was not possible. I feel that there is a similarity in the case cited by the member for Claremont where the State office is, in effect, offering to cover a man for some of the consequences of breaking the law when he drives a vehicle without having a driver's licence.

Mr. Lapham: What about the Traffic Act? We have that every day. If an individual kills someone on the road, that person is still insured under the Traffic Act.

Mr. HEARMAN: In that case the advertisement that the member for Claremont quoted is completely pointless. If the hon. member's contention is right, the advertisement is a silly one. My objections to the Bill are, firstly, I do not like the principle. I believe the Government's job is to govern and not to trade. I think there is adequate and satisfactory cover available in this State over all kinds of risks.

I think that a lot of the criticism raised against private companies in an effort to try to justify this Bill is completely unfounded and stems largely from misinformation. I am not persuaded that the Bill would mean that any better service would be given to persons who insured in accordance with its provisions. In fact, I think from the agency angle the service given to the people in the country could contain several drawbacks. I feel the measure is generally unnecessary, undesirable and one to which I think this House should not agree.

MR. EVANS (Kalgoorlie) [7.46]: I support this Bill which will give the State Government Insurance Office the authority to indulge in, and carry on, everyday avenues of insurance. The measure will ensure, if it becomes law—and I trust it will—that money invested in the State office will circulate mostly in Western Australia and not go to shareholders living overseas.

Mr. Hearman: About 80 per cent will circulate outside Australia.

Mr. EVANS: Would someone please put the cockatoo from Blackwood back in the cage? The member for Claremont mentioned that at least on one occasion a

similar measure to this particular Bill was defeated. I would say it was obliterated in another place. The member for Claremont went on to say that as a result of its defeat, or various defeats, it was indicated that such legislation lacked the support of the people. I would say that is a half truth and it is obvious that the member for Claremont has got hold of the wrong half because the other place does not represent the people as a whole. It represents one section, and tonight we find members of that same section opposing the Bill and upholding what I would call the causes of the modern-day Shylocks—money-lenders and people who do not want any competition.

Mr. Crommelin: You are going to turn the Government into a Shylock.

Mr. EVANS: The member for Nedlands said that his party was opposed to the State competing with private enterprise. The member for Blackwood tonight mentioned that it was not the Government's duty to trade.

Mr. Hearman: I said it was the Government's duty to govern.

Mr. EVANS: I bow to the hon. member's superior knowledge in this one respect. I wonder what the Liberal Party thought of the attitude of the Liberal leader in New South Wales prior to the last election. He made great play about the State bank of New South Wales. This seems to be a case of rock-and-roll—rock the Liberal Party members here and roll them back in New South Wales to the Opposition benches. The people in that State saw through the Liberal Party's game; they realised it was dishonest from the beginning and untrustworthy to the end. It is well that people in Western Australia realised that in April last.

Mr. Court: You know that over 50 per cent. of the people in New South Wales voted for the Liberal and Country Party.

Mr. EVANS: Let me quote one instance of the State Insurance Office compared with one of these other insurance companies in the matter of hire purchase. I know of a man who owned a car and who was unfortunate enough to have been insured with one of these companies by virtue of the fact that he could not afford to pay cash for it. This man was unlucky enough to have an accident and it was necessary for him to call on his insurance company and the insurance company concerned had to pay. Later, however, that man received a letter from that company to say it was not interested in reinsuring him at all. What happened then? That man found himself in Queer-st., because of the agreement one signs when one buys goods on the hire purchase system, it would have meant that he would have lost his car had the State Government Insurance Office not stepped in and helped him out of his difficulty.

Hon. J. B. Sleeman: Hear, hear!

Mr. EVANS: What do these worthy representatives of private enterprise have to fear from this Bill? As I see it, it provides for free competition and if members opposite have something to hide, then they will oppose it. But they have told us in the past, and they will tell us in the future, that they believe in private enterprise and free competition. It seems to me that some of the time they believe in free competition but all of the time they believe in monopoly.

Mr. Court: I do not think that is true.

Mr. EVANS: I know it is.

Hon. D. Brand: Then it must be so!

Mr. EVANS: I would ask the Liberal Party members to listen to an old proverb that I gleaned from a book that had a frontispiece by one of their grand masters of cloak and dagger dramatics—I am referring to Mr. Menzies. He said we should beware of prejudices. I say that we should beware of them because they are like rats, and the minds of members opposite are like traps. Prejudices get in, but it is doubtful if they ever get out. If they are apostles of free enterprise, they should support this Bill because if the policies and practices of private insurance companies are wholesome, honest and attractive, they will have nothing to fear, particularly from another insurance company such as the State Government Insurance Office. They will have nothing to fear at all. But if their policies are not attractive, wholesome and honest, they certainly will.

Mr. Roberts: Why?

Mr. EVANS: It seems to me that by opposing this Bill, members opposite will only strengthen my contention and the contention of the workers that they are interested in one thing only and that is the cream that flows in on the flood-tide of profits. Profits seem to be their god. What about giving the worker a fair go and freedom of expression? If the insurance companies that the members opposite represent are honest and attractive in their terms, they will still exist. With those few words, I support the Bill.

MR. ROSS HUTCHINSON (Cottesloe) [7.55]: I oppose the Bill.

Mr. Lawrence: Why?

Mr. ROSS HUTCHINSON: For the same reasons that have been expressed by other members who have spoken from this side of the House. The case for the Opposition against the measure was sufficiently conveyed to the House and the public by the member for Nedlands, and other speakers on this side have touched upon the items that have been left to them. I desire to deal with one of the points that have not been touched on to any great extent and to endeavour to convey my feelings regarding the measure.

Basically and fundamentally, Labour's idea in bringing this Bill before this House again is, underneath it all, to nationalise insurance. There is no doubt about that. The Bill is merely a step in that direction. The Labour Party makes no bones about the fact that it desires to nationalise insurance and, of course, if one happens to be a socialist at heart, or one believes that things are better nationalised, as opposed to having private enterprise, then naturally one puts forward that point of view. But we on this side of the House are against nationalisation and socialisation in any form.

Mr. Lawrence: You are a socialist; you went to war, didn't you?

Mr. ROSS HUTCHINSON: The member for Nedlands, of course, pointed out that basically this was the root cause for the introduction of the legislation. Too frequently from the antagonists of insurance companies do we hear ill-founded criticisms against profits made, property that is kept and large reserves held in hand. These criticisms, I might say, spring from those people who do not realise what true insurance means; if they did, they would not speak as they do. They do not realise that to function efficiently and in the best public interest, insurance companies must make profits, property must be held and large reserves must be kept in hand to cater for the calamitous happenings against which one insures.

With regard to the work done by insurance companies and phases of their work that deal with public safety and with research into public welfare, I have received some information on the research undertaken which shows the really beneficial workings of the tariff insurance companies through their research organisations. Large sums of money are spent annually on research into all phases and means of lessening risks to life and property, and much available information has been obtained by this organisation. It would be quite impracticable and quite impossible, from a financial standpoint, for insurance companies to go to the extraordinary expense to which this research organisation has gone in an endeavour to seek out information in connection with tariff companies. I would stress the point that the information obtained along the lines of public interest and of reducing premiums is handed to the individual companies and to the State Government Insurance Office.

In the short time at my disposal I find it difficult to describe properly the work that the research organisation has done and to which I have referred, but it is covered in an excellent manner in a bulletin prepared for public consumption. Accordingly, in the interest of all concerned, I think it would be wise to have it placed on record in Hansard. It is a document prepared by a research organisation attached to the Public Relations

Department of Tariff Companies and is headed, "Tariff Insurance and Safety Research". It reads as follows:—

One of the great benefits private insurance has conferred upon human progress is its collective research into the means of reducing risk to life and property in all spheres of activity.

The Fire and Accident Underwriters' Association in each Australian State employs surveyors who are fully engaged in such research and in the inspection of all kinds of trade and industrial risks in the community. These experts are constantly in touch with kindred bodies in their own and other countries, and they confer with Government departments on their vital subject.

Prominent among public organisations whose national aim is to protect life and property are the National Fire Protection Association of America, and the Fire Offices' Committee Fire Prevention Association of the United Kingdom. In both countries insurance is closely associated with the technical and administrative sides of these remarkable institutions.

So expert are these survey personnel and so extensive their knowledge that during the second World War the Federal Government accepted the offer of the Council of Fire and Accident Underwriters of the Commonwealth (the central body of the State associations) to place their services at the Government's disposal. In those days, more than ever before, Australia's need for protection against fire became a serious problem. The insurance experts surveyed existing factories used for war production and made many suggestions for safety improvements. They also devised wise fire protection plans for the construction of new war-time enterprises. It is significant that Australia's war production was never seriously dislocated by the outbreak of fire.

In times of peace, also, the advice of these men is constantly sought. Architects, when designing buildings or factories, confer with insurance experts, knowing full well that any suggestions made and complied with will ensure the maximum protection against fire.

Whilst it is the business of insurance companies to rate risks according to the hazards associated with them, this collective interest in "danger-reduction" has come to be a universal tradition in the industry.

This "danger-reduction" is sound from a strictly business point of view as it reduces the incidence of large underwriting losses; but from a public point of view that is a secondary consideration to the great social benefit conferred on the community in the

form of greater security from physical and financial disaster. Its premium-reducing effect is also an important consideration to the policy holder.

Under the auspices of the Council of Fire & Accident Underwriters of Australia, a research committee has been set up for the purpose of investigating atomic energy and its effect on insurance business in the Commonwealth of Australia in order that insurers may be able to advise their clients and afford them knowledgeable service. The committee will have the benefit of the knowledge acquired by a committee of underwriters in the United Kingdom which has been investigating this problem in close collaboration with the A.E.A. Research Establishment, Harwell, England.

There are numerous industrial processes in which radio-active substances are used and it is intended that the investigations of the committee be carried on so as to ascertain what effect the use of such radio-active substances will have upon the health of the people engaged in the handling of these substances.

It would appear that at present there are no Government regulations controlling the use of radio-active substances, but that if the recommendations made by the United Kingdom authorities regarding the use of such substances are complied with, the risks to personnel are not great. However, this would obviously depend upon the managerial skill and administrative ability of individual users as to the extent to which the precautions are observed.

In respect to existing contracts of insurance, it would seem that no policy makes reference to radio-active substances either by inclusion or exclusion, and the research committee is accordingly directing its attention as to whether these substances could initiate a fire or an explosion in the ordinarily accepted sense of the term. Mere radio-activity cannot be considered as a "fire" and the contamination of articles by radiation is not the subject of indemnity under fire policies. It is recognised, however, that radio-active substances can become involved in fires and explosions arising from other sources. Thus, under the existing fire policy it may be found that the difficulties of extinguishing a fire are increased, or that the cost of clearing premises after a fire are made more expensive because of the presence of radio-active substances and the contamination which has resulted from their being blown from their normal protective casings.

Similarly, under a Loss of Profits policy, the claim could be enhanced because of the time taken to decontaminate a machine or a workshop following a fire in which radio-active substances were involved.

With a recognition of the foregoing, the research committee proposes to direct its attention to the use of radio-active substances in industry and their possible effect upon contracts of fire insurance, loss of profits insurance, public risk insurance, workers' compensation insurance, personal accident insurance and marine insurance. Information is being sought not only from British underwriters but also from insurance research experts in U.S.A.

The same committee is studying the public and insurance problems associated with automation, breaking of the sound barrier and television. All costs involved are borne by tariff companies in Australia to whom the results of the research are passed.

When, as is often the case, the findings of the researchers result in changes in policy conditions—or the issue of new forms of insurance contracts—it is not long before their lead is followed by non-tariff companies and State Government Insurance Offices whose individual resources or contracts would not permit them to indulge effectively in such nationally important work.
29th August, 1956.

The bulletin which I have just read contains interesting information and I make no apologies for reading it. The real essence of what it means is conveyed in the last paragraph and it points out that the findings obtained are conveyed to individual insurance companies and to State Government insurance offices. The work involved in obtaining this information is of such a nature and of such high cost that it would be prohibitive for any individual company or any State Government insurance office to deal with properly, effectively and efficiently. I point these things out in order to show the real social advantages that may be conferred upon the public by the operation of the insurance companies, these companies which are so often derided by those who prefer insurance to be nationalised.

There is another point on which I wish to touch. It concerns what the Minister, who dealt with this Bill in a previous year, said in another place. He said that there was a persistent public request for the extension of the State office's responsibilities. Although this has been stated on a number of occasions, it is not borne out in fact, because there is no real public demand that the State Government Insurance Office should be

permitted to indulge in all forms of fire and accident insurance. Actually it is most apparent that no real demand for this exists. Sometimes it has been pointed out that a number of inquiries have been made at the State office. This, of course, is not surprising. What would be surprising would be if no inquiries were made there at all.

Rather than there being a demand that the State Government Insurance Office should take over all forms of insurance, there is a public demand for increased services from private companies. I would like to quote some figures as an example of what I have said in regard to a public demand for private insurance. They are as follows:—Under the heading, Workers' Compensation Business, in the year 1938-39 the State office wrote business to the sum of £292,484.

The Minister for Labour: What is the hon. member quoting from?

Mr. ROSS HUTCHINSON: Statistical figures giving information regarding workers' compensation business as between the State office and private companies.

The Minister for Labour: From where did the hon. member obtain that information?

Mr. ROSS HUTCHINSON: It is information I obtained from my research with the private companies.

The Minister for Labour: Did the hon. member say his concern with the private companies?

Mr. ROSS HUTCHINSON: No, I have obtained this information which is quite public, through the services of insurance companies.

The Minister for Labour: Through the services of insurance companies?

Mr. ROSS HUTCHINSON: Does the Minister object to that?

The Minister for Labour: No.

Mr. ROSS HUTCHINSON: If the Minister desired he could obtain figures regarding State insurance from the State Government Insurance Office.

Hon. Sir Ross McLarty: It is an old trick to put you off the track.

Mr. Court: The Minister is just being helpful.

Mr. ROSS HUTCHINSON: I will now quote the figures—

Workers' Compensation Business.

Year.	State Office. £	Private Insurance. £
1938-39	292,484	232,909
1948-49	309,040	479,939
1952-53	474,605	732,231

(Last year of available figures.)

It will be noted that before the war the State office was writing a larger volume of business than all the private insurance companies, but has failed to hold its position, and compared with the year 1938-39, the State office has increased only in the year 1948-49 by £16,556, which equals 5.7 per cent., and in the year 1952-53 by £181,121, which equals 62.26 per cent. As against this, private insurers show increases in the year 1948-49 of £247,030, which equals 106 per cent., as against the State office 5.7 per cent.; and in 1952-53 of £499,322, which equals 214 per cent., as against the State office increase of 62.26 per cent.

To carry the figures further, it will be seen that from writing 44.3 per cent. of the total business in 1938-39, the private insurers have increased to 60.7 per cent., whilst the State office has dropped from 55.7 per cent. to 39.3 per cent. of the total volume of business. So it may readily be seen, from the figures I have just quoted, that there is no public demand for a widened franchise for the State Insurance Office. On the contrary, the public demand and seek protection from private firms.

Mr. Heal: How many private firms are represented in the figures you read out?

Mr. ROSS HUTCHINSON: All the private insurers concerned with this work of compensation business. I wish to deal with the fact that proponents of State insurance frequently hold up the New South Wales Government office as a fine institution which pays bonuses to its policyholders, in addition to creating reserves. But when they have pointed this out, they have conveniently forgotten that this office made a loss of £771,695 as disclosed in the August, 1955, issue of the "Insurance and Banking Record."

I do not want to harrow this particular point, as a loss can be made over a period of years, but I do mention it because it has been said in the past that this is a fine office and running efficiently because it pays bonuses to its policyholders. Incidentally, if we take the overall figure of all the State insurance offices in Australia and New Zealand, we find that as at the 30th June, 1954, their aggregate loss was £608,752. Again, my source of information is the "Insurance and Banking Record."

Yet another point I wish to deal with briefly, as it has been dealt with before, concerns the local authorities' pool. That item was mentioned by the member for Nedlands. This pool, and the principle behind it, read well to the socialist because it takes away the profit motive and if we take away the profit motive in all things we become, in effect, socialists.

The Minister for Labour: What do you mean by a socialist in that term?

Mr. ROSS HUTCHINSON: A socialist is one who desires Government intervention in every phase of business activity that can be entered into.

Hon. Sir Ross McLarty: That just fits the Minister.

The Minister for Labour: Last time you said it was a handicapped way of life.

Mr ROSS HUTCHINSON: If the Minister is satisfied with this particular definition, I shall pursue my way. In the the local authorities' pool rebates have been offered and it has been held up as a very admirable thing that such can be done. But when one examines the local authorities' pool one must ask the question: Is it sound insurance?

I again request the House to consider that sound insurance means there must be adequate reserves to cover a calamitous happening. That is basically why we insure. If one does not expect a calamitous happening, there is no necessity for insurance to carry on. If the pool were to experience a pay-out of disaster magnitude, where are its reserves to pay? That point was made by the member for Netherlands, and I ask it again. Would the State Insurance Office meet the cost involved at the expense of the policy holders outside the pool? Or, on the other hand, does the State office act as an agent for the pool?

If the State office does act as an agent for the pool, it presents a very much worse situation and it means that the local authorities are self-insurers. Anyone who has studied insurance need have only the foggiest notion of it to know that self-insurance is actually no insurance at all, because a policy of insurance to be sound must be based on large reserves held by a company or a group of companies. Obviously the incentive for self-insurance is based on economy. But surely, as has been pointed out, world events have proved that this is a false economy.

An insurance premium does not buy any material thing like a motorcar, a push-bike or a lawn-mower, but it does purchase a guarantee of security and financial protection, which is what is required. So, sound insurance must be backed by adequate reserves, and if it is not, then the insurance is not founded on sound lines. Certain long trouble-free periods, of course, do occur, and these may give illusions, but one must be careful to realise that basically self-insurance means non-insurance. This is the fifth time since I have been in the House that I have had the pleasure of opposing a Bill like this.

MR. HALL (Albany) [8.22]: I feel I should say a few words on the Bill after hearing the member for Cottesloe reiterating remarks which had no value at all. They did not have one ounce of value, in my estimation.

Hon. Sir Ross McLarty: You are devastating!

Mr. HALL: Ignoring the remarks on the other side of the House, I say again that members opposite would not have an ounce of feeling for a chap who fell from a ladder and cracked his ribs on a counter.

Hon. Sir Ross McLarty: Now we can completely discount your opinions.

Mr. HALL: After many months of trying to get compensation through a private company, I find that it has used all the means at its disposal to confuse the issue.

Hon. L. Thorn: You never had a case; that was the trouble.

Mr. HALL: That is doubtful; it still has to be proved. We pursued this matter and I say that because of the close association with the firm representing the insurance company, it was difficult to distinguish between the two.

Mr. Court: Are you reflecting on the solicitor?

Mr. HALL: No. I have not got to the solicitor yet. We go from the doctor to the solicitor. We made representations and we were shovelled from one doctor to another. We even reached the stage where we had to raise the question with the Premier to see whether we could have this man referred to a medical board, which, on this occasion, was refused by the insurance company. The issue was absolutely confused. The papers were switched, whether the board was a medical board or a compensation board. The papers were changed overnight, and the representation was filled in incorrectly.

Hon. L. Thorn: That is libellous.

Mr. HALL: It should be libel. This is a free House, I hope. We find now that this chap is still confused as to where he is going. He has been shovelled from one specialist to another. He never reached any security. The man is totally confused. In the finish he reached a stage where it was mind over matter. He may have had a physical complaint in the first stage, but by the confusion through the shovelling of this insurance company, I am prepared to say today he does not know what his aches and pains are.

Mr. Ross Hutchinson: He is a lucky man.

Mr. HALL: Very good! The point is, if we introduce him to a medical board tomorrow who is going to meet the expenses?

Mr. Roberts: The State Insurance Office.

Mr. HALL: I doubt that. This is a medical board, not a compensation board. They are two entirely different things. I have had 30 years' experience and knowledge of the textile unions and in that time I have not had one case that has had to go before a disputes committee.

They have always been paid. If we look at the results in the paper today, we find that the office is progressive and it has achieved its objects. Members on the other side can dispute that, but co-operation between employer and employee can get results and achieve an objective. It does not matter what we think; we have to treat people equally, and no matter what happens, we should not try to confuse the issue but deal with it honestly and then we will get somewhere.

MR. POTTER (Subiaco) [8.28]: As a supporter of the Government, I commend it on its perseverance, persistency and push in relation to the Bill. As the measure comes up frequently, it may eventually become legislation and we may then have a broadening of the scope of our State Government Insurance Office. As the Minister pointed out, the State office was established originally more or less illegally in that it was set up to cover something that was not deemed a good insurance risk in the early days, and that was the goldmining risk of miners' phthisis. There, I think, is a reply to the Opposition inasmuch as there must have been a public demand, in that one instance alone, for State insurance.

I realise, of course, that the Opposition is here for the purpose of protecting private enterprise. Likewise, we on this side of the House, are here to defend, to a great extent, public enterprise. Therefore, I suggest that we have our roots deep in the soil of Western Australia because the State office originated in this State and I advise the members of the Opposition to take cognisance of that fact. On the other hand, members of the Opposition have stated that this Bill represents the thin end of the wedge towards nationalised insurance. I cannot agree with that view because the Bill purports to broaden only the scope of the State Government Insurance Office.

Mr. Court: Do you know what was in the Premier's policy speech and also what is in the State platform of your party?

Mr. POTTER: I am fully aware of that and I realise, too, that the hon. member has the anti-socialisation bug. It is no use Opposition members laughing because every time legislation is introduced by the Government it is alleged by Opposition members to be socialisation or nationalisation when, after all is said and done, everything in life is socialised. One has only to turn on the tap and that represents socialisation. Therefore, it is a lot of rot to point to the members on this side of the House as being supporters of socialisation when, to a great extent, members opposite support socialistic enterprises.

It ill becomes members of the Opposition to state that every measure that is introduced by the Government seeks to socialise

industry. Initially, it was in relation to school buses and to vineyards that there arose a demand in Western Australia for greater insurance coverage. These two activities were deemed to be poor insurance risks by the private companies. However, the State Government Insurance Office undertook to insure them and, in consequence, the business became worth while and in 1928 the State Government Insurance Office Act was enacted.

The member for Nedlands traced the history of insurance by going back to the time of the fire of London, which incidentally was instrumental in giving impetus to the insurance business and the hon. member also spoke of companies being formed in 1720. We agree with all that because historically he is quite correct. He went on to point out that the companies had accumulated large reserves and so on. We are not arguing with him on that. All we are asking is that public enterprise should have an equal chance in the field of insurance to that which private enterprise enjoys.

Hon. Sir Ross McLarty: How can it be fair when your party says that all forms of compulsory insurance shall go through the State office?

Mr. POTTER: I do not think that is so.

Hon. Sir Ross McLarty: Yes, it is so. It is in your State platform.

The Minister for Labour: Your Government went a long way towards that a few years ago.

Hon. Sir Ross McLarty: Would you make fire insurance compulsory?

Mr. POTTER: We are not dealing with our State political platform in this Bill. All the Bill seeks to do is to broaden the legislation already in existence. I wonder what the position would be if members of the Opposition were in office? I am sure they would turn a complete somersault like the Imperial Government did previously and impose a tax of £1 on every £100 of insurance that was entered into. That business proved to be very lucrative. I suggest that it would probably be better to impose 10s. or £1 on every £100 of insurance, because it would certainly assist to decrease the State deficit. I must speak to the Treasurer about this suggestion at a later date.

Mr. Court: Do not encourage him too much!

Mr. POTTER: I am pointing out to members of the Opposition that all the Bill proposes to do is to broaden the provisions of the existing legislation for the State Government Insurance Office. I know that other speakers have spoken of numerous matters. Some mentioned reinsurance. I am suggesting that the State Government Insurance Office is very sagacious and very businesslike because it does reinsure with other companies. The

member for Cottesloe also gave the comparative figures showing the amount of workers' compensation business entered into by the State Government Insurance Office in 1938 and the amount of business entered into by the private insurance companies. Here again is an argument in favour of the State Government Insurance Office as compared with the private insurance offices. In 1938 it was found that the State Government Insurance Office was handling the major part of workers' compensation insurance and that it was a lucrative business. As a result, the private insurance companies made substantial headway and gained much more workers' compensation business than they had handled previously.

Mr. Court: I do not think you will find they have made much out of workers' compensation.

Mr. POTTER: I am not suggesting they made much out of it, but the member for Cottesloe quoted comparative figures of workers' compensation insurance business handled by public enterprise and that handled by private enterprise. In fact, the private insurance companies found it lucrative business and entered into—

Hon. Sir Ross McLarty: Would you agree to making fire insurance compulsory?

Mr. POTTER: Yes.

Mr. Lawrence: As long as we could cremate you!

Hon. Sir Ross McLarty: The member for Subiaco is on the way to complete nationalisation of insurance all right! All forms of compulsory insurance to go through the State office!

Mr. POTTER: At the present moment I am not dealing with nationalisation. That is a red herring that is always drawn across the trail whenever legislation such as this is introduced. However, I commend the Government for its persistency in bringing it forward and, despite the remarks to the contrary, there is a big public demand for this legislation. There are many who are engaged in public enterprise who would make a fairly heavy demand to have the field of insurance business widened. Therefore, I again commend the Government for bringing this Bill forward and should it be thrown out in another place, I hope the Minister will reintroduce similar legislation next session.

MR. W. A. MANNING (Narrogin) [8.40]: I wish to say a few words in opposition to the Bill for two main reasons. Firstly, there is no need for any more insurance companies to enter this field of business. Everyone knows that there is an ample number of insurance companies operating at present with whom people can take out insurance policies if they so desire. The existing companies have large reserves not only in this State but also overseas, and

these are most essential for any insurance company to continue its operations successfully because in the event of any major catastrophe, unless a company had such large reserves to draw upon, it would have no chance of meeting the number of claims made.

Secondly, the Western Australian private insurance companies employ many agents who can advise a client as to the best forms of insurance because it is their duty to keep themselves up to date. Therefore, these insurance facilities are readily available throughout the State. If they were not, there might be some reason for this Bill. However, as the insurance field is well covered, I can see no reason for increasing the number of the existing companies. The member for Albany put forward a case which was not a true claim but he suggests that the companies should meet it. If he is suggesting that the State Government Insurance Office is a benevolent institution, we should be told. If this is correct, it will certainly not coincide with the ideas of the member for Subiaco who hopes to obtain surplus profits from it to help the State Treasurer out of his financial difficulties. However, we certainly cannot have it both ways.

The second reason I propose to advance in opposition to the Bill is that the responsibility of the Government is to govern and it should not have divided interests. I notice that there is a clause in the Bill which prevents the general manager and the assistant general manager from holding shares in any other insurance company otherwise, if they did so, they could not hold their jobs. That is a fair provision. How then can the Government of the day expect to have it both ways itself, namely, to be the manager of a Government institution and to be the body that governs the State? I fail to see how it can carry out both duties properly. In the Bill itself the Government is providing a clause that prevents the manager of the State Government Insurance Office from holding double interests.

Mr. Johnson: That is not logical.

Mr. MANNING: We cannot have the time of the Government being spent in managing an insurance office when it has so many other things to do and when these interests would conflict.

The Minister for Labour: The Government is not managing. It already has a competent manager.

Mr. MANNING: The Government represents what we may term the board of directors and the Minister in charge is the responsible person despite the fact that there is a general manager. The Minister for Labour cited a good illustration to-night which rather proves my point. He

told us that the Factories and Shops Act is so obsolete that it is not worth very much. He went right back to years gone by to give wonderful illustrations of how the existing sections in the Act applied to the conditions prevailing at that time.

If the Government has time on its hands, it should be dealing with the Factories and Shops Act by bringing it up to date. If it has no time to deal with the things which it should be considering, why is it doing the things which are amply catered for by the insurance companies in the State at present? No one else in this State can amend the Factories and Shops Act except the Government. Why then push that legislation aside and spend the time of Parliament, the Minister and the Government in dealing with activities that are amply covered by others, and omitting to deal with those matters which are the sole responsibility of the Government? I fail to see any justification or reason for the Bill.

Mr. Evans: Would you say the same of the State savings bank?

Mr. W. A. MANNING: There is a Local Government Bill on the notice paper for which the local authorities have been waiting for years. That has not as yet become an Act. The local authorities are still waiting for it. What about the Government getting down to the tasks which are within the province of this Parliament and the Government? When the Government is up to date with all the Acts and with all the matters that are its sole responsibility, I might change my mind on this Bill. Until that time has arrived I shall oppose it.

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

BILL—ENTERTAINMENTS TAX ACT AMENDMENT.

Message.

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

Second Reading.

THE TREASURER (Hon. A. R. G. Hawke—Northam) [8.48] in moving the second reading said: This Bill proposes to amend the Entertainments Tax Act in respect of what are called live shows. Sometimes they are even called flesh and blood shows. For the purpose of this Bill I would prefer to call them live shows.

Mr. Cornell: Sometimes more flesh than blood.

THE TREASURER: As the hon. member loudly interjected, sometimes more flesh than blood.

Mr. Bovell: There will not be much blood left after this Bill goes through.

The TREASURER: It proposes to ease the burden on the live shows. The existing Act provides for a different rate of tax on live shows, as against that for non-live shows. It has been represented to the Government during the last few months by a number of those associated with the promotion of live theatre shows in Western Australia, that the struggle of staging these shows and of continuing them is becoming more severe, with the result that the future of this type of entertainment is prejudiced substantially. I think every member would be aware that it is much more costly to stage live shows than it is to show films.

When a live show of any consequence is staged, a great deal of expense has to be incurred in bringing the artists from overseas or parts of Australia to this State. Their living expenses, which are very heavy these days, have to be met for the duration of their stay here. Usually an orchestra has to be engaged which, of course, is also costly. In addition, other expenses have to be incurred which are not met in regard to theatres showing films exclusively. It is true that picture theatres have to incur some expenses which are not incurred by the live theatres, the main one being the hire charge of films. With regard to live shows, the parent Act provides—

Where the payment for admission exceeds 5s. and not 5s. 6d., the rate of tax is 9d. Where the payment for admission exceeds 5s. 6d., the rate of tax is 9d., plus 1d. for each 6d. or part of 6d. by which payment for admission, excluding tax, exceeds 5s. 6d.

As members may have seen, the new proposals in the Bill will exclude from tax altogether charges up to and including 9s. 11½d. The tax will apply only when the charge for live shows exceeds 10s. A rate of 10d. is laid down in the Bill for admission charges which exceed 10s. and do not exceed 11s. Where the charge for admission exceeds 11s. the rate of tax will be 10d. plus 1d. for each 1s. or part thereof by which payment for admission exceeds 11s.

Mr. Ross Hutchinson: An admission charge of 10s. will be exempt?

The TREASURER: Yes, up to and including 10s. is exempt altogether.

Mr. Ross Hutchinson: You said that 9s. 10½d. was exempt.

The TREASURER: Up to 10s. is exempt. Where the charge of admission exceeds 10s., then between 10s. 0½d. and 11s. the rate of tax will be 10d. This concession is not very substantial but nevertheless it will be acceptable and will be a contribution, even if not a very large one, towards the organisations which promote stage shows in Perth. I do not know whether promoters of this type of entertainment

can obtain some concessions from other directions. Doubtless they have already tried to cut down their expenses in other ways and they will continue to make further efforts in that regard.

Hon. A. F. Watts: As compared with the existing tax on 11s. admission, what savings are effected?

The TREASURER: I am prepared to work that figure out for the Leader of the Country Party. However, if he cares to apply himself diligently to the problem, I know he will be able to work it out much quicker than I can.

Hon. A. F. Watts: I thought you would be sure to know.

The TREASURER: As I understand the question, the Leader of the Country Party wants to know what will be the difference now in the amount of tax paid on 11s. admission. Under the existing Act the rate was 9d. for admission exceeding 5s. 6d., plus 1d. for each 6d. above that. So between 5s. 6d. and 11s. there would be 11 sixpences, or in other words, a tax of 11d. That would make a total tax of 1s. 8d. Under the new rate of tax the amount will be 10d. Therefore the reduction in that regard is fairly substantial. As I said, this is a contribution which the Government is making. Financially, we feel we are not in a position to make any greater contribution at this stage.

On motion by Hon. Sir Ross McLarty, debate adjourned.

BILL—PROFITEERING AND UNFAIR TRADING PREVENTION.

Second Reading.

Debate resumed from the 6th September.

MR. COURT (Nedlands) [8.58]: I notice from one of the daily newspapers that I was supposed to "vigorously attack this Bill when it comes before Parliament on next Thursday" which, of course, was meant to be last Thursday. I cannot recall saying those exact words. The fact is I do want to oppose this particular measure.

Hon. J. B. Sleeman: Vigorously.

Mr. COURT: As vigorously as the hon. member likes. On introducing the Bill, the Premier asked that it be given proper consideration. This I have done. I must say that from his subsequent utterances, as well as from his speech, he seems to have an almost childlike faith that this Bill in itself will halt inflation. I am afraid I cannot agree that on its own, even if it is accepted in its entirety, it will do that. However, I have come to the conclusion after considering the measure, that the Government does not realise just what a monster it is creating, a monster which can be more devilish than the alleged evil it is trying to destroy.

If the Government is endeavouring to reassure the wage and salary earners, traders and those giving service are only getting a fair thing, then surely it could have introduced some legislation of a different nature to this which would not strike at the very roots of our ideas of personal freedom and fairness. If, on the other hand, the Government intends this measure to be as severe as it undoubtedly will be in its present form, it displays a rather warped mentality which is foreign to our times. If it did not intend the Bill to be so far-reaching and drastic, the Government should acknowledge its error.

I do not know whether or not the reference by the Premier in the Press to accepting amendments is an indication that he feels the measure is more drastic than he intended. But we will doubtless hear from him later.

The Minister for Justice: Is it more drastic than the South Australian legislation?

Mr. COURT: Infinitely.

Mr. Jamieson: Are you sure of that?

Mr. COURT: If the Government wants to assume a greater control and direction of industry as a matter of party political policy, I feel it should come out and declare itself openly, because under this Bill it will assume a great measure of direction and control over industry.

Mr. Johnson: The Government's duty is to govern.

Mr. COURT: With that we agree, and I said so earlier this evening.

Mr. Johnson: What are you trying to talk about now, then?

Hon. L. Thorn: If you dry up, he will tell you.

Mr. COURT: If it is the intention of the Government as a matter of party political policy to exercise a greater control of industry, the time to have said so was at the general election. But to the best of my knowledge, there was no statement by the Premier in that regard. It is a matter on which the people should be consulted if the proposed Government of the day wants to stiffen up its direction and control of industry.

The Minister for Works: I did not hear Sir Arthur Fadden saying much about pegging wages at the time of the election.

Mr. COURT: He has not said that he will peg wages. I have tried to assess from the Premier's speech and from the Bill at whom and at what the Bill is aimed. One would think that somewhere in the community lurks some fiendish group of people who are literally preying on the public. I am afraid I have failed to find them. The Premier would not be drawn out when we asked him to name some industries or groups which were offending, but he did say the Government had some in mind.

The Premier: I did say they were not praying for the people.

Mr. COURT: Most traders, and particularly local traders, are desperately struggling to maintain their momentum.

Mr. May: This Bill will not affect them at all.

Mr. Lapham: They have nothing to fear whatever.

Mr. COURT: That is just where the hon. member is wrong. They have everything to fear. I have watched with considerable interest the declared results of some of our leading companies; and we find that Boans, Drabbles, Bunnings, Sandovers, Hearn Industries, Western Press and H. L. Brisbane & Wunderlich, have all reported considerable reductions.

Mr. Lawrence: How much have they robbed the Taxation Department of?

Hon. D. Brand: About the same proportion as the wharfies.

Mr. COURT: They had considerably reduced trading results over the financial year just completed, a position which we foreshadowed from this side of the House in view of the trends which became apparent towards the end of last year. We find that another company—Jasons—reported record sales, but their profit was down £1,000 in spite of the record sales performance last year.

Mr. Lapham: What was the profit?

Mr. COURT: I have that here. They reported a profit of £12,722.

Mr. Lawrence: What did they write off as depreciation?

The Minister for Native Welfare: Have you any figures relating to the oil companies?

Mr. COURT: Yes; I have tried to produce the whole box and dice. I have tried to do what the Premier asked.

The Premier: The hon. member will probably produce the dice.

Mr. COURT: Another prominent local company, part of a representative group—I refer to Wigmores—reported a big drop in its profit; and we find another engineering firm—Nolex—had record sales but a considerable drop in its net profit for the year. A newspaper heading says that Swan Cement "cut profit and dividends." Thus, we find a considerable range of local industries, which are the leaders in the local industrial community here, showing very substantially reduced profits for this year, a position that was anticipated.

Mr. Oldfield: Do you know that Wigmores are paying more dividends than last year?

Mr. COURT: I am giving the profit performance, which is the yardstick of the industrial conditions, and the amount that

these people made for the year just completed. This can be followed through to the private companies, because it is assumed—and from my own personal knowledge it is a fact—that they are experiencing approximately the same performance as that reflected by the public companies. So I ask: Where are these profiteers?

One group that has always been subjected to criticism is the oil companies. I find that they have released information, under date the 16th August, showing that the earning rate of the combined companies was 6.7 per cent. on total funds of £123,000,000. One can compare that with the Commonwealth Bank's assessment which shows that the industrial group it selected has an earning rate of 9.8 per cent. on shareholders' funds; and over the past five years this group had an earning rate computed at 9.5 per cent. So it would appear from that, in spite of criticism that we hear, that this group of oil companies is not earning the fabulous profits as a percentage of the funds employed that one would be led to believe.

The Minister for Lands: Are you referring to that from the point of view of money paid up?

Mr. COURT: The total funds employed.

The Minister for Lands: Including the amount watered down over the years?

Mr. COURT: I dealt with that the other day, and I am afraid I wearied the House then with the figures I gave. The Minister and I do not agree on the meaning of the expression "watered down".

Mr. Johnson: But you know what it means.

The Minister for Lands: You can make it "watered up" if you like. It makes no difference to me. The result is the same.

Mr. COURT: The point I want to demonstrate from local experience is that during this year there has been a slackening in the rate of turnover. Some have shown an increase; but even those—including the two I quoted earlier—had difficulty in matching their expenses with the rise in turnover. Most companies have been unable to keep their expenses down to maintain the ratio of profit, and that is to be expected in times such as these. I never hear members opposite complaining bitterly about the profit announced for the Commonwealth Bank, which reported something like £15,000,000 for the year, as against about £11,000,000—odd for last year. It appears that if the State does it, or the Government of the day does it, that is all right.

The Minister for Native Welfare: The private banks made a lot more than the Commonwealth Bank.

The Premier: Especially those running hire purchase.

Mr. COURT: The performance of some of our major retailing companies is shown in the figures announced, which are fortunately shown in greater detail than used to be the case. They disclose that these companies are having to get along with a net profit margin of 2 per cent. and below. I submit there is no scope for profiteering in a margin like that. If such a margin is pruned, it ceases to exist. Unlike Government undertakings, where there is an automatic absorption of losses if they are incurred, the management of a private firm is expected to adjust itself to current trading conditions, and that is one of the virtues of private industry. It is axiomatic that a declining turnover automatically brings with it a cautious approach to expenditure. Unfortunately, when this approach goes too far, we get the inevitable result—retrenchment—and we have experienced a bit of that in this State in the last few weeks.

I come to the point which I have raised several times before in this House: Are profits a crime? Is not Australia dependent largely on the ploughing back and the re-employment of profits in industry? We have two very big and obvious cases. There is the great B.H.P. company and General Motors Holdens. Both are acknowledged, even by people on the other side, as good employers. Both have created expanding industries which are vital both in times of peace and of war. Both are paying more in wages than the acknowledged Australia-wide average for men and women.

Mr. Lawrence: How many people does the B.H.P. company employ?

Mr. COURT: Both are expanding their labour force. That is important; because in the crisis which the Premier drew our attention to recently regarding unemployment, it was pleasing to note that the one firm that said, "Regardless of what other people are doing, we are employing more men" was General Motors Holdens. Employees do not like to work for a dud show; and no one will convince me that they get any satisfaction from working for a firm which is not doing well, which is not prospering.

It is significant that had profits in this State been maintained for the financial year just ended we would not be facing the unemployment that we have in our midst at present. I am quite sure of that. Is it not rather ironical that in a State which has more unemployment than any other part of Australia, we have a Government bringing down legislation of this type? And this is probably the one place where there are all the natural facilities and reaction to prevent this profiteering going on. On the Premier's own admission, the attitude on profits generally in recent months has shown a considerable sobering up so far as the prices that can be obtained for goods and services are concerned. As pressure of demand reduces, so the supply and prices must ease, with a

consequent drop of profit; and that is the position facing us in Western Australia at the moment.

Mr. Lawrence: Did you answer my question as to how many people B.H.P. employs?

Mr. COURT: I prefer to continue my own line of argument if I may, and will deal with that at an appropriate time.

Mr. Lawrence: I don't think you know.

Mr. COURT: The primary producer has been referred to in this debate and attention has been drawn to the problems facing primary producers in respect of rising costs. This Bill will only increase that problem. There is nothing to say that primary producers will have immunity from the provisions of this Bill. Once the measure is enacted, the primary producer will become a trader within the meaning of the Act and will be bound by all its provisions.

I submit this proposition: What of the primary producer who has livestock, hides, skins or other farm produce to market, and particularly through the auction system? Is he to be caught in the net of combines, unfair traders, unfair competitors, unfair profits, if he decides that a particular market is not a satisfactory one and wants to take his stock or produce elsewhere? Obviously the selective marketing of livestock and other primary produce affects the price the consumer will eventually pay. Surely we do not propose at this stage to stop the practice of the marketing of primary produce—particularly livestock! The Minister for Lands, who is also the Minister for Agriculture, seems rather amused.

The Minister for Lands: You don't believe that yourself.

Mr. COURT: Perhaps he is thinking of potatoes.

The Minister for Lands: You must be trying to talk the Country Party into this state of mind.

Mr. COURT: I do not have to bother to talk members of the Country Party into a state of sense at all. They are not so silly that they cannot see how this Bill affects country people.

Mr. Johnson: Who wrote the speech you are reading?

Mr. COURT: I think I will ignore the member for Leederville. If he would like to borrow my notes for his speech, or work upon them, he can have them.

Mr. Johnson: I would like to know who produced the notes, that is all.

Hon. A. F. Watts: Knowing the hon. member, I would say he wrote them himself.

Mr. Johnson: It is not very logical.

Hon. D. Brand: How would you know?

Mr. COURT: If I may, I would like to refer to some of the provisions in the Bill before dealing with some of the economic factors that the Premier touched on during his introduction of the measure. In my opinion, the people who will be most directly affected by this Bill, and the most vulnerable, will be the genuine local trading concern, be it manufacturer or distributor. I cannot for the life of me see how in the final analysis the Government can really get at companies which would be regarded as foreign companies because most of their business is done here on an agency basis. Their goods would be manufactured overseas and would be merely distributed here.

The Premier: On that point, can you explain why the price of petroleum products is lower in South Australia than it is in Western Australia?

Mr. COURT: I would say that the companies are negotiating with the Government of South Australia, to get their prices up, just as hard as they possibly can. I would not be sure that they are, but I would guess that that is what they would be doing. I would also say that if the price in one State is kept depressed, it will affect the price of petrol throughout the whole of Australia.

The Premier: They have been negotiating for a long while.

Mr. COURT: It might be considered clever to suppress prices artificially in one State; but it is the people of Australia overall who pay the piper. The genuine manufacturer or trader who is of an essentially Western Australian origin is the very one we want to encourage to increase his business activities. Yet to my mind he will be the one most vulnerable under this measure. That, of course, will directly affect the drive that the Premier has instituted in connection with local products. It is important to note that this measure not only covers goods but it also covers services; and the word "services" covers a terrific range. I have tried to define it without success. Some of the services the Bill will cover are dental, legal, medical, laundry, cleaning, transport, entertainment, and doubtless there will be many more.

The Premier: Are not legal services covered now?

Mr. COURT: They are to a certain extent covered by the taxing of one's costs at the court. But as the Premier knows, only a small proportion of legal costs ever find their way to the taxing master.

Mr. Lapham: Would there be any profit in transport services?

Mr. COURT: I should say that at the moment there is no profit in the transport of passengers in this State.

Mr. Lapham: In that case, they would not have to worry about the Bill.

Mr. COURT: In this Bill there is much use of the word "unfair" and I am concerned as to what is going to be classed as "unfair." For instance, how is unfair profit to be arrived at? What of the different industries? During the period of price control we had varying rates of return permitted for different industries; some industries were regarded as more hazardous than others. That had to be argued, but it was never to the complete satisfaction of the trader. Certain industries had to accept a lower return than others and I am at a loss to see how this word "unfair" will be interpreted. For instance, we have varying efficiencies in plant and varying states of modernity in plant. Some people have new plant; others have straight line production, while their competitor is not so fortunate. Yet they might be manufacturing almost identical articles. Some managements are better organisers and better managers than others.

Also, for instance, would a union restriction on the rate of work or the rate of output be classed as an unfair practice under this Bill? What of dargs, that we used to hear so much about? Would they be classed as unfair if they reappeared? Under this Bill we could get a ludicrous position. For instance, I think there is a limit to the things that one man can do. The person who could fulfil the role of commissioner, to the complete satisfaction of all concerned, in my opinion does not exist in this world because he would be able to suspect unfair trading; he would be able to investigate unfair trading; he could hold an inquiry into unfair trading and he could declare a trader guilty of unfair trading within the meaning of the Act. Then having declared him, he can direct the operations of the trader; and all this without any right of appeal!

If I read aright the Premier's comments in this morning's paper, he is of opinion that there is a right of appeal through a trader resisting the directions of the commissioner. I do not agree. I asked some legal people of repute today whether they agreed and they supported the view that I had—that there is no such appeal in the hands of the trader by merely resisting the directions of the commissioner and allowing himself to be prosecuted before the court for anything under the Act. I will deal with that particular point in a few moments.

Here it should be noted that the trader does not include only large firms with full facilities at their disposal. It also includes persons or a person trading in goods or services or both. It is claimed that the Bill is aimed at unfair trading, unfair profit-taking, unfair methods of trading and unfair methods of trading competition. But no attempt has been made to define the terms used. It is left to the discretion of this one man, subject to the general

control and direction of the Minister. I ask this: Is the Bill aimed at price-cutting as well as high prices? It could be, under the term "unfair competition." For example, the lower prices charged for certain products by the supermarkets as compared with the orthodox stores, because of the great buying advantages enjoyed by these supermarkets, could come into that category. Is any standard to be laid down by the commissioner in determining what is "unfair"? For instance, would it be a defence for a man to prove that his particular price, or his particular amount of profit, was not inconsistent with what is being experienced in other States or in other parts of the world in that particular industry?

It is a very poor yardstick but nevertheless it might be a little point on which a trader could argue his case. I make that point because there is the position that in the United Kingdom or in the United States the proportion of profit made by the manufacturer as compared with the distributor is much greater than we are used to in this State. Could a man who commenced an efficient type of business and manufactured goods in this State put forward by way of argument in his defence that he was not making as much or not charging as much as a comparable manufacturer or trader in another part of Australia or in the United Kingdom or in the United States? Probably a weak argument in many ways, the Premier would say; but at least that is something on which a man could argue his case. Particularly do I say this when I realise that that is an argument which is sometimes used when shares are being assessed for stamp duty, gift duty or probate duty.

I would now like to touch on the point regarding the position of the court in relation to the commissioner's decision. I can see a situation where the court will degenerate into being a mere rubber stamp for the commissioner and would have the job of recording a conviction and fixing the penalty. In this piece of legislation we find that "offence" is fairly clearly defined. Under Part VI, Offences, it states—

A person who contravenes, or fails to comply with any provision of this Act, or of any order, direction, notice document, matter, or thing in force pursuant to the provisions of this Act, commits an offence against this Act.

When he comes before the magistrate he cannot complain "I did not get a fair go," because if the magistrate is considering the offence properly he will only consider the charge before him, and whether the person charged committed an offence within the meaning of this Act. It is clearly defined. He will then say, "Guilty" or "Not guilty."

It will not be a question of whether the man charged 3s. for something that he should have charged 2s. 6d. for, or whether

he should have made £10,000 profit instead of £15,000 profit; it will be a question of whether he committed any one of these offences and having been proved guilty by the commissioner—and he would not have much trouble doing that, I should imagine—the magistrate has to record a conviction. He might say "I am sorry for this man" and to show his sorrow for the convicted person he may fix the penalty as low as he can. But that is the only way the magistrate could help the trader.

There is not much fun in the trader defying the commissioner so that he can finish up before the court and be convicted merely so that he can try publicly to declare his disgust with the treatment that he has received from the commissioner. As I read the measure, it provides that after the conviction is recorded—and it would be a conviction for any one of those offences—it is obligatory on the court to direct the fixing of certain notices. It has a discretion to go further than that and say, "You must put this announcement on your invoices, your stationery, your receipts and so on"; but it is mandatory that they shall make such a person fix the sign in his premises for a minimum period and such greater period as is thought necessary.

I trust that I have made my point and if the Premier in reply can demonstrate that I am wrong, I shall be pleased to admit the error. But as far as I can see it, there will be no redress for a trader allowing himself to be convicted before a magistrate for an offence that is so clearly defined. It will not give him any redress for an injustice that he might feel has been done to him by the commissioner. In other words, the commissioner, without the right of appeal, could ask the most dastardly things of a trader if he really set out to do it.

That brings me to a point which is correlated to the powers of the court. The commissioner might decide to declare a trader and not bother to go for a conviction. The Bill does not say that a person is declared for a period of three, six or twelve months; he has to apply to be relieved of the declaration. It is not automatic. The commissioner does not say to himself, "I think this fellow has been punished long enough; I will take off the declaration". He has to hold another inquiry within the meaning of the Act; I think I am correct in that regard and members will see that that is so if they study the appropriate clause. It is important to read, under Clause 39—

A decision made, or a direction issued by the commissioner, is final, is not subject to any appeal and has effect, according to its tenor, but this section does not prejudice any right of appeal which any person has in respect of an offence against the Act.

In other words, this right of appeal—I presume from the justice once it has got into the hands of the justice—would

only be a question of appealing against the severity of the sentence of imprisonment or fine, as the case may be

A query was raised by way of interjection, when the Premier was introducing the Bill, in regard to a certain subclause which, in my opinion, has the effect of bringing back the Prices Control Act of 1948 in its entirety under certain circumstances. The legal opinion I have sought on the matter says that this contention is correct, and I think it is a point that should be further examined by the Premier when he is discussing the matter with the Crown Law Department, because he did say that he did not intend the Prices Control Act of 1948 to be invoked by this particular provision. As I have said, my legal advice is that this particular subclause would have the effect of bringing back the Prices Control Act of 1948 in full measure.

There is provision in the Bill for the commissioner to insist on certain records being kept. I want to make the point that this does not apply only to a declared trader, but to any trader. He can direct a trader to keep his records in a way that he desires. That could have a damaging effect because some people have built up a fine system over a period of years as it affects their particular industry and naturally they do not want to depart from it. Further, the commissioner can direct a trader to keep his records in a certain way and if he does not comply, it is an offence under the Act.

A further point is that the trader must keep his records until such time as the commissioner says he may destroy them. Here again there should be some statutory limit, because in the best of faith a merchant may destroy cost records and correspondence and documents distinct from the actual accounts. There should be statutory protection provided in such cases. When the unfortunate trader finishes up before the magistrate as the result of a prosecution instituted by the commissioner the question of penalties arises. The penalties are described in the measure and there is a maximum of £500 provided. The court, however, has the discretion to impose a still further penalty. This penalty in excess of £500, or imprisonment not exceeding six months, can be equal to an amount not exceeding twice the amount of the unfair profit.

The question of what is an unfair profit for the purpose of the magistrate's assessment is entirely on the report of the commissioner. There is no appeal, and there is no provision for the magistrate to make up his own mind. It is based on the report of the commissioner who says what the unfair profit is. As I said before, it is mandatory for the court to require a convicted person to exhibit a notice relating to the conviction for a period of not less than three months. The court can fix a longer period and extend the punishment by insisting on certain notices on stationery.

I cannot imagine for one minute that the Government realises how diabolical that is. It savours of going back to the dark ages, when we can talk of people being branded like that. It seems to me to be a page out of past history.

It must be many moons since the old convicts had to wear their badges of office, as it were, after they served their time. It almost savours of the bad old days of the Usher of the Black Rod when he had the power to place his wand on somebody's shoulder as the result of which that person was defrocked. To make matters worse, he was paid for doing the job. I should imagine he would have been the most unpopular man at the party. In this power of direction I can see many anomalies arising. For instance, suppose the commissioner says to a trader, "You are making too much profit. You have to correct that and I am going to put your prices down."

There are some cases where by putting down the prices of one trader who is making a lot of money—because of his efficiency and special buying facilities and special methods—it will be possible to cause absolute chaos and confusion in that trade. There might be other people who could justifiably come within the commissioner's rulings and continue to charge higher prices. That is not a silly situation, because it did arise under price control in Melbourne where the control had to keep the prices of one trader up so that chaos would not be caused in that industry.

It is possible that it could be said to the supermarts, "You boys are making too much money; your prices have to come down." We know that we have numbers of corner stores that are battling because of this competition, and the only reason they can survive is that they give an on-the-spot service. If the supermarts are told that they are making too much money and that their prices are going to be cut, it will have repercussions at the door of the legitimate traders who are battling to hold their prices for many commodities because of these larger concerns.

Mr. JOHNSON: Is not that the theory of competition that you support?

Mr. COURT: We support the theory of competition and we are prepared to allow it to take its natural course but, as the hon. member knows, there are people who can make very handsome profits by charging lower prices for a commodity; often they do not bother to bring the prices down to bedrock. They give the public the same article or perhaps a better article but they give it at a cheaper rate, and so the public flow to them. But, as the Americans say, there is the point of no return and if they cut that down another 5 or 10 per cent. they virtually paralyse the trade because it is at that point the public says, "We will suffer the

inconvenience of trading with that particular person"; and it has repercussions against the other traders.

Mr. Johnson: Whilst agreeing with that, does not that destroy your theory of competition?

Mr. COURT: No, not at all. I will admit that there are cases where, in very severe competition, some people do grind out the last drop of blood by perhaps throwing away their profits on butter, tea, etc. They may achieve their purpose that way. As the hon. member demonstrated in figures he presented to the House in 1953, we know that in competition people get hurt in the process; that is genuine, severe competition.

Mr. Johnson: You feel that if people get hurt, competition should not take place.

Mr. COURT: No, not necessarily. I think the hon. member did advance the theory that we were not having enough bankruptcies and that a highly competitive economy was marked by a large number of bankruptcies.

The inquiries by the commissioner are clearly set out. It is called an inquiry when in point of fact he lays the charge and then tries the person! It is a cross between an inquisition and a court, and raises the very delicate proposition as to whether the public should be admitted. When we use the definition of "public", I think we cover it in the broad sense. I should think that an inquiry open to the public could be the signal for a lot of maliciously-minded people to attend in the hope that they would be able to pick up some morsels of scandal.

Members are aware that if a case of a sordid murder is being tried, the gallery is generally packed. If these inquiries were open to the public, I would expect a certain section of the community to attend in the hope of picking up scandal. The Premier is starting to smile, and I daresay he could name the first dozen who would enter the court.

The Premier: We had a packed gallery here the other night.

Mr. COURT: On the other hand, if we went to the other extreme and had the complete exclusion of the public, it would mean that the trader might be exposed to unfair treatment; he would not be able to demonstrate to the Press and the public that he was not getting a fair go.

The Minister for Education: Let us have invitations issued.

Mr. COURT: The Minister has almost guessed what I was about to say, although I had not thought along the lines of invitations. I do not hold with the inquiry method proposed, but if it has to be endured I suggest it may not be a bad idea

to give some thought to the trader deciding as to whether or not the public should be admitted rather than leave it to the commissioner to determine. The trader could decide whether he was getting a fair go or not. If he felt he was getting a fair go, he could say that he did not want the public to attend; but if he thought he was not getting a fair deal, then it would be open to him, even at the risk of exposing some of his formulas and so on, to say that he wanted the Press and the public to be present.

The commissioner is not going to be worried about the public not being there. He will satisfy his own mind as to whether the inquiry is proper or not. But it would mean that the trader could bring in the Press and the public if he felt he was not getting fair treatment. It would have a salutary effect on the inquiry. There is no protection whatever in the Bill for a trader whose affairs are maliciously and unreasonably investigated. An investigation followed by an inquiry could be most harrowing and expensive to the trader.

The number of complaints coming in will be terrific and many of them will be trivial and not worthy of a second thought, but I can assure members that the commissioner, in the execution of his duties, will follow up a large proportion of the leads. Some of them will appear to be satisfactory or bona fide and it will not be until he has caused terrific inconvenience and expense and anguish to the trader that he finds them to be frivolous. But if the commissioner were subject to damages to the trader for any malicious and unreasonable act, it would have a salutary effect on the method in which the commissioner approached his task.

I would like to touch on the matter of penalties and the procedure proposed in this measure as against that in a recent piece of United Kingdom legislation which has a direct bearing on this Bill. Last session we had a long debate on the question of restrictive practices and this Bill does aim to a certain extent—in fact, to a large extent—at restrictive practices, because there is the power of direction of trade included, which could have the effect of anti-restrictive trade practices. In the United Kingdom Act, which has been passed after mature thought by the British Parliament, we find, firstly, that provision is made that they cannot search in a suspected case of a person holding out under this restrictive practice legislation without a warrant. It is referred to as the High Court though I do not know what they mean by a High Court in England; but I cannot imagine it is the equivalent to what we have in Australia. They have to get a warrant to search.

Another point is this: When they make a search, rather than inconvenience a trader by taking his records away, they do the reverse. They leave the original

and make copies. So a minimum of interference is the result. But under our proposed system, the trader will be subject to the great inconvenience of having his records taken away; he is entitled to certified copies which can be used in court actions. Traders will find it embarrassing with their records taken away. We see enough of this when we take steps to have a departmental file placed on the Table of the House. The department soon wants it. It is interesting to note the penalties in this British Act. There are maximum penalties of £100 for some very serious offences.

The Minister for Transport: Sterling?

Mr. COURT: Yes. I will settle with the Minister for £125 or thereabouts. Another interesting point is the question of the liability of directors. The British Act states:—

Where an offence under this section committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate or any person who was purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

A further subsection has been added as follows:—

In this section "director", in relation to a body corporate established by or under any enactment for the purpose of carrying on under national ownership any industry or part of an industry or undertaking, being a body corporate whose affairs are managed by its members, means a member of that body corporate.

In other words, in the corporations formed in the United Kingdom to carry on nationally-owned enterprises, the directors and members of that body are just as liable as the directors of ordinary private companies. I illustrate that to demonstrate the comparative reaction or action of the Government of the United Kingdom and the Government in this State to matters which have very much in common.

The Government in the United Kingdom has gone to a lot of pains to specify the actions which will not be offences. For instance, it has compiled a fairly long list of points which are presumed, automatically, not to be against the public interest. I understand this Act is just coming into force, as it has only recently been adopted by the House of Commons. I think its legal effect is from the 1st November, 1956. It has been on the statute book for some time now, but a period has been allowed to elapse before the legal effect operated.

The court to be used is a restrictive practices court, and it is rather interesting to know that all its members are not members of the judiciary. There are outside members who have been co-opted to assist the judges in making a decision on fair practice.

Mr. Johnson: Would the hon. member agree with that?

Mr. COURT: I would remind the hon. member that the Leader of the Country Party has moved a motion which calls for the appointment of a select committee to examine these practices in this State and, if it is not anticipating that debate, I want to say I am supporting that motion.

Mr. Johnson: The hon. member did not answer my question.

Mr. COURT: When that select committee has deliberated, it will be time enough for me to say what legislation is necessary. I made myself clear on the type of legislation appropriate in this State when speaking on the Leader of the Country Party's Bill last year.

Mr. Johnson: The hon. member is dodging this issue.

Mr. COURT: No, I am not. I feel this Bill will be a deterrent to investors in this State, both local and overseas. Nothing scares them off so much as adverse publicity and restrictive legislation. I see from the newspapers in the Eastern States that this matter has been given considerable prominence already, and that could extend overseas. I have here "The Financial Review" which is published in Sydney. "The Adelaide Advertiser," "The Melbourne Sun," "The Argus" and "The Sydney Morning Herald," and a leader that appeared in "The Adelaide Advertiser."

I will not weary the House by reading these, but they refer to this legislation, and are indicative of the publicity in other States that legislative like this receives. People like to feel they can get established without undue threat and interference. This measure could be frightening to a person who contemplated expansion or establishment here. The possibilities of oppressive control beyond what the Premier and Ministers believe are immense, because of the uncertainty of interpretation of this measure.

The Minister for Transport: Will not the hon. member agree that this is the most kindly and sympathetic prices legislation ever introduced in a Parliament in Australia?

Mr. COURT: The Premier was so persuasive in the way he introduced the Bill that I nearly fell for it until I read the Bill.

The Minister for Transport: The hon. member read it many times looking for the niggers in the wood pile.

Mr. COURT: I hope the Minister does not go into business and be subject to the commissioner's direction. It would be embarrassing.

The Premier: That is only guess work.

Mr. COURT: Passing on from the actual provisions of the Bill, I want to deal with some of the other points of the present financial and economic position, which the Premier raised in his introduction of the measure, because obviously those issues are directly related to the object of the Bill. It is generally accepted, I think, that most Governments want stability. I think we all want stability one way or another, but it is very hard to achieve without some unpopularity. Things do not always run smoothly, and there is a price to be paid for stability.

Mr. Potter: Hence this Bill.

Mr. COURT: The hon. member and I do not agree on that point. Throughout Australia, an example of restraint is lacking on the part of Governments. They all look to private enterprise to pull its head in, but Governments do not want to. Both the Commonwealth and State Government are clamouring for more money, and the taxpayer foots the bill. I shudder to think what will happen when the wheel turns and profits are on the down grade and the Governments, Commonwealth or State, want for money. Government expenditure will either have to fall or taxes be heavily increased. The severity of taxes cannot be increased except in certain emergencies, because for times of peace, we are being taxed at about the maximum the public will stand. It is interesting to know just what Governments do take out of the profits made by companies.

The Minister for Transport: Do not forget the 24s. 1d. "The West Australian" is paying weekly on top of income tax.

Mr. COURT: We will deal with that in another debate.

The Minister for Transport: I hope you will.

Mr. COURT: I am developing this theory regarding the Government's attitude towards profits. I wonder what would happen to Governments if these profits were not made, because when we look at what the companies pay out of these profits, it is really staggering. I think we could say, at a rough estimate, at least 10s. in the £ of company profits finds its way to tax revenue. The Premier says he does not get enough, but Governments in Australia get the lion's share of these profits. Therefore, these companies, which are so much maligned, are making a great contribution to the economy of the nation and the welfare of this community.

The Minister for Native Welfare: Who makes it for the companies?

Mr. COURT: They make it by enterprise.

The Minister for Native Welfare: By sweating the workers.

Mr. COURT: That is a lot of nonsense.

The Minister for Native Welfare: General Motors Holdens made a big profit.

Mr. COURT: Would not the Minister like the firm to come here?

The Minister for Native Welfare: Not if it is to come and fleece the public.

Mr. COURT: What chance have we of encouraging people to come here? We would be mighty pleased if that firm would come here.

The Minister for Native Welfare: It is going to South Australia, and will have pegged prices there.

Mr. COURT: Income tax on the higher income brackets in Australia is a very severe burden. For instance, we find that in the £105 to £500 per annum group, which represents 28.38 per cent. of the population, they contribute only 3.73 per cent. of the tax.

The Premier: They must contribute a great amount indirectly.

Mr. COURT: Yes, in sales tax and the like, but in the higher group we find in the £15,000 and above class there are 1,565 taxpayers, or .04 per cent. of the population. This group contributes 6.26 per cent. of total tax income of the nation. It can hardly be said that the tax structure in this country does not tax those in the higher bracket. Governments are not guiltless of taking high profits.

In answer to a question the other day, the Minister for Works advised me that out of eight acres of land resumed in Queen's Park from one, Knox, for which he was offered £2,430, a quarter of an acre was sold for £3,360 at auction by the Government for a shopping site. I know the Minister will say that a lot of money has been spent by the Government putting in roads and other facilities, but for a quarter of an acre out of eight acres, for which it is offering £2,430, to be sold for £3,360 is not bad.

The Minister for Housing: You overlook the £750,000 that has been spent in that area. That would have an effect.

Mr. COURT: But what about the value of the land, quite forgetting the improvements that the Government has put there, although they certainly have added to the value?

The Minister for Housing: No one would have built shops there if the Government had not spent the money.

Mr. COURT: The blocks would have been developed ultimately by some private person.

The Minister for Housing: In the sweet by-and-by.

Mr. COURT: The Minister must admit it was not a bad price.

Mr. Lapham: The illustration is pointless.

Mr. Ross Hutchinson: Would you hang a placard around the Minister's neck—"Unfair trading"?

Mr. COURT: The member for Cottesloe has taken the sting out of what I was going to say. I was going to point out that it would be rather amusing to find displayed in the State Housing Commission offices or in the Public Works Department a notice to the effect that the Government had been convicted of unfair trading or competition under this Bill!

The Minister for Housing: If you get £3,000 back for a £750,000 expenditure, there is not much profiteering. On that basis, you would be buying Holden cars for 2s.

Mr. COURT: For a man to be offered £2,430 for eight acres when a quarter of an acre is sold for over £3,000 shows that the Minister is not doing too badly.

Another point on which I feel the Government has failed to exploit an advantage it could have done, without bringing down this legislation, was to have had a greater degree of consultation and co-operation with industry on this problem. If, in the opinion of the Government, there are people in the community who exploit the public, surely it would not be beyond the realm of reasonableness for the Government, through the Premier, to have had a talk with them. I would like to know if these people have been before the Premier, on his invitation, to discuss what he considers to be unfair practices, unfair profits and unfair prices.

Mr. Lapham: What do you want him to do, bring them up to lunch?

Mr. COURT: That might not be bad. A spirit of co-operation can achieve most amazing things. I would be reluctant to see legislation of this type brought in if these points had not been exploited to the full, because I am yet to be convinced that there are people in the community who are preying on the public, as we are led to believe.

The Bill splits the situation wide open. Once a piece of legislation like this is implemented, it follows that a chasm is developed between the Government and the traders concerned. An air of suspicion arises, and there will be stand-over tactics on both sides. It will flare up arguments of class warfare, and it creates suspicion in the minds of the public, who would get the idea that every trader is out to fleece them when, in point of fact, he is not. I think it savours of a grave disservice if these people have not been properly consulted.

Before I go on to comment on the position in South Australia, which I presume will be handled about during the debate, I

want to refer to a rather thoughtful statement which has been produced in recent times—I refer to the lecture by Professor Arndt in July of this year. He was one of a group of economists used by the Commonwealth Government to give it an appreciation of the economic system and some advice as to what should be done, although it is generally known that Professor Arndt is hardly a supporter of the present Commonwealth Government. His statement was a thoughtful one and it did much to highlight the confused thinking of socialists, generally, not only in this country but in other parts of the world, and the conflict within the socialist ranks. He emphasises the problem of conflict of interest within the community, and he says—

We cannot generalise far about the interest or broad classes. A claim for a rise in the basic wage will range basic-wage earners and shareholders in sheltered industries against skilled workers on margins, farmers and pensioners. A rise in food prices will range farmers and rural labourers against all city consumers, workers and capitalists alike. A rise in the old-age pension will benefit pensioners at the expense of all taxpayers.

So he goes on to develop this theory—

A cut in public works will harm public servants and the prospective beneficiaries of the works in a local area do not benefit those who would have borne the costs. A coal strike, such as that of 1949, may inflict great hardships on workers in many other industries. In other words, the cleavage in our society between workers and capitalists is not clear-cut. If we insisted on treating politics as a mere struggle of interest groups, we would need to think of the Labour Party as a shifting alliance of industrial wage earners with other groups, white collar and rural workers, farmers, pensioners, shopkeepers, taxpayers, with whom they were able to establish a community of interest on a particular policy issue.

He goes on to decry a shifting alliance and he further adds—

There would be little to quarrel about if higher living standards or greater equality could be achieved without some cost to someone, if social security could be guaranteed without the risk of hampering economic progress, if economic objectives did not come into conflict with political ones. No party can realise all its objectives; no party has a monopoly of worthy objectives. All policies represent compromises between conflicting aims. Differences between party programmes arise from differences of emphasis which, in turn, reflect both the interests and the ideals of their supporters.

We know how much economic objectives can come in conflict with political objectives. The professor goes on to give some important statements on the present position. I just wonder what will be his fate in the Labour Party because he had the temerity to criticise the Left Wing element by saying it had become the stronghold of conservatism within the Labour movement, complete with worn-out slogans and flirtations with communism. He claims the Right-Wing has been responsible for any fresh thinking. This will not do him any good if he ever seeks endorsement, but that is beside the point.

Dealing with Australia's present problem he said—

This too is a problem which cannot be cured with the old liver pills from Labour's medicine chest, profit control, price control, excess profits tax.

I commend to those members of the House who have not studied his lecture, that they should read it and make an analysis of it.

Mr. Potter: We have read it in advance of you.

Mr. COURT: I hope the hon. member has, because he will be busy if he reads it and the other publication, "The Light Grows Brighter."

Mr. Jamieson: Are you going to quote from that?

Mr. COURT: No, although there is an interesting piece in it that would be appropriate. We have been hearing of Premier Playford of South Australia, and his price control. I know that superficially it would appear there is a degree of inconsistency, but, in point of fact, I do not admit that there is. If he wants to have price control he can have it, and that is his business. But I point out that we cannot have it both ways.

Mr. Ross Hutchinson: What is the price of potatoes in Adelaide?

Mr. COURT: It would be more pertinent to ask if they had any. In spite of his much publicised price control, we find that this State, compared with the other States of Australia, fared very well without controls from 1953 to 1956. When the Premier quoted some figures for us prior to leaving for the Premier's Conference he gave us some illuminating figures regarding the price experience in this State. I make the point that at no stage was rent brought under our State price-control law. We had separate rents and tenancies legislation.

If members take the items that were subject to price control, and which were decontrolled in 1953 and remained so until 1956, they will find that in food and clothing, Melbourne had the highest rise, and during that period they must admit that there was price control most of the time. Adelaide was next—not far behind—with 18.7 per cent. as to 18.1 per cent. Sydney

was the next with 17.2 per cent, and then Western Australia with 15.7. Following Western Australia was Hobart with 15 per cent. and Brisbane at 13.1 per cent.

When we come to clothing, we find the margin between us was so small that it hardly mattered. It was virtually a photo finish because Hobart at 2.9 per cent was the highest and the lowest was Adelaide with minus 1.3 per cent. Western Australia was 1.1 per cent. In the miscellaneous group we find that the highest was Brisbane, the second highest Melbourne and the third highest Perth. It is interesting to note that the Perth rise was 6.7 per cent. compared with 13.8 per cent. for Brisbane which is by far the tightest controlled State. Yet it had the highest rise in that particular group!

On top of that, I point out something else which is important in considering this question, namely, an analysis of the amount of the extra payment being made by employers to employees in the several States per year, as a result of departing from the Federal basic wage level—

Mr. Heal: What year?

Mr. COURT: This is the current experience. In Victoria the extra amount per annum is £14,800,000; in New South Wales £15,300,000; in Queensland £3,100,000; in Western Australia £3,500,000; in Tasmania £1,800,000 and in South Australia nil. Members cannot have it both ways. As they know, South Australia has had a complete adherence to the Federal basic wage. The result is that the workers there are not getting anything extra beyond the Federal basic wage, except where employers do make special arrangements with their workers.

The Minister for Native Affairs: Do they work under a Federal or a State basic wage?

Mr. COURT: If I remember correctly, a large proportion of the workers in South Australia come under Federal awards.

Mr. O'Brien: They have control there.

Mr. COURT: I have already covered that point. We have to go beyond the "C" series index when considering the price structure within a State. We are inclined to be slaves to the "C" series. I do not know what would be the position in this State if we virtually had no potatoes and people were clamouring to pay 4s. per lb. for them. Does that mean that although we are not eating potatoes, the basic wage index would fly up at the end of September? What will happen to it in New South Wales where they are short of potatoes and people are paying such fantastic prices as 4s. a lb.? The fact is that the basic wage indicator will want to record this unreal rise whereas, in fact, very few people in Sydney will be buying potatoes. However, we have to step outside of that index and examine other values.

The Minister for Housing told us that under his present building arrangements, due to the prevailing economic conditions of competition for work, he is able to build for approximately £300 less today, a house that would have cost him £2,500 two years ago. Does not that represent some benefit to the people? Does that indicate that rank profiteering is going on? It is interesting to note that on the 15th September under a Canberra date line and the heading "War Service Homes Cost Less in W.A." we find the following:—

War service homes in Western Australia and Tasmania cost less than in other States, according to the annual report of the War Service Homes Division.

Houses in Canberra cost at least a third more than those in the States.

The report, tabled in Parliament today shows the average cost of a Canberra war service home as £4,255. Comparable figures for the States are: South Australia £3,144, New South Wales £3,143, Victoria £3,027, Queensland £2,979, Western Australia £2,953 and Tasmania £2,842.

The Minister for Housing: Does not that indicate that there is little profiteering in the building industry today but there was plenty a few years ago when costs were less than they are now and yet the charges for building houses were greater?

Mr. COURT: Of course, when the Minister discusses that aspect he opens up another argument altogether. He must take us back to the time of price control. I say that blackmarketing was going on then and I would say, too, that while prices were high, I think that a lot of the money was being wasted. There was not the amount of profit made that people thought was being made. There probably was too much profit but I think a lot of the money was being wasted through bad supervision, poor labour and a bad flow of materials. I think the Minister will agree with that and that a reduction in charges has been made because of an increase in efficiency all round.

The Minister for Housing: You may be right but all you are doing is proving that this Bill would have no application to builders because they are not profiteering now and would have nothing to worry about in regard to it.

Mr. COURT: It only needs somebody to complain that he is being charged too much for asbestos or cement, or something like that.

The Minister for Housing: This person will be a responsible officer and not an inmate of a lunatic asylum.

Mr. COURT: It does not work like that. People produce these tales and exert a terrific pressure on these officers and insist on something being done.

The Minister for Housing: I think you are drawing a long bow.

Mr. COURT: Not at all. I have had a fair bit of experience on how touchy people get. We also know that the New South Wales Government has abandoned any attempt at bringing down price control. That was reported in the Press of the 29th August. Before concluding, I want to touch on a speech made by a Federal Minister, Mr. Beale, the other evening in regard to controls. Some of the points in his speech are rather pertinent because they highlight for the benefit of those who might not have had experience under the price control laws, just what a trader is up against.

For instance, he quotes, very facetiously, but nevertheless factually the definition in respect to eggs. It sounds fantastic and one cannot imagine a trader being able to escape the penalty of the law as he would not know whether the eggs he sold would conform to the definition. I know that the same thing could happen under this legislation. He went on to say—

One of the most serious weaknesses of a price control system is and must be ambiguity and unintelligibility. This was exposed by judges in dozens of cases on appeal. In one case, the Chief Justice of New South Wales, in the course of his judgment throwing out a conviction because of the unintelligible form of the price control order, used the words, "pausing only to admire the courage of any trader who still ventures to sell anything without having a lawyer and actuary constantly at his elbow, I proceed to deal with the submissions which have been made." Elsewhere in the same judgment, His Honour described the various amended and re-amended regulations, "as stable as shifting sands."

Further on he went on to say—

But the order is addressed to retail trades people. Speaking for myself, even after having had the benefit of the formulation of the three categories by counsel, I found some difficulty in disentangling them from the provisions of the order. If retail traders, with no experience in construing legal documents, are able to do so, they are to be congratulated.

We know just how right that was, and we also had the problem of staff. We had some intelligent men in the department, I agree, but we also had a lot of men who were just not suited temperamentally to the job. We also had the amazing situation where a man who had been a failure in his own particular industry would be the person who had to examine that industry to see if increases were warranted. That will happen again, and that will be the type of person the department will get as it increases—and it undoubtedly will

increase in size—because the right type of person is not readily available and the department will have to take what is offering.

Mr. Lawrence: It appears to me you are an expert on everything.

Mr. COURT: Far from it.

Mr. Lawrence: I am glad you acknowledge it.

Mr. COURT: I acknowledge it most humbly. To show that there is some concern about this measure, I refer to a Press cutting from the "Farmers' Weekly" of the 13th September in which the president of the meat section of the Farmers' Union, Mr. Burgess, said—

He desired to bring to the notice of members the price fixing proposal now before Parliament. He said that he was firmly of the opinion that if this Bill should become law it would eventually become disastrous to meat producers. He strongly urged all members to get their branches and zones to call meetings to protest against such a socialistic scheme and further, to induce their parliamentary representatives to make amendments or, better still, to throw out this "vicious piece of legislation."

There is also a telegram here which was sent urgently on the 11th September. It reads—

The Avon Valley Zone Council Farmers Union of W.A. express their strong opposition to the Profiteering and Unfair Trading Prevention Bill and ask that every effort be made to defeat this Bill.

Mr. Bovell: That comes from the Premier's electorate.

The Premier: I wonder who inspired that one?

Mr. COURT: This is signed by A. Tanner, honorary secretary. In conclusion, this Bill will certainly not unite this community of ours. It will certainly not unite it into a positive and progressive force. I am also certain that the Bill will not achieve the Government's declared intention. I am firmly of the opinion that it will cause a lot of hostility and that it will, in fact, divide and weaken the economic structure of this community and, worse still, it will create suspicion and misunderstanding not only between the Government and traders, but also between the public and traders and that, in itself, is a very important thing in a community such as ours.

THE MINISTER FOR LABOUR (Hon. W. Hegney—Mt. Hawthorn) [10.23]: I do not propose to deal at length with this Bill this evening, but I would like to make a few apt remarks in regard to some of the propaganda and much of the "impropaganda" which has been broadcast in the last week or so in regard to it. Firstly,

I briefly mention that the Commonwealth Government, under the National Security Regulations had, during the war period, control of prices and services. When the people, by referendum, decided that the Commonwealth Government should relinquish its control, the six State Governments decided to introduce legislation for the reimposition of controls on a State basis and the Attorney General in the Liberal-Country Party Government in 1948 introduced a Prices Control Bill. It duly passed through both Houses and it operated continuously until 1952.

Incidentally, in 1948, the National Security Regulations, which operated under Commonwealth control, were taken over holus-bolus by the State Liberal-Country Party Government at that time. I have taken the trouble to examine every regulation made under the Commonwealth legislation which was taken over by the Government then in office in this State, and I find that there are no less than 28 subclauses in this Bill which had the endorsement of the Liberal-Country Party for six years.

Mr. Court: But that was wartime legislation.

THE MINISTER FOR LABOUR: There is the same old interjection made immediately! That was wartime legislation! However, the war finished in 1945 and the State took over price-control legislation in 1948, and in 1952, when the then Liberal-Country Party introduced its continuing legislation, the war had been over for seven years. Yet that Government introduced a Bill to carry on price-control until 1953!

I wish to say here that, in 1952, the Liberal-Country Party Government introduced the price control continuance measure, but it also did something else. It inserted a simple paragraph at the end of the continuance Bill stating, "The Profiteering Prevention Act of 1938 is hereby repealed." Why did it do that? In view of the fact that the member for Nedlands has asked whether this Government consulted members of the business community before it introduced this Bill, I now ask him whether his Government, at that time, consulted the business community before it inserted the clause in the continuance measure to repeal the Profiteering Prevention Act. I suggest that there had been some contact at least between the Liberal Party section of that Government and the business community with respect to the repeal of the profiteering legislation.

Mr. Bovell: You are only guessing now.

THE MINISTER FOR LABOUR: The legislation which is now before the House embodies about 28 regulations which were gazetted under the price-control legislation and let me repeat that the Liberal-Country Party Government which is now

in Opposition—and I hope it will be there for a long time—year after year endorsed those regulations many of which, as I have said, now form the subject matter of a great part of this Bill. Several of them cover the power to enter premises, the power to inspect books, and it must not be forgotten that the Government of the day empowered the commissioner to enter premises on the same basis as this Bill proposes to do now.

Mr. Court: But those regulations were subsequently dropped.

The MINISTER FOR LABOUR: The members of the Government at that time now try to say that it was a wartime measure, but the war had been over for some years when the ex-Attorney General introduced that legislation on behalf of the Liberal-Country Party Government. The position in regard to price control at that time was that we introduced a continuance Bill in 1953 but it was defeated. I spoke of another Bill and mentioned that there were loud protests at the time. It was stated that if price control legislation were repealed prices would be stabilised. However, time has shown the fallacy of that proposition.

Without making reference in any detail to another motion that is before the House, let me mention that there is a section of the community which believes that there are some malpractices being exercised by certain people in the trading community in so far as there is an important motion now before the House which will be dealt with in the near future. Last year the member for Stirling introduced legislation in regard to the curbing of trusts and combines.

Mr. Bovell: And you made a fine old mess of it!

The MINISTER FOR LABOUR: As the member for Stirling will agree, we tried to put some ginger into it. We tried to put some substance into it. We tried to make it something animate.

Hon. D. Brand: You put some dynamite into it!

The MINISTER FOR LABOUR: The shell was there and we tried to put some substance into that particular Bill. The member for Stirling has now seen fit to move a motion which is closely related to the Bill now under discussion. I now turn to this aspect: At the risk of reiteration, I would like to quote part of a leading article from "The West Australian" of the 10th September, 1956. It reads as follows:—

This Bill would give some new found officials the rights of search without warrant, of seizure of private documents and of demanding under penalty that a person should give evidence against himself.

The previous Government endorsed that principle for five years; it endorsed the principle contained in the clause which is now in the Bill. The Liberal-Country Party Government had the same power and authority that is written into this measure.

Mr. Wild: The same people threw it out.

The MINISTER FOR LABOUR: A further paragraph reads—

The commissioner would be a law unto himself, carrying on his functions without any regard to the courts, or principles of justice, except that he would "be subject to the general control and the direction of the Minister". Which means that some politician could exercise economic domination of the community, in a position of unheard of personal authority.

Of course, that is merely trying to raise another bogey.

Mr. Court: Isn't it factual?

The Minister for Transport: Did you write it?

The MINISTER FOR LABOUR: The leading article further continues—

It is possible that the Government's regimented majority in the Legislative Assembly, uneasy though the more democratic members must feel, will get this Bill through the Assembly. But it must fail in the Legislative Council, where the Liberal and Country Parties hold the majority.

Though some of them have shown a disposition to fiddle with control measures, the Country Party members of both House were most definitely elected on an anti-socialist platform. They should close their ranks as a party on this issue. They have reputations to uphold and they have nothing to gain from any other behaviour.

This newspaper is telling members of Parliament what they should do! The article continues—

If they accept the Government's rabidly socialistic measure they would be guilty of a grave breach of faith with their constituents. And they would probably accomplish the ruin of their Party, for their supporters would lose heart and the Liberal Party, being more genuinely anti-socialist, would presumably treat them as direct adversaries and oppose them in every constituency at the next election.

I am not going to use this article to drive a wedge between the Liberal Party and the Country Party; that is the last thing I want to do.

Hon. Sir Ross McLarty: You are trying to do it every day of the week.

The MINISTER FOR LABOUR: I have not been half as effective in that direction as has the Leader of the Opposition. I will say, however, that I regard this as an insult to Parliament and I do not think the Country Party members will let it pass unchallenged, whatever their attitude to this Bill may be. Every member of Parliament is entitled to his opinion and the right to express it on the floor of the House. I notice "The West Australian" uses the word "democratic", but I do not think it is the least democratic for it to use such arrogant and threatening language when referring to members of Parliament.

Mr. Court: Are you suggesting that the paper is the first in line for treatment under your Bill?

The MINISTER FOR LABOUR: I suggest that despite the bogies the member for Nedlands has been raising for the last 1½ hours, the honest trader has nothing to fear from this honest Government.

Mr. Roberts: Who are the dishonest traders?

The MINISTER FOR LABOUR: The man who keeps the seventh commandment in principle while trading in Western Australia has nothing to fear from the Government. Why do members opposite think we are introducing this Bill? We endeavoured to introduce a price control Bill and it was defeated. Our idea in introducing this measure is to stabilise prices and protect the ordinary people in the community.

We know that if we introduce a price control Bill with a view to stabilising prices, it would again suffer an ignominious defeat. After due consideration we decided to introduce this measure which will give the commissioner power—and undoubtedly he will be given power—to inquire and investigate particular circumstances in any particular case. Whether a trader is a sole trader, a firm or an incorporated company, if he trades on a fair basis and does not indulge in malpractice, he has nothing whatever to fear.

Mr. Court: According to whose lights?

The MINISTER FOR LABOUR: The Leader of the Country Party must have his suspicions, and no member in this Chamber with any reasoning propensities will believe all the bogies that have been raised to the effect that the commissioner will have an inquisition into the case of every trader in Western Australia. Of course he will not. We will select a man who has a wide knowledge of industrial and commercial affairs; a man whose reputation will be unsullied and who will have the confidence of the ordinary public.

The Premier: Will the member for Nedlands be available?

The MINISTER FOR LABOUR: The member for Nedlands was available as an adviser under the Liberal-Country Party Government when Mr. Abbott was the ex-Minister for Prices.

Hon. D. Brand: What was wrong with that?

The MINISTER FOR LABOUR: Nothing whatever, except that the members advisory office was in Mr. Court's rooms. I am not saying anything against Mr. Court for that, but what would "The West Australian" have said if I, as Minister for Prices, had my advisory committee offices in the Trades Hall.

Hon. D. Brand: We do not know what you have at the Trades Hall.

The MINISTER FOR LABOUR: I would like to point out that this Bill has been given a great deal of consideration and, what is more, as I said earlier, a number of clauses in the measure have been lifted from the price control regulations which were endorsed by the previous Government.

Mr. Court: From the wartime regulations.

The MINISTER FOR LABOUR: There are a number of clauses which are more or less of a machinery character to which I do not propose to refer, and there are provisions which deal with the powers of the commissioner and with offences under the Act. I suggest that instead of trying to belittle the Bill, and the principles it embodies, members opposite would better serve the public interest if they directed their attention to submitting amendments which they thought desirable. These will be given the consideration they deserve. After all, the commissioner has to act in accordance with the provisions in the Bill. As a layman and as an ordinary member of the community, I ask myself, if the Bill is terrible and so unrealistic, and if it is going to work to the detriment of the community to the extent to which we are led to believe it will, why are vested interests so anxious and perturbed about it? I am not criticising "The West Australian," but I would like to ask why it is devoting its leading articles to attacking the provisions in the Bill. I must not forget, however, that the Hardy case is finished.

Mr. Court: Has it not a duty to do that?

The MINISTER FOR LABOUR: It has a duty. It has plenty of space not only to indulge in leading articles on this matter but to follow with directions to turn to page 2 or page 5. On more than one occasion it has devoted quite an amount of space to raise all the objections possible. Does anyone mean to tell me there are not interested parties behind the comments

in "The West Australian?" Why is there this antagonism and opposition to the Bill?

Mr. Court: I can tell you. The traders have had a skinful of controls.

The MINISTER FOR LABOUR: For one-and-a-half hours the member for Nedlands told us what was happening here and there, and about the profit motive. We are not against the profit motive.

Mr. Wild: Yes, you are.

The MINISTER FOR LABOUR: We are not. What I say is this: If it is good enough for the workers in this State to have to apply to the court periodically for a decision as to what amount they can live on, it is good enough for legislation to be passed to ensure that no more than reasonable profits are being made in industry.

Mr. Wild: What is reasonable?

The MINISTER FOR LABOUR: The member for Dale will have an opportunity to contribute to this debate and to determine in due course what is fair and what is unfair.

Mr. Wild: You cannot tell us what is a fair thing.

The MINISTER FOR LABOUR: We are not suggesting the trading community is dishonest. The ordinary trader in the community will be behind this Bill privately. He will not stand against protection from those who rob the public.

Mr. Court: They do not want controls because they had a skinful of them before.

The MINISTER FOR LABOUR: If the Bill is placed on the statute book, it will have some effect on price control. Traders will be entitled to their profits but certainly in these days Parliament should be able to pass a statute of this nature for the protection of the public. It is worth trying and that is all this Government is attempting to do. It is a sincere and honest attempt to pass legislation which will have the effect of protecting the public of the State. Instead of members opposite doing the State a disservice, they would be better engaged in placing desirable amendments on the notice paper and giving the Government a chance to pass the Bill as soon as possible. I support the second reading.

MR. BOVELL (Vasse) [10.44]: The first matter to be considered in a major Bill such as this, after a Government has assumed office, is to look through the policy speech of the Premier of the day and see what he announced as the intention of his party with respect to legislation to be introduced. On this occasion the Premier said nothing whatever about these controls.

The Premier: You should refer to the questions and answers column of "The West Australian" election campaign. The member for Nedlands has a copy he can show you.

Mr. BOVELL: I have referred to the questions and answers column and the Premier, in reply to the questions raised, was very brief indeed. The only words in his vocabulary seemed to be yes and no. There was no elaboration whatsoever in the answers to the questions put to him. There was no mention in his policy speech of bringing down in Parliament, if the Labour Party was returned to power, legislation of such a far-reaching nature.

Mr. Lapham: Is there anything in the Bill about price control?

Mr. BOVELL: It goes much further than price control. The Bill provides for the appointment of a commissioner to supervise and direct the matter of unfair profits, whatever they might be. The definition of that term is not mentioned. He is also to inquire into unfair trading whatever that might be. The Bill gives the commissioner power to enter premises, to impound documents, books and papers by force, if necessary. The commissioner can then carry out an inquiry. In other words, he can be the prosecutor, the trial judge and jury.

Having passed his judgment there will be no right of appeal. That, of course, is completely foreign to the British system of justice. The commissioner need not abide by any laws or rules of evidence as now operate in our courts of law. The onus of proving his innocence rests on the accused. That again is foreign to the expressed opinion of members supporting the Government in all the years that I have been in this House. The member for Fremantle has violently opposed any legislation that has been introduced in this House which imposed on the accused the onus of proving his innocence. This Bill makes the accused responsible for proving his innocence.

Mr. Evans: What did Mr. Menzies think of the onus of proof clause?

Mr. BOVELL: One would wonder, not knowing the real intention of the Government—I suggest the real intention is to further socialise and control all industry in this State—why this legislation has been introduced now. Let us look over the financial dealings of companies over the past year, reports of which have appeared in various publications during the past few weeks. In the main I refer to Western Australian companies. One report says—

Foys turnover down slightly. Reviewing the company's activities for the year ended July 31st, 1956, the directors of Foy & Gibson W.A. Ltd. said yesterday that the sales volume did not quite equal that of last year. A slight decline in turnover started in March, 1955. It continued through

the year just ended under the stress of general trade conditions and credit conditions.

Another report states—

Bunnings omit bonus. Profit lower. Consolidated profit of Bunning Timber Holdings Ltd. and subsidiaries in the year ended 30th June, 1956, after tax provision was £119,983 against £146,762 in 1955.

A further report states—

Swan Cement cuts profit dividend. Profit and dividend suffered quite a relapse in the year ended 30th June, 1956, according to the latest reports and accounts of the Swan Portland Cement Co. Ltd.

Yet another report goes on to say—

Hearn Industries finds trade tighter. Hearn Industries in the published accounts for the year ended 30th June last reports a reduction in turnover in the retail section of the business where a general hardening of conditions has been experienced.

Another is headed, "Wigmore's Profit down £24,663." It goes on to say:—

Wigmores Ltd. in the year to June 30 suffered a setback in profit. However this still covered reduced dividend commitments comfortably.

Those are some of the facts regarding Western Australian companies published in recent weeks. We know that trade is becoming more difficult, and firms are showing decreases in the profits earned. That gives rise to the query—and I repeat it—as to why the Government has introduced this legislation at such a time. The profits of all those companies are falling. I think this legislation has been introduced for one purpose, and for one purpose only, and that is to continue the move for socialistic control of private enterprise in Western Australia.

The Minister for Transport: Like the Liberal Premier of South Australia.

Mr. Roberts: The Government is relying on the Liberal Premier of South Australia quite a lot.

Mr. Hall: What about the increased profit made by the Albany Woollen Mills?

Mr. BOVELL: The member for Albany, who was at one time an employee of the Western Australian Worsted and Woollen Mills Ltd. has indicated that this company has earned more.

Mr. Hall: You are a shareholder of the company.

Mr. BOVELL: I am not falling for that interjection. A report of that company's activities is published in today's issue of "The West Australian" and it states:—

The Western Australian Worsted and Woollen Mills Ltd. earned £47,981 profit from trading in the year ended June

30, 1956, after depreciation of £12,482. This compared with £45,142 of the year before.

Tax provision was increased, and, to recall the words of the member for Nedlands, these companies are contributing a great amount to public finance. In the case of this company, tax provision was increased by nearly £3,000 to £21,114, leaving a net of £28,867. Fancy the member for Albany being hostile because the Western Australian Worsted and Woollen Mills earned more profit. He should champion this enterprise.

I am almost an original shareholder in that enterprise, which was commenced in 1924. Shares were issued to the public at a par level of £1, and in the interests of decentralisation and to give Albany an industry, people from all over the State put capital into that enterprise. In 1933, that capital of £1 per share was written down to 6s. 8d. per share, which was one third of the original value. However, time marched on, and in 1947 a small dividend was paid. That was 23 years after the establishment of this industry, when small investors like myself—and I will let the member for Albany know—put money into the undertaking. I purchased 100 shares, which represented quite a lot of money to me at that time.

The Minister for Transport: It has taken effect now.

Mr. DEPUTY SPEAKER: Order!

Mr. BOVELL: Even in those days I saw the need for the decentralisation of industry. I was a bank officer in Albany and managed to scrape up my savings to invest into that industry, and between 1924 and 1933 my capital was written down by two-thirds.

Mr. Lawrence: Mr. Deputy Speaker, if the member for Vasse continues in his present manner, his glasses will drop off.

Mr. DEPUTY SPEAKER: Order, please! The hon. member may continue.

Mr. BOVELL: The capital of the Western Australian Worsted and Woollen Mills was written down to 6s. 8d. per share in 1933. In 1947 a dividend was paid; the first in the history of the company, and on a reduced capital. The company has been able to pay a small dividend by way of invested savings. Since then the company has had a bonus issue of shares of one in five.

The Premier: I think you might admit that, excepting for substantial help given by State Governments to this industry, even the 6s. 8d. would have disappeared.

Mr. BOVELL: I will admit that, but it does not alter the fact that investors with limited capital were prepared to invest their savings in Western Australian enterprises established in districts which will assist in the decentralisation of industry

in this State. I do not think that the Premier's interjection in regard to contributions by State Governments has any bearing on the fact that it was private capital that started the company, and private capital, with the assistance of State Governments, carried it on. The member for Albany should not cast any reflection on this company, because it is an electorate responsibility.

The Premier: The member for Albany did not cast any reflection.

Mr. BOVELL: The most effective way to deal with excess profit and high prices is the encouragement of completely free enterprise in all its forms of business. This legislation not only hits the small business man, which includes the butcher, the baker and the grocer and all other small traders, but covers—I should say—medical practitioners, dentists, lawyers and also primary producers, as referred to by the member for Nedlands. What is the position if a primary producer decides to retire and sells his property? Is this commissioner going to step in and say to this man who has tilled the soil all his life, that he has made an excess profit and will be charged under this legislation? He could not only be charged by this commissioner, but be tried and found guilty. Then in effect he would be sent into the streets wearing sandwich boards declaring to the public that he had transgressed and was a profiteer. Is that to be the result?

Mr. Lawrence: Does the hon. member refer to land and estate agents?

Mr. Johnson: There is plenty of meat in the sandwich.

Mr. BOVELL: This is the worst type of legislation that could be introduced in a democratic country.

The Minister for Transport: You are loyal to your masters.

Mr. BOVELL: Russia, we know, is the home of the Communist Party and there the Czarist regime was overthrown by turmoil and bloodshed during the latter part of the 1914-18 war. Shortly after the end of the war, one of the most distinguished authors—H. G. Wells—went to Russia and he wrote a book called "Russia 1920." I am quite sure that the Premier and his colleagues have read it because the legislation that is introduced is identical with the legislation introduced in Russia by the Communist Party following the end of the first war.

Mr. Lawrence: What about the second war? Did you go and fight in the second war? You would not be game! Did not Russia fight with us as our allies? Now you turn traitor!

Mr. BOVELL: I would say that the ruthless hand of communism is seen in this legislation, from my point of view.

Mr. Lawrence: Rubbish!

Mr. Ross Hutchinson: The whole Bill is rubbish.

Mr. BOVELL: In my opinion, it is sinister, vicious, ruthless. It will have a terrifically adverse impact on the individual initiative and enterprise of every freedom-loving Western Australian. I oppose the Bill wholeheartedly and I am absolutely disappointed that the Government should introduce it without having a mandate from the people of Western Australia.

The Premier: I am sorry you will not be here on Thursday.

On motion by Mr. Johnson, debate adjourned.

House adjourned at 11.2 p.m.

Legislative Council

Wednesday, 19th September, 1956.

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

QUESTIONS.

HOUSING.

Sale of Land by Commission.

Hon. H. K. WATSON asked the Chief Secretary:

Regarding Lots 22 and 24, Morris Place, North Innaloo, which are being offered for sale under tender No. 553/56 at upset