

far from there is a railway gang of four or five men, some of whom are married with small families. Nearby also is a number of men employed as length runners for the Public Works Department. At present those men have no families, but to work in with this scheme it would be easy for the department to appoint men with families to such a place. There are also several wood cutters in the district and, though they are not directly under the control of the Government, it could be stipulated in the letting of the contracts that married men with families would be considered suitable to be sent to places such as I have mentioned if a communal interest had been established there. The teacher to go to a school of that type, if established, could be considered in the light of his family interests. In that way such a place could be brought to the position of having a school with a possible attendance of 20 or 22 children and there would be little if any inconvenience to the departments concerned in doing what I have suggested. If men with families were shifted to such a centre a fine communal interest could be established. Not only would it be of service to the people, so far as school facilities are concerned, but it would enable those in isolated centres to enjoy various amenities that are now denied them as beyond the bounds of possibility. I feel that great service could be rendered through the co-ordination of the various departments if something along the lines I have suggested were adopted.

During the course of his remarks the Minister said that the primary factor in connection with education was the teacher. I quite agree with that statement, but as regards the country districts, there is another factor that should be given more prominence when appointments of teachers are made and plans formulated in connection with the establishment of schools. In most country centres very poor living accommodation has been provided for the teachers. I have inspected a number of the premises and while perhaps they could not be regarded as ramshackle, they are certainly not very convenient, particularly for a married man. Even where provision has been made for a married teacher, the situation is far from satisfactory. Few amenities are provided and in no house where a married teacher resides have I been able

to discover adequate provision for the family. If improved housing accommodation and facilities were provided at centres where schools are established, it would be beneficial both to the department and to the teachers concerned.

The prevailing conditions are utterly out of step with the tenor of the Minister's remarks when he referred to the teacher as a primary factor in our educational system. Unless an improvement in this direction is effected, we cannot hope to have outback the type of teacher that the country districts so richly deserve. Finally, I desire to commend the Minister for his appreciative references to the work of parents and citizens' associations. For far too long have the endeavours and achievements of these organisations been overlooked. There is no doubt whatever that departmental finance has been conserved to the extent of thousands of pounds through the energies of the various parents and citizens' associations. I am pleased indeed that the Minister saw fit to make some reference to that phase.

Progress reported.

*House adjourned at 10.45 p.m.*

## Legislative Council.

*Tuesday, 20th November, 1945.*

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

**QUESTIONS.****GERALDTON HOSPITAL.***As to Acquiring Additional Accommodation.*

Hon. E. H. H. HALL asked the Chief Secretary:

As the premises at Geraldton adjacent to the Government Hospital, and formerly belonging to the Medical Department, are shortly to be vacated, and in view of the reported acute shortage of accommodation at the hospital for patients and staff, will the Medical Department take action to endeavour to temporarily re-possess the premises pending erection of new buildings?

The CHIEF SECRETARY replied:

The premises in question were some years ago handed over by the Works Department to the Railway Department, and since then have been used as quarters for the District Engineer. These premises are vacant for a few days only, after transfer of one District Engineer and pending the arrival of his successor, for whose accommodation the house will be required.

**RAILWAY, NORTHAM-DALWALLINU.***As to Improving Service.*

Hon. G. B. WOOD asked the Chief Secretary:

(1) In view of the inadequate train service between Northam, Wongan Hills and Dalwallinu, will the Government instal a Diesel rail car service to cater for these districts?

(2) If the Diesel rail cars are not available, will the Government consider the establishment of a road bus service between the aforementioned districts?

The CHIEF SECRETARY replied:

(1) The train services between Northam, Wongan Hills and Dalwallinu to be operated from Monday, 26th instant, with the introduction of the new timetable, which provides for the same number of trains but on slightly different times, is as follows:—

Northam to Wongan Hills:—Monday, Tuesday, Thursday, Friday, Saturday; return, Tuesday, Wednesday, Friday (two trains), Saturday.

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(2) All the Diesel electric cars are fully occupied on other lines. The question of

road bus services is now being dealt with by the Government, and the Wongan Hills district will receive consideration with others.

**BILL—LEGAL PRACTITIONERS ACT AMENDMENT.**

Read a third time and *passed*.

**BILL—SUPREME COURT ACT AMENDMENT (No. 2).***Assembly's Amendment—Reasons.*

Resumed from the 15th November.

The committee consisting of Hon. H. S. W. Parker, Hon. G. Fraser and Hon. J. A. Dimmitt presented reasons for disagreeing to amendment No. 2 made by the Assembly.

Reasons adopted and a message accordingly returned to the Assembly.

**BILL—COMMONWEALTH POWERS.***Second Reading.*

Debate resumed from the 15th November.

**HON. L. B. BOLTON** (Metropolitan [4.40]: Like many other members of this Chamber, I regret the necessity for ever some continuance of price control. In the circumstances, however, I feel disposed to vote for the second reading of the Bill although I am rather perturbed at the period as to which I would suggest that Mr. Dimmitt's amendment, of which he has given notice, should be adopted when we reach the Committee stage, thus fixing the term for definite period of two years. As a rule, I am opposed to the transfer of powers to the Commonwealth; but in the circumstances now under consideration I believe the present proposed transference cannot be avoided, as, without some continuance of control, the position might become dangerous because of the great demand now existing, and likely to continue for some considerable period, for all classes of materials, not only for construction purposes, but for all industries. Manufacturers, too, would be very much affected if prices were allowed to go uncontrolled. I favour giving the power on this instance to the Commonwealth, because if we had price control in our own State and were not allied with the Eastern States, the position would soon become chaotic, especially if we were subjected to the dumping which we have experienced in the past from the Eastern States.

**HON. G. FRASER** (West) [5.58]: I agree with Mr. Craig regarding the number of years that the Bill stipulates that these powers shall be continued. Whilst I am at this stage not going to commit myself, I hope that the Minister, when replying, will give some reasons why the three year period has been included. My objection to that period is that many small land transactions will be held up for that time. Some are being held up now. I know of numbers that are being held up because the Commonwealth Sub-Treasury, to my way of thinking—and I know many of the blocks—are not allowing the actual value of the land.

**Hon. J. Cornell:** The Commonwealth Sub-Treasury is working under National Security Regulations.

**Hon. G. FRASER:** No matter what regulation it is working under my experience is that the price it has put on the blocks is £10 or £20 under what has been regarded as their value. I know of one particular instance, in the Applecross-Canning Bridge area, of land that was originally sold in about 1924—about 20 years ago—for something like £60 or £65. That area has not gone back; if anything it has increased in value. I believe that the vendors had originally recommended to those who purchased and now want to dispose of the land that the value of the blocks would be in the vicinity of £75. I know of persons who paid £60 or £65 for blocks and wished to sell them for £50, and the Commonwealth Sub-Treasury refused to permit the sales at £50, but fixed a figure of £40, which is about £20 to £25 less than what was paid 20 years ago.

I know of another instance where an agent in Fremantle sold three or four blocks out of five in the one area, for £100 per block before the war. He retained the block that was in the best position and endeavoured to arrange for the sale of the inferior blocks, but the price at which the Commonwealth Sub-Treasury was prepared to allow them to be sold for was only £80, £20 less than the pre-war price for blocks that were not as good. One could recount other instances of the same kind. Because of actions like this the people will not sell.

**Hon. A. Thomson:** And those who want a decent block are not able to purchase one.

**Hon. G. FRASER:** People will not sell at the price fixed by the Sub-Treasury offi-

cials. There is a block of which I have some knowledge. The owner was told that he could only sell at a price which was £10 or £20 below the ordinary value. I agree that unless we have something like this on the statute book there would soon be chaos with regard to prices generally. Such a Bill as this is therefore essential. Unless some good reason is advanced, I do not see the necessity for the three-year period. I think that will hold up many genuine transactions at genuine prices for too long a period. I hope the Chief Secretary will be able to advance good reasons for the three-year term.

**HON. G. B. WOOD** (East) [5.3]: I support the Bill for the reason that the authorities who know more about this subject than I do consider it is necessary. I do wonder, however, when all these controls will come to an end. We were told that they were necessary during the war and would be necessary for six months afterwards. I agree with Mr. Craig when he declares that this Bill should operate for one year only. If he will not do so, I intend to move in that direction when the measure is in Committee. A period of one year is enough in which to grant these powers. Certain legislation is necessary to prevent profiteering. Why cannot that be done by the State authorities? Perhaps control of this nature can only be carried out by the Commonwealth because of the Constitution as it affects interstate trade. With a little collaboration and co-operation between the various State authorities perhaps the Western Australian authorities could be allowed to carry on the work. Price-fixing today is very one-sided. I will quote an instance of that which came under my notice lately.

A man wanted a job done at an engineering shop in Perth. He had it done but was charged three times as much as an independent authority said the job was worth. This matter was referred to another engineer who was quite an independent person and knew what he was talking about. He said the job should have taken three hours and was by no means a big one. Notwithstanding that the man I speak of was charged for 14 hours 52 minutes. The whole thing was then referred to the price-fixing authorities who took very little interest in it. They declared the firm

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**BILL—COMMONWEALTH POWERS.***Second Reading.*

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**HON. L. B. BOLTON** (Metropolitan [4.40]: Like many other members of the Chamber, I regret the necessity for ever some continuance of price control. In the circumstances, however, I feel disposed to vote for the second reading of the Bill although I am rather perturbed at the period as to which I would suggest that Mr. Dimmitt's amendment, of which he has given notice, should be adopted when we reach the Committee stage, thus fixing the term for definite period of two years. As a rule, I am opposed to the transfer of powers to the Commonwealth; but in the circumstances now under consideration I believe the present proposed transference cannot be avoided, as, without some continuance of control, the position might become dangerous because of the great demand now existing, and likely to continue for some considerable period, for all classes of materials, not only for construction purposes, but for all industries. Manufacturers, too, would be very much affected if prices were allowed to go uncontrolled. I favour giving the power on this instance to the Commonwealth, because if we had price control in our own State and were not allied with the Eastern States, the position would soon become chaotic, especially if we were subjected to the dumping which we have experienced in the past from the Eastern States.

Hon. H. Seddon: What would be the effect of that on prices?

Hon. L. B. BOLTON: It might have a very big effect. If in this State we had a fixed price for an article and the Eastern States were able to dump their goods here, they would be paid for at Eastern States prices. We could not prevent the Eastern States from selling goods in this State at a reduced rate.

Hon. H. Seddon: Would that do any harm to consumers?

Hon. L. B. BOLTON: It might in some instances.

Hon. H. Seddon: How?

Hon. L. B. BOLTON: The present Bill, by Clause 3, excludes State instrumentalities. I suggest adding a subclause, of which I have given notice, to Clause 3. The proposed subclause reads—

(2) For the purposes of this section the term "semi-governmental or local governing bodies" shall include and shall be deemed to include all road passenger transport operators whose omnibuses are operated under licenses granted by the Western Australian Transport Board.

My reason is that over a period of 10, 11 or 12 years past, fares have been fixed by the local transport board of each State of the Commonwealth. In support of my proposed amendment I would refer members to a resolution carried last month by the annual conference of the Australian Road Transport Federation, as follows:—

That in as much as the fares of privately-owned road passenger services have always been and still are fixed and carefully regulated by the appropriate Transport Control Boards in the respective States, and inasmuch as such boards are the most convenient and the most competent authority to deal with such matters, such matters should be expressly excluded from the jurisdiction of the Commonwealth Prices Department, thereby avoiding unnecessary and irksome duplication of control of fares.

I think the common sense of the principle affirmed in the foregoing resolution will appeal to members. The federation to which I have referred does not object to prices control, but seeks to be relieved of interference by the Commonwealth Prices Department, which probably knows very little or nothing about road passenger transport. The various transport boards are, of course, au fait with the position and would be more likely to fix amounts fair and reasonable as well to the proprietors of the services as to the general

public. I think the House will agree that the provisions of Section 92 of the Commonwealth Constitution, and the other arguments usually advanced for Canberra control of prices in preference to State control, have no application whatever to this case. I therefore commend to members the amendment which I propose to move when in Committee. I shall support the second reading. I might mention that transport fares have been controlled on all licensed omnibuses since 1933 and are quite satisfactory. It is pleasing to know that there is so much harmony between the transport board and the owners of road transport in this State.

**HON. H. L. ROCHE** (South-East) [4.48]: I support the second reading of this measure because it appears to me that, from sheer necessity, in view of the circumstances following the conclusion of hostilities, we must certainly have some temporary control of price levels in certain directions. It will not be possible to enforce such control in regard to interstate trade unless each State is prepared to give the necessary authority to the Commonwealth Government. So far as we ourselves are concerned, I consider we must accept the inevitable, because unless there is some continuance of this control we shall probably have chaotic conditions within the next 12 months or so with regard to price levels in this country. For my part, I cannot see why this control should be for any long extended term, or why it should not be possible to exclude from the control of the Commonwealth authorities land and property values in this State. I have more faith in local control over such matters than I have in the control exercised by people sitting back in Canberra, remote from this State, apparently ill-advised, or not advised at all, upon the conditions existing here, and yet exercising absolute power, as they have been doing through the Commonwealth Sub-Treasury. When the Bill gets into Committee I hope that it will be possible to give consideration to that aspect.

**HON. L. CRAIG** (South-West) [4.51]: While I intend to support the second reading, I regret the necessity for this Bill. I know that the control of prices must be continued, but I do not think it is necessary for this House to give the requisite powers

for three years. It might be all right to extend them for two years; one might be better and, if the necessity arose, continue the powers again next year. The control of the prices of certain commodities has the effect of creating petty crimes. We know that today there is considerable black marketing going on particularly, I understand, in the transfer or sale of small parcels of land. It is inevitable that that should be so, and the sooner we remove the reason for it the better it will be for the people generally and the State as a whole. We must not forget that the price of land is controlled on the basis of what land values were some years ago when they were below their real economic value.

Today we have a system of guaranteed prices which is likely to continue and will have the effect of bringing land—particularly agricultural land—somewhere up towards its real value. But price control will have the effect, and it has already done so, of stopping legitimate transfers of land because the owners know that eventually they will get the price they are asking today. Land values in many parts of the country have been a long way below the actual cost of the improvements. The values in a number of cases have been fixed on those prices, and that is inequitable. I personally would like to see some effort made to allow a lift in land prices.

Hon. H. L. Roche: It has been done on the share market.

Hon. L. CRAIG: Yes. I had a personal experience about a year ago of a returned soldier, just recently married who, I know, is an experienced farmer, and who was able to borrow sufficient money to buy a small first class farm. I inspected the property and approved the price, and I know something of the values of the district where that farm is situated. The Sub-Treasury refused the transfer on the ground that the price was excessive. To my mind the price asked, namely, £2,000—and there was a £1,000 house on the property—was under the real value. After a good deal of persuasion I convinced the Sub-Treasury that the place was worth the money asked. Very reluctantly the official said, "We will give it further consideration." The sale was eventually allowed to go through. I saw that young man only a fortnight ago, after he had been 12 months on this £2,000 property,

of which £1,000 was in the house and the buildings—it was a beautiful little house in a perfect setting—and I said to him, "How are you getting on?" He said, "I am getting £90 a month at present for the cream off my farm and I am employing no labour at all." That £1,000 worth of land was turning, in the peak period, £90 a month to this man. It will give him, probably, £500 gross for the year—a first class living. The point I am trying to make is that without pressure—I will not call it political pressure because it was not political; I had been a member of the Land Purchase Board and knew values and was able to impress the Commissioner—of some sort many cases of land transfers are being held up through—

Hon. A. L. Loton: Inexperience.

Hon. L. CRAIG: No, not inexperience but through a system that is inequitable, particularly in regard to the transfer of land.

Hon. T. Moore: The sworn valuers—

Hon. L. CRAIG: They have been men in some instances who have had no local knowledge whatever. The sworn valuer in this case was an ex-bank manager who based his values, and was told to do so, on the conditions at a time when butter-fat was at a much lower price than it is today. It is likely to be for many years to come. Therefore that is one of the reasons—I am not going to speak at length—why I suggest—

Hon. T. Moore: That we change our values.

Hon. L. CRAIG: —that we make the period a shorter one than is set out in the Bill. I would like to see the period fixed at 12 months because there may be some reason then for altering these powers. We would only need a continuance Bill which could be introduced next year and would not take very long to deal with. However, I am easy on that, but I think that if we give powers for three years now it would mean that the values of certain lands would be fixed for a minimum period of three years, and that would be a great mistake. There is already an amendment on the notice paper to reduce the period to two years, and when we are discussing that amendment we might consider reducing it still further.

**HON. G. FRASER** (West) [5.58]: I agree with Mr. Craig regarding the number of years that the Bill stipulates that these powers shall be continued. Whilst I am at this stage not going to commit myself, I hope that the Minister, when replying, will give some reasons why the three year period has been included. My objection to that period is that many small land transactions will be held up for that time. Some are being held up now. I know of numbers that are being held up because the Commonwealth Sub-Treasury, to my way of thinking—and I know many of the blocks—is not allowing the actual value of the land.

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Hon. G. FRASER: No matter what regulation it is working under my experience is that the price it has put on the blocks is £10 or £20 under what has been regarded as their value. I know of one particular instance, in the Applecross-Canning Bridge area, of land that was originally sold in about 1924—about 20 years ago—for something like £60 or £65. That area has not gone back; if anything it has increased in value. I believe that the vendors had originally recommended to those who purchased and now want to dispose of the land that the value of the blocks would be in the vicinity of £75. I know of persons who paid £60 or £65 for blocks and wished to sell them for £50, and the Commonwealth Sub-Treasury refused to permit the sales at £50, but fixed a figure of £40, which is about £20 to £25 less than what was paid 20 years ago.

I know of another instance where an agent in Fremantle sold three or four blocks out of five in the one area, for £100 per block before the war. He retained the block that was in the best position and endeavoured to arrange for the sale of the inferior blocks, but the price at which the Commonwealth Sub-Treasury was prepared to allow them to be sold for was only £80, £20 less than the pre-war price for blocks that were not as good. One could recount other instances of the same kind. Because of actions like this the people will not sell.

Hon. A. Thomson: And those who want a decent block are not able to purchase one.

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cial. There is a block of which I have some knowledge. The owner was told that he could only sell at a price which was £10 or £20 below the ordinary value. I agree that unless we have something like this on the statute book there would soon be chaos with regard to prices generally. Such a Bill as this is therefore essential. Unless some good reason is advanced, I do not see the necessity for the three-year period. I think that will hold up many genuine transactions at genuine prices for too long a period. I hope the Chief Secretary will be able to advance good reasons for the three-year term.

**HON. G. B. WOOD** (East) [5.3]: I support the Bill for the reason that the authorities who know more about this subject than I do consider it is necessary. I do wonder, however, when all these controls will come to an end. We were told that they were necessary during the war and would be necessary for six months afterwards. I agree with Mr. Craig when he declares that this Bill should operate for one year only. If he will not do so, I intend to move in that direction when the measure is in Committee. A period of one year is enough in which to grant these powers. Certain legislation is necessary to prevent profiteering. Why cannot that be done by the State authorities? Perhaps control of this nature can only be carried out by the Commonwealth because of the Constitution as it affects interstate trade. With a little collaboration and co-operation between the various State authorities perhaps the Western Australian authorities could be allowed to carry on the work. Price-fixing today is very one-sided. I will quote an instance of that which came under my notice lately.

A man wanted a job done at an engineering shop in Perth. He had it done but was charged three times as much as an independent authority said the job was worth. This matter was referred to another engineer who was quite an independent person and knew what he was talking about. He said the job should have taken three hours and was by no means a big one. Notwithstanding that the man I speak of was charged for 14 hours 52 minutes. The whole thing was then referred to the price-fixing authorities who took very little interest in it. They declared the firm

in question had not infringed the National Security Regulations. The Prices Branch was asked to make an investigation and to say whether it thought the price charged was commensurate with the job done, but no answer was received. Had this matter been under State control something could have been done about it. I do not like to suggest that the job time sheets were faked.

Hon. L. B. Bolton: That is a nice thing to say.

Hon. G. B. WOOD: When an independent authority declared that the job should not have taken more than three hours, and this man from the country was "slugged"—

Hon. L. Craig: What do you mean by that?

Hon. G. B. WOOD: The hon. member knows quite well what I mean. It is the only word to use in this case. There must be something wrong with the whole set-up. We find that the owner of a small goods shop at Cottesloe was fined £5 for selling rabbits at 1s. 6d. instead of 1s. 3d., and yet this other man from the country gets no satisfaction whatever.

Hon. J. Cornell: That man was fined for being caught.

Hon. G. B. WOOD: It is a one-sided affair. I cannot sell a bag of oats for 10s. because the price is fixed at 9s. in the Eastern States. I should like to see this legislation fixed for one year to begin with, and hope it will be amended in that way in Committee.

**HON. J. CORNELL** (South) [5.6]: Speaking subject to correction, I do not think the three-year period is material. I understand that the Commonwealth authority is acting under its defence powers; otherwise it has no constitutional right to interfere with price-fixing. If it had that right there would be no need for this Bill. That being so, who is to say that tomorrow or the day after, the Commonwealth authority will not ease or lift some of these regulations? It is being done every day. If that is done in this case the question of the Treasury valuing land may go by the board. The three-year period, therefore, will not enter into the matter, except that if peace is officially confirmed the defence powers of the Commonwealth will cease six months

after, and the power contained in this Bill can be exercised. If the power is handed over, and peace is declared, the Commonwealth authority would not be able to step in and fix prices unless this Bill became law.

I ask myself this question: Is it wise to hand over this power? There is a very mixed opinion, I understand, as to whether or not this power should be temporarily handed to the Commonwealth under the Constitution. That is something which may be decided by the High Court, which is the only body that can give a decision on the point. On the question of price-fixing generally, whilst I may find individual cases of hardship, I venture to say that, broadly speaking, the system has been of benefit to the community. There is no argument about that.

Hon. C. R. Cornish: You think it has been beneficial so far as land is concerned?

Hon. J. CORNELL: If the Sub-Treasury officials of the Commonwealth had not exercised their functions in connection with land, and if there had been no regulation, I say God help the returned serviceman. He would get it where he got it last time. Many of them are prepared to pay almost anything for a block of land. There is a certain amount of protection afforded to them. The basis on which the authorities work is a reasonable one. There is a house in my street, the owner of which died. The estate had to be wound up. The premises had been erected for five years and were terminated. I do not think there was £20 difference between the Sub-Treasury price and the price that was paid for the house five years before. It certainly did not receive the benefit of the enhanced value.

Another point I have noticed is in connection with household goods. People grumble at having to pay 2s. 6d. or 3s. for a cauliflower are many of them drawing a basic wage. I have seen persons making purchases that my wife would consider worth the money. If consumers generally adopted the attitude that they refused to be "slugged," as Mr. Wood says, by being overcharged for goods, that would have a salutary effect upon the retailer. I know there are many shortcomings and many people have misgivings about price-fixing, but, generally speaking, it has been of benefit to the community. Without Federal j



isdiction and control price-fixing would soon become more or less a farce. I suppose more than half of our consumer goods in this State come from other parts of Australia. If there were no control the retailers or the merchants could fix their own prices for Western Australian consumer goods, and we would then be at the mercy of Eastern States goods. That is my main reason for being prepared to hand this matter to the Commonwealth.

**HON. SIR HAL COLEBATCH** (Metropolitan) [5.13]: I support the Bill, and also the proposal to limit its duration. All I intend to do, very briefly, is to give my reasons for adopting that attitude. First of all I think we need to ask ourselves what is the necessity for the Bill? How has it arisen? Why is it necessary, now that the war is over, to have price-fixing? The answer is simple. It is because the Commonwealth Government, wisely or unwisely—I do not intend to discuss that feature now—throughout the war has followed a financial policy which has made everyone better off than they were before. We used to hear a lot of talk about the conditions of poverty in the midst of plenty. Now we have the opposite situation; wealth in the midst of scarcity. It is no exaggeration to say that the loose money, the pocket money, the spending silver in the hands of the people is today in the neighbourhood of something like £100, for every man, woman and child in the community. The effect of that has been to cause people to lose a great deal of confidence in the purchasing power of money. That is why they are prepared to pay almost any price for something they want.

I will illustrate my point. I was told that a man had a block of land, the pegged price of which was, I think, £1,200. He thought, and quite reasonably thought, that taking into account the depreciated purchasing power of the pound he would only be getting the same value as the £1,200 would have given him at the time when the price was fixed, if he accepted £1,500. The basic wage has risen, our own salaries have risen and everything has gone up. He therefore offered the land for £1,500. He was told he could not be paid that amount and must accept £1,200. He refused to accept that price. A little while after the prospective purchaser called and said, "You wanted £1,500 and you

were told that you could charge only £1,200. I will give you here and now, because I know you to be an honourable man, £500 in £5 notes, and tomorrow we can go to the authorities and make the deal at the £1,200 they approved of." The man who offered the higher price did so because he had very little confidence in the stability of the currency, very little confidence in its ultimate purchasing power. If we have it in our minds—and I do not see how we can avoid it—that the necessity for this legislation arises out of the expansion of the currency, are not we entitled to ask ourselves the question: Will the policy to be followed by the Government during the next few years tend to correct the position, or will it tend to intensify the trouble? That should be one of our main concerns.

We are aware of the difficulties experienced in raising the last Victory loan. I have no doubt that that difficulty resulted largely from loss of confidence. During the course of the loan campaign, two entirely contrary statements were made by responsible Ministers of the Commonwealth. In the first place, there was a statement by the Prime Minister, Mr. Chifley, an admirable statement in every way, one that should have won a great deal more support for the loan than it did. He said, "Those people who tell you that we can finance this loan by Commonwealth Bank credit are talking nonsense. To do anything of that kind would bring about the horrors of inflation." Those are his own words. He said that Commonwealth Bank credit could be used only to the extent that the money was actually coming in, and that to do anything else would bring about the horrors of inflation.

A day or two before or after that statement was made, another Minister of the Crown said, "The opponents of Labour are raising the question of cost as an objection to this scheme for converting our railways to the 4ft. 8½in. gauge"—a scheme proposed to cost between £200,000,000 and £300,000,000. He continued, "That need not trouble us at all. The whole of the money can be raised by Commonwealth Bank credit without any anxiety or any cost." There are two absolutely contradictory statements, and the public is entitled to know what the policy of the Commonwealth Government is.

What is its financial policy? Is it the Commonwealth's policy to correct something that has become disorganised, correct

the situation in which there is far too much money available for the goods that can be obtained, or is it a policy as declared by another Minister to intensify the present trouble by spending more and more money? Until we have a definite reply, we are entitled to say that we will extend this power for the shortest possible period in order that, during that time, we may get some evidence as to whether the Commonwealth Government is going to pursue a financial policy to put matters right, or use powers of this sort to pursue a financial policy that will make the position worse than ever. I can use no stronger words than those of the Prime Minister himself when he said it would involve the horrors of inflation. I shall support the second reading of the Bill and any amendment to limit the period of its operation.

**HON. T. MOORE** (Central) [5.20]: Much has been said about what may happen if prices are not controlled. All members realise that the control of prices so far has been a good thing for the country and for the people. This being so, I have no fear of carrying on the system. In my opinion, in the next three years there will be greater necessity to control prices than there has been at any time up to the present. The greater proportion of our men in the Services will be returning during that period and, in addition, those workers who have been taken from various parts of the country and put into munition works will have to find homes for themselves. The Service men will have quite a large amount of money in deferred pay to collect. Suppose we do not control prices, we know what will happen. Those people who are now asking reasonable prices for blocks of land, simply because the prices are controlled, would very soon be asking unreasonable prices if there were no control. Unfortunately the returned men will be ready and willing, as Sir Hal Colebatch pointed out, to pay any price for what they want. On that account, I am surprised that Sir Hal should propose limiting the duration of the Act.

**Hon. Sir Hal Colebatch**: It can always be extended.

**Hon. T. MOORE**: In my opinion, these men and women in the Services will not be settled down for three years, and if we do

not control prices, these are the men that black marketeers will be after on their return. Apart from the black marketeers there are many people who, in the open market, will be after the money in the hands of the Service men, just as they were after the 1914-18 war. We know of the great ramps that were put up on that occasion. We had a Royal Commission to inquire into the doings of certain individuals in relation to their trading in land, and a great number of returned soldiers who had paid too much for blocks of land had money refunded to them. Do members want a repetition of that experience? If they do, let them drop this legislation for six or 12 months. Then the same set of circumstances will arise.

There is only one guide to the future and that is the history of the past. Surely members have not forgotten what occurred after the first world war. I would not give anyone a chance to profiteer at the expense of the returned soldiers or of those who have been working in the munition factories. These are the people we should be most concerned about. Most civilians are in a position to carry on, but those who joined the Services have not had an opportunity to get homes for themselves.

**Hon. A. Thomson**: How many men are able to get farms?

**Hon. T. MOORE**: Very few.

**Hon. A. Thomson**: None.

**Hon. T. MOORE**: I would not say that. I wonder why some members are so anxious to get things done quickly so that the servicemen who have already returned may get the plums. Does it strike them that those men who have not yet got back have no rights, too?

**Hon. A. Thomson**: Of course it does.

**Hon. T. MOORE**: I want the land settlement scheme to be organised in such a way that there will be no repetition of the errors we made before. On the previous occasion we rushed in, to our great undoing, and we are now sorry for it. I am pleased that the Government is going slower this time, and I hope that when its land settlement policy is announced, we shall find it founded on a sound basis. I believe that the board set up is a good one and, under the guidance of Mr. Fyfe, the troubles previously experienced should not again arise. Those people who are clamouring to get the scheme operating quickly, in my

opinion, are making a big mistake. I am prepared to make haste slowly and, I hope, surely so that when we commence, everything will be right. We know well what happened when there was no price control. When I returned from the first world war and went to buy a suit of clothes, I found that the cheapest I could get was about 13 guineas.

Hon. J. Cornell: That is about the price now.

Hon. T. MOORE: I was not ready to pay too much for clothes at the time and yet the suit I got cost me 13 guineas. I thought it an extortionate charge and I still think it was. Unless we control prices, that is what will happen again. I shall support price control as long as I deem it necessary, and in my opinion it will be necessary for the next three years at least.

**HON. J. A. DIMMITT** (Metropolitan-Suburban) [5.26]: From the tenor of the debate it would seem that the House is satisfied that price control has played an important part in the economic stability of the country. While perhaps it has brought about some evils in that it has been responsible for black marketing, I think we can all agree that the good resulting from price control has more than outweighed the evils. I agree that the large amount of money in the hands of the public and the great shortage of commodities would, without price control, result in the skyrocketing of the prices of commodities as well as of land and other things. Mr. Moore has suggested that we should make haste slowly. I agree with him. He thinks it will be necessary to control prices for the next three years. To carry that remark to its logical conclusion, I consider that it would be wise to provide for a review of this legislation in two years' time.

Hon. L. Craig: One year.

Hon. J. A. DIMMITT: Then a fresh measure could be brought down to continue the legislation.

Hon. T. Moore: And some people will be content to hold off for another 12 months, believing they will be able to get higher prices then.

Hon. J. A. DIMMITT: The amendment of which I have given notice proposes to give the measure a duration of two years,

and I believe that will meet with the approval of the House.

Hon. J. Cornell: I understand that the Premiers have agreed to a period of three years.

Hon. J. A. DIMMITT: That would be subject to the approval of the State Parliaments.

Hon. J. Cornell: Suppose we leave out any reference to time. Then we shall revert to our own prices control.

Hon. J. A. DIMMITT: I believe that our price-fixing measure was the first legislation of its kind to be passed in Australia, and this State would not suffer if the local branch controlled prices. I shall vote for the second reading and, in Committee, move the amendment I have indicated.

Hon. H. SEDDON: I move—  
That the debate be adjourned.

Motion put and negatived.

**HON. H. SEDDON** (North-East) [5.29]: I would have liked time to put my thoughts into something like marshalled order, because this question covers more than one item—it covers the whole range of price-fixing. The intention of prices regulation in the first place was, as has been pointed out, to endeavour to control inflation, and the policy of the Government and of the departments has been in that direction. There has been a good deal of criticism of the control exercised by the department, particularly in relation to the price of the land, but very definite conditions were set down for the guidance of the department. The idea laid down was that the price of land should be fixed as in 1942; and consequently any person who wishes to buy and sell land has to refer his price back to the one ruling at that period. The department has some fairly complete information, and it is to that information it refers when one applies for permission to buy or sell property. The price of land has been under review by the Taxation Department for many years. There is, however, the fact of inflation, and it is that which has affected the demand for land.

Hon. T. Moore: People need homes.

Hon. H. SEDDON: I know they do. I am going into that aspect, too. But here is the point: There are certain people who say, "Obviously the result of wars is inflation, and that is definitely established.

We have certain funds which we wish to safeguard; we will therefore put them into land." It was that policy, put into operation more in the Eastern States than here, that impelled the Commonwealth Government to introduce regulations fixing the price of land. There is, however, one factor that I think does affect valuations fixed in 1942. The cost of building has risen very materially; and when one refers back to the cost of building to 1942, one is referring to a time when the cost was very much lower than it is today. The effect is to penalise the man who has a house and wants to sell it and who feels he is entitled to a better price, without profiteering, than is allowed him under the rigid 1942 regulation. There is another factor that enters here.

Reference has been made to the point that the danger of inflation lies in the fact that there is a lot of money in the hands of the public. There is a lot of money, in the form of notes, held by people, and that money is dangerous money. That is the money which is being used in black marketing transactions. The transaction referred to by Sir Hal Colebatch is, I am led to believe, not by any means an isolated one. Quite a number of people who are buying and selling property are indulging in what are really black marketing practices in order to gain their ends. So price-fixing is operating this way: The honest man is being penalised and the dishonest man is flouting the law and getting away with it.

Hon. J. A. Dimmitt: Some of them go to gaol.

Hon. H. SEDDON: Some get caught; but quite a number are indulging in the practice, owing to the amount of free money available. A great deal of money is held in savings bank deposits. Many contend that that is dangerous money, but I think it is serving a good purpose. It is held there by many people who realise that their employment conditions are very materially affected, and it is a safeguard enabling them to carry on over the period when they are changing from one occupation to another. As I said previously, price-fixing refers to other things besides land. It refers to commodities and services. Reference has been made to the effects on commodities. They fall into two classes. There is the price paid for perishable commodities; they are mostly produced locally. Then there is the price paid for

commodities that are not perishable; a many of them are imported.

Suppose we had our own Act in operation, and there were quantities of goods dumped into this State from the Eastern States; what would be the position? They were dumped here because we had control of prices, the idea would be to obtain a better price here for them; but manufacturers might find that in the process they had swamped the market and defeated their own object. There is one objection to the present system of control, and that is in the case of forced sales. There has been a certain latitude in regard to securities on the Stock Exchange; there is no latitude in the sale of land. Take the case of a man who has a small estate in land, and who dies. In order to meet charges on the property, the land must be sold; and it has to be sold at the fixed price. Obviously, that control is in operation to the detriment of the beneficiaries. The man who has put his money into land with the idea of profiteering is prepared to hang on indefinitely; and the man who has invested his money in that way with the idea of taking refuge from inflation is also going to hang on, expecting that, sooner or later, money must fall to its true value. But there is another aspect of price-fixing, and it is one that leads me to support the idea of limiting the duration of this Bill. There are many articles in short supply.

Hon. C. B. Williams: You do not mean beer, I hope?

Hon. H. SEDDON: No.

Hon. C. B. Williams: You would not say so, but it is.

Hon. H. SEDDON: I did not refer to beer but I am glad the hon. member mentioned the subject. I came to Perth by the express; and if there is one thing that impressed me more than another it is that so far as the supply of bottled beer is concerned, there was no shortage on the express because it was carrying beer in bagfuls.

Hon. C. B. Williams: From Kalgoorlie?

Hon. H. SEDDON: Yes.

Hon. C. B. Williams: You represent good constituency.

Hon. H. SEDDON: What impressed me was the conditions of travel for the women and children.

Hon. C. B. Williams: Did you think of the poor people down here who are not travelling at all?

Hon. H. SEDDON: However, that is a side issue. There are goods that are in short supply. On the other hand, there are many people who are getting to work as quickly as they can in order to make those goods, and in 12 months' time many of the commodities will be in plentiful supply. Consequently the price will be affected. If the department is doing its job properly, it will ease the operation of the regulations and say, "These articles are in good supply, so we can let them find their own level." On the other hand, my experience of the department is that it is inclined to let things slide, until someone kicks up a row.

Hon. C. B. Williams: They want a job.

The PRESIDENT: Order!

Hon. C. B. Williams: I am sorry. I did not know you were there.

The PRESIDENT: Order! I will not allow the hon. member to continue interrupting.

Hon. C. B. Williams: I can do no more than—

The PRESIDENT: Order! The hon. member will have to leave if he cannot keep quiet.

Hon. C. B. Williams: Am I not allowed to apologise?

The PRESIDENT: Sit down!

Hon. C. B. Williams: It is my right to be allowed to apologise.

Hon. H. SEDDON: The point raised by the hon. member has some bearing. Undoubtedly, one has reason to ask the question: How much of the rise in the price of goods is due to the fact that we have a large number of people engaged in these various Government departments carrying out the regulations? One wonders how much the shortage of goods is due to the fact that we have had thousands of men kept under arms and in idleness for a long time after the necessity for retaining their services had patently disappeared because of the cessation of the war. One wonders how much of the increase in prices is due to the fact that obvious waste has taken place in the community. All those things have an effect on the fixing of prices. Unfortunately, many prices have been fixed at a figure that, as soon as conditions return to normal, will not be retained; and in a few years' time there will be an agitation, in my opinion, to the effect that prices are too low. After all, in-

flation only takes place over a period and the restoration of production has the result of gradually adjusting prices.

When one interferes with the law of supply and demand, one interferes with a pretty powerful force. My contention is that that has been demonstrated effectively to the people of Australia who are prepared to think for themselves. Under those conditions, I am inclined to think we can get along just as well with our own State legislation, with the Aet we now have on the statute-book, as we could under these referred powers; but I am prepared to support the Bill to the extent that we grant the reference of the powers for a period of 12 months and no longer. At the end of that time, the Government can, if it desires, introduce a continuance Bill, and show cause why it should be supported. Under those conditions, I think we shall obtain the best results for the consumers of this State with regard to the many things that we hope will by that time be far more plentiful than they are now.

I understand that there is to be introduced a measure which will restore certain relaxations made by the Commonwealth Government. Here we have a Bill handing over powers to the Commonwealth Government to continue price control, and yet we are to have a Bill which will endeavour to enable the State Government to impose price control in the field the Commonwealth Government has abandoned. There is a certain inconsistency which I hope the House will bear in mind. I intend to support the Bill. I regret I was not allowed to put my notes into more or less consecutive order; but, while I agree with the second reading, I intend to support the proposal to reduce the term during which the measure will operate to a period not exceeding 12 months.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [5.43]: As stated by Mr. Seddon, the object of price-fixing is to prevent, as far as possible, a period of inflation in the post-war years. It was also necessary during the war period, for the same reason. I think we have heard sufficient to indicate how complex this problem can be. In my opinion, we have every reason to be pleased with the result of price-fixing legislation in Australia in a general way. We can all point to some incident

which appeared to be unfair in one way or another but, generally speaking, price-fixing has operated successfully; so much so that prices in Australia, speaking generally, have not risen to anything like the extent they have in other countries that were involved in the war. If it is essential to continue price-fixing during the post-war period it is essential that we take the necessary steps to see that the method employed is uniform throughout the Commonwealth. That is the reason for this Bill.

I would like to take members back to 1942, when there was what was known as the Powers Convention. In February of that year representatives of all the States met representatives of the Commonwealth to deal with the question of what State powers should be referred to the Commonwealth. Members are aware that the States agreed with the Commonwealth that they would hand over to the Commonwealth certain powers. New South Wales and Queensland—if I remember rightly—agreed to endorse the arrangement made at that conference, and they carried legislation to that effect. We, in this Chamber, disagreed with that idea and members know that we were prepared to hand over only very limited powers to the Commonwealth Government. Arising out of that and the attitude of perhaps two of the States there has been no Commonwealth legislation passed in that regard. We have now reached a stage where the various States say that it is desirable that price-fixing be continued on a Commonwealth-wide basis. As price-fixing today is carried on only under the National Security Regulations or under the defence powers of the Commonwealth it will be necessary, if we are to have effective price control, that the power to fix prices be referred to the Commonwealth.

At the last meeting of the States and Commonwealth dealing with this matter there was a unanimous decision arrived at, that the power to fix prices should be handed over to the Commonwealth for a period of three years. Every State is pledged to do that, and unless there is uniformity in the State legislation referring this matter to the Commonwealth, the Commonwealth is not likely to initiate any legislation at all. I want members to bear in mind that the Commonwealth will have to bring down legislation after all the

States have done so—if they do agree to refer this power to the Commonwealth Government. It is for that reason that I have to tell the House that the amendments that have been mooted cannot be accepted, unless every other State in the Commonwealth is prepared to agree to similar measures. That is a constitutional matter that we cannot get over. It is a Commonwealth constitutional matter, and not a State constitutional matter.

In accordance with the agreement that was arrived at with the other States and the Commonwealth, we have brought forward this Bill to deal with price fixing, and have fixed the period at three years, which was the period agreed upon. The wording of this Bill is identical with the wording of the legislation of every other State dealing with this matter.

Hon. H. Seddon: Perhaps the other States will be glad to follow our example, when they see it.

The CHIEF SECRETARY: I cannot say whether that will be so or not, but I do say there is unanimity among the States as to what is necessary.

Hon. H. Seddon: Unanimity among those who attended the meeting?

The CHIEF SECRETARY: Unanimity among the representatives of the States who attended the meeting and who were unanimous in the belief that price fixing on a Commonwealth-wide basis is absolutely essential in the post-war period unless we want a state of chaos. No matter what instances we may be able to quote to show what might, in the opinion of some members, be an instance of an unfair method of fixing the price of a particular commodity or service, the matter must be looked at from the point of view of the good of the people generally. If we are prepared to admit that price fixing has been of benefit to Australia during the war period, and that it is necessary to continue that method during the post-war period, then in my opinion we cannot afford to be out of step with the other authorities throughout the Commonwealth. I am pleased to note that every member who has spoken to this Bill has expressed agreement with the suggestion that price fixing is necessary in the immediate future. We cannot afford to take the risk of the Commonwealth power terminating at a particu-

lar time, unless we are in a position to substitute something for the power that the Commonwealth exercises at present. State control of price fixing would be very successful up to a point.

Hon. L. Craig: The State would control land prices.

The CHIEF SECRETARY: But it could not be as successful, over all, as could Commonwealth legislation. While I realise that every member is agreed that we should have legislation of this kind, there may be differences of opinion as to whether some particular commodity or service should come within the scope of the Commonwealth legislation, and there is a difference of opinion as to whether the period should be one year, two years or three years. However, it is my duty to inform the House that unless we have uniform legislation no good can come of it.

Hon. G. W. Miles: We must have it.

The CHIEF SECRETARY: We must have uniformity in this legislation, and we have reached the stage when we have little time to determine whether we are to agree to this or not.

Hon. L. B. Bolton: I think we should not give this power to the Commonwealth.

The CHIEF SECRETARY: If the hon. member is prepared to take the risk that he knows he is running in refusing this power, that is his responsibility and not mine. I am submitting what I think is a reasonable and logical case, and if the hon. member does not agree with me he will vote against it. On the other hand, I advise this House that in view of the seriousness of the position I think we cannot afford not to fall into line with the other States of the Commonwealth and the Commonwealth Government in this matter.

Question put and passed.

Bill read a second time.

#### *In Committee.*

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

Clause 1—Short Title and commencement:

Hon. H. SEDDON: I desire to ask the Chief Secretary on what date this Act, if the Bill becomes an Act, will come into operation. Obviously that will depend upon the date on which the war is declared to be

finished, but that day may be a long time hence and we are passing an Act that will come into operation six months after the war is declared to be finished. We may be putting on the statute-book an Act that will tie up price fixing for the next 10 years. I therefore ask the Chief Secretary what the position will be.

The CHIEF SECRETARY: I am wondering whether the reasoning of the hon. member is sound. This Bill provides that price fixing shall come into operation on a date to be proclaimed. That date will be determined by the Commonwealth Government in conjunction with the State Governments. It is possible that the price fixing regulations, as we know them at present, may expire before the end of next year, seeing that they are being exercised under the defence powers of the Commonwealth. If that were so the price fixing under this Act would come into operation on whatever date the other regulations went out. On the other hand, without having been advised on the subject, I think it would be quite competent for the Commonwealth Government to introduce the necessary legislation and at the same time to terminate the existing price fixing regulations, under which they are now operating, in order that the uniform provisions of this Bill—if it is passed by all the States and the Commonwealth—may come into operation. The reply to the hon. member's question is that it is not possible at the present time to fix the actual date, but the power will be brought into operation, I would say, on a date which will meet with the approval of the various States of the Commonwealth and of the Commonwealth Parliament itself.

Hon. H. SEDDON: As I anticipated, the Chief Secretary is in no better position than is any other of us to determine when the powers under the Defence Act will cease. Under those circumstances this Bill is obviously indefinite as to the period over which it will operate. I think the difficulty might be got over by setting down in this Bill a definite date from which we shall give the powers to the Commonwealth. If on that date the defence power is still in operation we still have the right to renew the Bill and to continue it from year to year, under the amendment suggested to Clause 6. Under those conditions I think

we should have a definite date. I am not prepared at present to suggest a definite date but I think it might be wise to recommit the Bill tomorrow and in the meantime to consider whether a definite date can be determined, to be moved as an amendment to Clause 1. Under the circumstances I do not intend to pursue the matter further, but between now and tomorrow it may be found desirable to fix a definite date for the Act to come into operation.

The CHAIRMAN: Whilst on Clause 1, after hearing the Chief Secretary and Mr. Seddon, I would like the Chief Secretary to explain how he is going to work Standing Order 175 into Clause 6. Standing Order 175 says "The precise duration of any Bill, the provisions of which are intended to be temporary, shall be inserted in a distinct clause at the end thereof." There is nothing precise about Clause 6 of this Bill.

The CHIEF SECRETARY: I do not know what more precision the Chairman can want, if there is nothing wrong with Clause 1. There is nothing unusual in Clause 1, which provides that the Act shall come into operation on a date to be fixed by proclamation. Clause 6, to which the Chairman refers, states that the Act shall remain in operation for a period of three years from that date.

Hon. L. Craig: Which might be any time from now.

The CHIEF SECRETARY: It will be in operation for three years from whatever date is proclaimed. To that extent it is as definite as it is possible for it to be made.

Hon. H. Tuckey: It is precise.

The CHAIRMAN: It is wartime, and a lot of things have been done in wartime.

The CHIEF SECRETARY: I think this kind of thing has been done in pre-war times.

Hon. H. Seddon: Not under the defence power.

The CHIEF SECRETARY: We have often introduced Bills that have not come into operation until a date to be proclaimed.

The CHAIRMAN: But with an unlimited period.

The CHIEF SECRETARY: The second point involves a constitutional matter and I hope I am not expected to argue that question here this afternoon or at any other

time. We have spent hours and hours in this Chamber talking all around the subject. Clause 6 has been inserted in the Bill so that we can make sure that we shall refer to the Commonwealth these price-fixing powers for a limited period only. Should there be a ruling by the High Court that we cannot refer powers for a limited period only, then this legislation will no longer be of any use. That is the reason for the wording adopted in the clause. If the Chairman rules that the clause is not precise enough I do not see how we could vary the phraseology to meet the desires of this Chamber as expressed on several occasions that it is not prepared to hand over such powers permanently but for a limited period only.

Hon. Sir HAL COLEBATCH: Standing Order 175 reads—

The precise duration of any Bill, the provisions of which are intended to be temporary shall be inserted in a distinct clause at the end thereof.

In this instance we have no precise duration set forth. It is to extend over three years from some indefinite date. Surely that is in defiance of our Standing Order!

The CHAIRMAN: I thought some member might forestall me, and that is why I raised the point. I find that we are in the same position now as we were when Dr. Hislop asked for a ruling under Standing Order 174 when he contended that the inclusion of certain words was foreign to the Title of a Bill. Here again the Bill came from the Assembly, and we have to accept it. Had the Bill been introduced in this House the issue could have been argued.

Hon. G. W. Miles: Would it not be possible for this House to add a clause saying that the legislation shall remain in force until the 31st December, 1948, and no longer?

The CHAIRMAN: We will take that hurdle when we come to it.

Hon. H. S. W. PARKER: I would like to ask the Chief Secretary if the Commonwealth Government has done anything to ascertain the meaning ascribed to the words in the National Security Act which set out that the Act shall terminate "six months after the end of the war." There is a certain volume of opinion that the war ended when His Majesty's enemies capitulated which seems to be quite logical. If that is so, then we know just when the National



Security Act terminates—six months after the capitulation of the last of His Majesty's enemies. We know the exact date now. Has the Commonwealth given any intimation to the State as to whether that is the position, or whether the matter is to be referred to the High Court for decision. If the Chief Secretary can give the Committee any information on the point it would assist in arriving at a conclusion.

The CHAIRMAN: Do not the victorious Powers determine the date when the war finishes?

Hon. H. S. W. PARKER: My opinion is that the people who fixed the termination of the war were the Japanese when they capitulated—and no-one can say otherwise.

Hon. Sir Hal Colebatch: A lot more wars have started since then.

Hon. H. S. W. PARKER: That raises the question of whether His Majesty is at war with anyone else. I do not know if it can be said that we are at war with the Indonesians!

The CHAIRMAN: Order! The question before the Chair is the adoption of Clause 1, which provides that the measure shall come into operation upon a day to be fixed by proclamation and the discussion is as to whether a fixed date should be stated.

The CHIEF SECRETARY: In view of your remarks, Mr. Chairman, we should ask for an interpretation of the word "precise."

The CHAIRMAN: I have finished with that; nothing on that point is wanted now. This Bill was not introduced in this Chamber. If it had been, I would allow a discussion on that point.

The CHIEF SECRETARY: We can discuss the question—

Hon. G. Fraser: Academically.

The CHIEF SECRETARY: Naturally, it would have to be an academic discussion in this Committee. Dealing with the point raised by Mr. Parker as to the date of the real ending of the war, I am sorry I cannot give him any information. The hon. member suggested that I might be able to answer it quite easily. Every constitutional authority I know of has been giving consideration to the point, but apparently to date no decision has been arrived at.

Hon. H. S. W. Parker: All I asked was whether the Commonwealth had given you any information on the point.

The CHIEF SECRETARY: I have no information from the Commonwealth on the point. This matter is exercising the Commonwealth and all our Allies. It is a bigger question than one would infer from Mr. Parker's remark. When that determination is made we will know where we stand not only with regard to price-fixing legislation but a lot of other matters as well. As I see the position at present, it will not be easy to arrive at a decision; and a conclusion is not likely to be arrived at for some time to come. In that event I think we have to be content with saying that the Act shall come into operation on a date to be proclaimed. We have to accept a position that is accepted by all the other States, and instead of being precise as to the actual date we have to be prepared to accept what is contained in the Bill. Whether the measure be proclaimed within the next six months or the next six years is immaterial to me. We have to protect the immediate post-war period, and it is hoped that the Bill will have that effect.

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

That in lines 1 and 2 the words "a day to be fixed by proclamation" be struck out and the words "the first day of January, 1946," inserted in lieu.

I do so for the reason that after the 1914-18 war, through some oversight, there was no proclamation setting out that His Majesty had ceased to be at war with some small State, and that condition of affairs continued for seven years. In this instance the Commonwealth Government, quite apart from price-fixing matters, might delay issuing the necessary proclamation so that this measure might hang fire for some years. Should it become necessary to continue the operations of this legislation after the 1st January, 1946, ample time will be afforded for the introduction of a continuance measure.

The CHIEF SECRETARY: I ask the Committee not to agree to the amendment. I have already advised members that the Bill has been drafted in accordance with the decision arrived at by the Premiers' Conference, and we are anxious to avoid any delay in matters of this description. I am informed that unless Bills are passed by State Parliaments in the same way and to the same extent, it will be useless.

Hon. L. B. Bolton: Threats will not do any good.

The CHIEF SECRETARY: A threat!

Hon. L. B. Bolton: Yes, it is a threat.

The CHAIRMAN: It is a promise, not a threat.

The CHIEF SECRETARY: Members know that we have one or two diehards in this Chamber, men who can see a particular kind of point at any time. But how ridiculous it is to suggest that what I stated was a threat! I am merely explaining the constitutional position. Surely there is no threat in the Constitution! I sincerely ask the Committee to accept the suggestion I have advanced, that we accept the Bill in accordance with the agreement arrived at by the Premiers' Conference on the assumption that all States will be in the same position.

Hon. H. SEDDON: I had intended to move an amendment that would have the same effect as that submitted by Mr. Parker. Dealing with the point raised by the Chief Secretary that we should accept the Bill in accordance with an agreement arrived at by the Premiers at their conference, the agreement arrived at was obviously subject to ratification by the State Parliaments. That is why this Bill is before the Committee. To say that we are bound by a decision arrived at by the Premiers in conference—

Hon. A. Thomson: —is to ask us to sign a blank cheque.

Hon. H. SEDDON: Yes, or merely to rubber-stamp something that has been agreed to.

Hon. L. B. Bolton: That is the position.

Hon. H. SEDDON: We did not adopt that attitude with regard to the Commonwealth Powers Act and there is no justification for asking us to do so with regard to the present measure.

Hon. W. J. Mann: We might find ourselves as the only State to do it.

Hon. H. SEDDON: Apart from that, the question arises as to how long this is to operate. The people not only of Western Australia but of the Commonwealth as a whole will be glad to see all these regulations done away with.

Members: Hear, hear!

Hon. H. SEDDON: At the same time very many people are of the opinion that some of the regulations will have to continue.

Hon. A. Thomson: That is so.

Hon. H. SEDDON: Those people will support us in our contention that the authorities must be required to justify the continuance of those regulations, and that the regulations will not be allowed to operate for one minute longer than is necessary. For that reason I agree that we should fix a definite date when the Act shall come into operation and thereafter, if necessary, to introduce continuance Bills year by year. That will enable us to require the authorities to explain the necessity for the continuance of the legislation.

*Sitting suspended from 6.15 to 7.30 p.m.*

Hon. G. FRASER: Unless we leave the Bill as it is drawn, we take a grave risk of price control ceasing. Whether that is a threat or a promise, we have to face the cold fact that the State Premiers met at a conference in the Eastern States and decided upon a course which they were to submit to their own Parliaments. The Bill we have before us is what was agreed to at that conference. We all realise the necessity for the retention of the control of prices, and we had therefore better support the Bill as drawn. I oppose the amendment.

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

Ayes	..	..	..	18
Noes	..	..	..	7
				—
Majority for	..	..	..	11
				—

#### AYES.

Hon. C. F. Baxter	Hon. A. L. Lolton
Hon. L. B. Bolton	Hon. W. J. Mann
Hon. Sir Hal Colebatch	Hon. H. S. W. Parker
Hon. C. R. Cornish	Hon. H. L. Roche
Hon. L. Craig	Hon. H. Seddon
Hon. J. A. Dymally	Hon. A. Thomson
Hon. F. E. Gibson	Hon. F. R. Welsh
Hon. V. Hamersley	Hon. G. B. Wood
Hon. J. G. Hislop	Hon. H. Tuckey

(Teller.)

#### NOES.

Hon. J. M. Drew	Hon. T. Moore
Hon. W. R. Hall	Hon. C. B. Williams
Hon. W. H. Kitson	Hon. G. Fraser
Hon. G. W. Miles	

(Teller.)

Amendment thus passed; the clause, as amended, agreed to.

Clause 2—This Act to be supplementary to the Commonwealth Powers Act, 1943:

Hon. J. G. HISLOP: I am not a lawyer and therefore not qualified to speak with any depth on this clause, but it provides

that the Bill shall be supplementary to the Commonwealth Powers Act, 1943. We appear to be safeguarding ourselves later in the Act by a wordy clause which really means that, provided no person takes the matter to the High Court, the measure will remain in force for a limited period, which we may decide; but that if the High Court should then decide that the measure is ultra vires the Constitution, then this Bill shall be treated, as it were, as if it had not been passed at all. I am not convinced that either Clause 2 or Clause 6 affords us any protection whatever. The correct method of approach to a Bill of this sort is to say that it shall only come into force after the High Court has declared that the State can transfer this power for a limited period. A number of constitutional authorities are of the opinion that once powers have been transferred by a State to the Commonwealth the transfer is absolute. If the Bill is acted upon by the Commonwealth, then until someone raises the point of its correct constitutional character, we may find that it must remain in force.

The CHIEF SECRETARY: Dr. Hislop is a little late in the day in raising this question. At the Commonwealth Powers Convention held in 1942, all the States were in complete agreement as to what should be transferred to the Commonwealth; but, unfortunately, when the various matters were referred to the State Parliaments, only two States of the Commonwealth carried out in full the arrangements made at that conference.

Hon. C. B. Williams: Which States were they?

The CHIEF SECRETARY: Queensland and New South Wales.

Hon. C. B. Williams: Labour States!

The CHIEF SECRETARY: This and other States adopted an entirely different attitude. This particular Chamber was responsible for putting certain limitations on the Bill. These, as members are aware, were not acceptable, with the result that the Commonwealth legislation on this point was not put into operation. At the last meeting of the Premiers of the various States, to gether with a representative or representatives of the Commonwealth, those States which did not refer these powers to the Commonwealth were requested to do so for a

period of three years. That referred to the fixing of prices. As a result of the agreement, we get this Bill. Tasmania is dealing with the matter in the same way as we are. In Victoria, as members know, the political situation has been most unstable for the last month or two.

Hon. L. B. Bolton: Now it is unsatisfactory.

The CHIEF SECRETARY: As the new Government is of the same political complexion as the Commonwealth Government one can anticipate that it will lose no time in introducing a Bill similar to this. Unless there is uniformity in all these Bills, both in regard to the period of time and the scope, they will be useless. This Chamber has decided that this shall come into operation from the 1st January. It is problematical whether the Victorian Government can deal with it by that time.

Hon. L. Craig: The Commonwealth law will over-ride it at that date. If the war has not ceased that date will be inoperative. It only applies if the war has officially ceased.

The CHIEF SECRETARY: We decided a few minutes ago that this Bill shall operate for a period of three years as from the 1st January next.

Hon. G. B. Wood: Whether the war has finished or not.

The CHIEF SECRETARY: There is no qualification at all. By so doing we have made it almost impossible for the Commonwealth Government to implement legislation to take over the control of prices for the whole of the Commonwealth.

The CHAIRMAN: It means, if the war is on at the 1st January, that this Bill is finished.

Hon. L. Craig: Yes.

The CHIEF SECRETARY: Members will not be advised. They will have to take the responsibility for their actions. I have endeavoured to explain the actual facts of the case to the best of my ability. We are advised that Clause 6 will protect this Government in the event of anything happening that would have the result of making this reference of powers to the Commonwealth a permanent enactment. Members can prevent the passage of this legislation if they desire, but I would rather they did it by defeating the Bill than by amending it in such a way as to prevent the Commonwealth from taking any notice of it.

Clause put and passed.

Clause 3—Reference of matter to Parliament of Commonwealth:

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

That in line 4 after the word "services" the words "and other than real property" be inserted.

I cannot see why we should hand over to the Commonwealth the right to deal with real estate. There have been all sorts of anomalies and some still exist. A lot of trouble arises when one wants to sell real estate in Western Australia because the Commonwealth requires all sorts of forms. This entails a duplication of the work at the Titles Office. This can be easily handled by the Western Australian authorities.

The CHIEF SECRETARY: I cannot agree with the proposed amendment. There can be no variation in the Bill as it is drafted, so far as I am concerned. We have on the notice paper an amendment by Mr. Bolton. He desires to exclude the fares to be charged by private transport companies, from the operations of the Bill. We might find some other member wanting to exclude something else. If Mr. Parker and Mr. Bolton are successful there is no reason why some other member should not secure an amendment dealing with the question of groceries.

The CHAIRMAN: Or licenses for hotels.

The CHIEF SECRETARY: Yes. I must resist any amendment of this kind.

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

Ayes	..	..	..	17
Noes	..	..	..	10

Majority for .. .. 7

#### AYES.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. L. B. Bolton	Hon. H. S. W. Parker
Hon. Sir Hal Colebatch	Hon. H. Seddon
Hon. C. R. Cornish	Hon. A. Thomson
Hon. J. A. Dismitt	Hon. H. Tuckey
Hon. F. E. Gibson	Hon. F. R. Welsh
Hon. V. Hamersley	Hon. G. B. Wood
Hon. J. G. Hislop	Hon. H. L. Roche
Hon. A. L. Loton	(Teller.)

#### NOES.

Hon. L. Craig	Hon. W. H. Kitson
Hon. J. M. Drow	Hon. G. W. Miles
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	Hon. C. B. Williams
Hon. W. R. Hall	Hon. E. H. H. Hall
	(Teller.)

Amendment thus passed.

Hon. L. B. BOLTON: I move an amendment—

That a new subclause be added as follows:—“(2) For the purposes of this section the term ‘semi-governmental or local governing bodies’ shall include and shall be deemed to include all road passenger transport operators whose omnibuses are operated under licenses granted by the Western Australian Transport Board.”

I hope the Chief Secretary will not oppose this amendment. It is really a question of whether the Western Australian Transport Board is a governmental instrumentality. I pointed out previously that every Parliament in the Commonwealth is going to be asked to amend the Bill on the lines suggested by the Transport Federation. Obviously the correct body to adjust fares is the Transport Board and not the Prices Commissioner. My opinion is that the Transport Board is a State or semi-governmental body. It is only to strengthen the position that I ask the House to pass the amendment.

The CHAIRMAN: This proposed new subclause has exercised my mind for a little while. I do not think there is any argument about what is a local governing body, and I do not think there can be much argument about what is a semi-governmental body, but I think it is stretching it a long way to say that the Transport Board is a semi-governmental body any more than the Licensing Court is. I do not feel inclined to accept the amendment but I will leave it to the good sense of the Committee.

Hon. L. B. BOLTON: I would rule if I were in your place, Mr. Chairman, that the Transport Board is a governmental body.

The CHAIRMAN: It is no more a governmental body than is the Licensing Court.

Hon. L. B. BOLTON: The Licensing Court does not fix selling prices.

The CHAIRMAN: It regulates the trade.

Hon. L. B. BOLTON: The Transport Board definitely fixes the fares in which the public is much interested. I doubt if there is one per cent. of the public of this State that is not deeply interested in transport fares. I feel justified in asking that the subclause be inserted.

The CHIEF SECRETARY: There cannot be any argument about the Transport Board being a semi-governmental body, but it does not follow that the services privately owned and licensed by the board are semi-governmental services. They are simply private trading companies working under conditions laid down by the board. So far

as I know, the present price-fixing regulations have not affected the operations of the board, nor has the department interfered with the operations of any one of the companies running transport services. Therefore I fail to see why the hon. member should be afraid of referring to the Commonwealth for three years power which it already has, which it has exercised under its defence powers and under which the Transport Board and the transport services have not been affected. Even if I agreed with Mr. Bolton, I could not accept the amendment. I must stand by the Bill, because the Premier agreed at a conference of State representatives that he would endeavour to get Parliament to pass this measure.

Hon. H. Tuckey: Will this Bill take away the power of the Transport Board?

The CHIEF SECRETARY: No.

Hon. L. CRAIG: I hope the Committee will not continue further to mutilate the Bill.

Hon. L. B. Bolton: We are putting it in order.

Hon. L. CRAIG: It is desirable to keep our measure as nearly uniform as possible with those to be passed by the other State Parliaments. If all the States made similar amendments, uniform legislation would be impossible. I am as keen as are other members about taking control of land from the Commonwealth, but if we are to have uniform legislation, let us keep to the Bill. The Commonwealth controls the fees charged by secondary schools and their costs have mounted tremendously, but fees cannot be increased. I would like to make an exception in their favour.

Hon. L. B. Bolton: Give it a go!

Hon. L. CRAIG: If each member picked out a pet subject, what a mess we would make of the Bill! I am as keen as is any member that the State should control price-fixing, but if we approve of uniform legislation for a period, let us keep to the Bill.

The CHAIRMAN: I hope members will confine their remarks to the essence of the amendment, namely, that the Transport Board is a semi-governmental body.

Hon. H. L. ROCHE: I support the amendment. I am not in favour of giving Canberra any power that the State Parliament can exercise on behalf of the people of this State. The justification for the Bill

is to prevent chaos arising if sufficient control were not vested in the Commonwealth in respect to interstate trade. We have no interstate trade in the matters of fares, freights and real estate values, so members should support the amendment and then the State Government could take such action as it deemed fit to control these matters within the ambit of State legislation.

The CHAIRMAN: There is another point I should have mentioned. It is proposed to hand over powers that today are not exercised either by the State or by the Commonwealth.

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

Ayes	..	..	..	16
Noes	..	..	..	10
Majority for				6

#### AYES.

Hon. G. F. Baxter	Hon. W. J. Mann
Hon. L. B. Bolton	Hon. H. S. W. Parker
Hon. Sir Hal Colebatch	Hon. H. L. Roche
Hon. C. R. Cornish	Hon. A. Thomson
Hon. J. A. Dimmitt	Hon. H. Tuckey
Hon. V. Hamersley	Hon. F. R. Welsh
Hon. J. G. Hislop	Hon. G. B. Wood
Hon. A. L. Loton	Hon. H. Seddon

(Teller.)

#### NOES.

Hon. L. Craig	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. G. W. Miles
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	Hon. C. B. Williams
Hon. E. H. H. Hall	Hon. W. R. Hall

(Teller.)

Amendment thus passed; the clause, as amended, agreed to.

Clause 4—Provision relating to repeal or amendment:

The CHAIRMAN: I hope members will read the clause carefully. It seems strange that a simple majority should be sufficient to pass the Bill and that an absolute majority will be required to repeal or amend it.

Hon. H. SEDDON: Since the point has been raised, I should like the Chief Secretary to inform us what difference it would make if a simple majority were required to amend the Bill.

The CHIEF SECRETARY: That should be patent to the hon. member. The Bill provides that, once the measure comes into operation, a constitutional majority will be required to alter it, because we shall have referred to the Commonwealth certain powers which normally are referred permanently but which, by this Bill, we propose to refer for a period of three years.

Clause put and passed.

Clause 5—agreed to.

Clause 6—Duration of this Act:

Hon. J. A. DIMMITT: I move an amendment—

That in line 4 the word "three" be struck out and the word "two" inserted in lieu.

The effect of the amendment will be to reduce the continuance of the Act from three years to two years from the 1st January, 1946. By the end of 1947 the position may have altered considerably and we should be able to judge whether it will be necessary to continue price-fixing. If it is necessary, the Government can introduce a continuance Bill.

The CHIEF SECRETARY: I want to record my protest against the amendment. I do not know that it matters very much whether it is altered from three to one, in view of what has already been done; but I would point out how serious the position is. There is not one member who spoke on the second reading but stressed the fact that price-fixing was necessary during the war and that it will be necessary during the post-war period. From my reading of authorities on this subject, price-fixing is going to be necessary not merely for three years but for a much longer period in regard to some things.

Hon. Sir Hal Colebatch: Have another Bill.

The CHIEF SECRETARY: It is all right to say that, when we cannot get uniformity in regard to the first Bill. I have pleaded with the Committee to agree to the Bill as it stands, in order that we may do our part to make sure that the Commonwealth Government will have an opportunity to bring down uniform legislation for the whole of the Commonwealth for a period of three years. The Committee has not agreed. It has made two amendments which in my opinion will affect the position very seriously. Most certainly, if we delete the word "three" and insert the word "one" we can say there will be no Commonwealth legislation dealing with price-fixing.

Hon. Sir Hal Colebatch: Make it "two."

The CHIEF SECRETARY: It does not matter whether it is "two" or "one." Notice has been given of a further amendment to make it one year. It is making a farce of the whole Bill. Most members know how long it takes to organise a Commonwealth-

wide organisation of this kind. They know what repercussions would be felt throughout the different States under certain circumstances. All I want to do is the right thing. I do not want to give any section of the community the right to profiteer at the expense of the people of Western Australia; but, to my way of thinking, we are going the right way to make that possible. If we have to fall back on State legislation it can only deal with commodities produced in Western Australia. Yet members are prepared to take that risk. Personally, I am not. For that reason I oppose any further alteration in the Bill in regard to the reduction of the period for which the measure shall operate.

Hon. H. SEDDON: There would be considerable weight in the Chief Secretary's remarks if we did not have on our statute book an Act which was devised to control prices. If that is not sufficiently wide, it is the duty of the Government to bring in such amendments as are necessary. The action of the Committee has been consistent. During the second reading debate the House admitted the necessity of continuing price control but it did not admit that the Commonwealth authority was the only authority capable of doing this. Furthermore, by the amendments made in Committee, I think members have demonstrated their confidence in the State Government's being able to carry out the necessary powers in regard to fixing prices that fall peculiarly within the province of the State Government. For that reason I do not think the Committee has done anything to interfere with the operations of the Bill.

Hon. T. Moore: What about imported goods?

Hon. H. SEDDON: We have not interfered with them. There is nothing to prevent the Commonwealth Government from putting into operation regulations that cover the powers referred to it under the Bill as it leaves this Chamber. If it intends to carry out its purpose, the Commonwealth Government will do that. At the same time I cannot see that any harm has been done either to the principle of price-fixing or to the public of this State by the amendment made. Rather will the public benefit. The majority of people are anxious to see these restrictions wiped out as soon as possible.

Our duty is to see that where they are necessary they are maintained, but that where they are unnecessary they are removed.

The CHAIRMAN: I hope members have taken note of Mr. Parker's first amendment that the Act shall come into force on the 1st January, 1946, and the effect of that amendment on Clause 6. I suggest that Mr. Dimmitt should recast his amendment by moving to strike out all the words after "force" in line 4 down to and including "operation" with a view to inserting "until the 31st December, 1947."

Hon. J. A. Dimmitt: I am willing to accept that.

The CHAIRMAN: The hon. member's previous amendment must be withdrawn.

Amendment, by leave, withdrawn.

Hon. J. A. Dimmitt: I move an amendment—

That after the word "force" in line 4 the words "for a period of three years commencing on the day upon which this Act shall by proclamation come into operation," be struck out, and the words "until the thirty-first day of December, one thousand nine hundred and forty-seven" inserted in lieu.

The CHIEF SECRETARY: Now that the amendment has been put in order, I want to say I was astounded to hear Mr. Seddon make the statement he did with regard to the Government's amending the present Act to cover those things which will be covered by the Commonwealth Act. He knows just as well as I do that there is no legal authority at all for the State to fix prices for goods manufactured in the Eastern States.

Hon. H. Seddon: I did not say there was.

The CHIEF SECRETARY: The hon. member said that if the present State Act did not cover the whole of the commodities it was up to the State Government to amend the State Act.

Hon. H. Seddon: On a point of order. I said something quite different.

The CHAIRMAN: The hon. member can reply to the Chief Secretary later.

The Chief Secretary: I should like to hear Mr. Seddon's explanation.

Hon. H. Seddon: I said that if the present State legislation was not wide enough to cover all the powers that have been referred by our amendments it was the duty of the Government to bring in an

amendment to the State legislation to cover those powers. I said nothing about commodities imported from the Eastern States.

The Chief Secretary: Then the hon. member was referring to real estate and transport services.

Hon. H. Seddon: That is right.

The CHIEF SECRETARY: I suppose the hon. member is quite correct. It would be possible to introduce legislation dealing with those two items if necessary, but I might point out that they are infinitesimal when compared with the number of items which would not be covered and which the Act could not be amended to cover.

Hon. H. Seddon: Those are the items we refer to the Commonwealth Government.

The CHIEF SECRETARY: Yes, but the hon. member overlooks that this Bill is to refer certain powers to the Commonwealth for a period of time which must be uniform, and he has assisted the Committee to amend the Bill in such a way that there cannot be uniformity. If we persist with amendments of this kind we shall only have wasted our time, because there could be no hope of other States being in conformity with this State in regard to this legislation.

Hon. G. FRASER: It appears to me that the Committee has thrown away the substance for the shadow. We have a Bill which has been agreed upon by the Premiers in each State, yet the Committee is tinkering with that legislation, knowing that the problems it covers are vital to the community and that unless uniform legislation is agreed upon throughout the Commonwealth the public will be thrown to the sharks. The Chief Secretary has tried to put the position very clearly before members so we can only assume that they are making these alterations and tinkering with this legislation with their eyes wide open; there will be no-one but themselves to blame for the howl that will come from the community should the legislation not eventually reach the statute-book.

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

Ayes	..	..	..	..	18
Noes	..	..	..	..	9
					—
Majority for	..	..	..	..	9
					—

## AYES.

Hon. C. F. Baxter	Hon. A. L. Loton
Hon. L. B. Bolton	Hon. W. J. Mann
Hon. Sir Hal Colebatch	Hon. H. S. W. Parker
Hon. C. R. Cornish	Hon. H. L. Roche
Hon. L. Craig	Hon. H. Seddon
Hon. J. A. Dimmitt	Hon. A. Thomson
Hon. F. E. Gibson	Hon. H. Tuckey
Hon. V. Hamersley	Hon. F. R. Welsh
Hon. J. G. Hislop	Hon. G. B. Wood

(Teller.)

## NOES.

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

Amendment thus passed; the clause, as amended, agreed to.

Preamble, Title—agreed to.

Bill reported with amendments.

## BILL—STATE ELECTRICITY COMMISSION.

### Second Reading.

Debate resumed from the 15th November.

**HON. F. E. GIBSON** (Metropolitan-Suburban) [8.35]: I have for many years had opportunities for observing first-hand the advantages to the community in general of an effective electricity supply at a minimum cost. Industrially and agriculturally these advantages have been very noticeable in and around the metropolitan area, the South-West and other localities. I therefore welcomed most heartily the introduction by the Minister for Works of the three related measures now before Parliament, submitted for the purpose of handling this matter of electricity supply throughout the State, in a comprehensive manner and treating it, as it well deserves, as a major governmental enterprise.

The establishment of a commission to control this important industry, which is the very life-blood of so many minor industries, is sound policy, and the constitution of the commission leaves nothing to be desired. Going back into the past it had long been considered advisable that there should be one central power station for the supply of electricity for the whole of the metropolitan area, and this was brought into effect in 1916, after the passing of the necessary legislation to enable the Government to generate and supply electricity. The Perth City Council was given a supply under statutory authority, and an agreement was entered into by the Government to supply the Fremantle Municipal Tramways and Electric Lighting Board with

electric power for a term of 25 years, subject to right of renewal on the part of the board for a further 25 years, which option was duly exercised. Prior to this, the Perth district and Midland Junction and Guildford were supplied by means of a D.C. three-wire system, 440 volts for power and 220 volts for lighting, this system entailing the use of very heavy mains and other disadvantages. Fremantle was supplying alternating current generated in the power station on the South Mole at a pressure of 2,000 volts, distributed at 440 volts, two phase for power and 220 volts single-phase for lighting. The original power station at East Perth in a few years was found to be of insufficient capacity to meet demand, and a larger and up-to-date plant was then installed, which, in its turn, is overstepping its full capacity.

In the meantime, throughout Western Australia multitudes of small generating stations have been brought into being, administered by local governing bodies and by private enterprise. An attempt was made by the passing of the Electricity Act, 1937, to bring all these small interests under control by the Electricity Advisory Committee created under the provisions of that Act. This was certainly a step in the right direction, but with the growing demand for supplies of electricity for all purposes throughout the whole length and breadth of the State, but particularly in the more settled portions thereof, namely the metropolitan area, the South-Western district and the Great Southern district, it was felt that the time was over-due for standardisation of the system and the frequency and pressure of the electricity to be supplied, especially in view of the standards adopted by suppliers in the Eastern States, and that the whole of these supplies should be placed under the direction and control of one supreme authority, with extensive powers designed to ensure uniformity in the class of electricity supplied, methods of distribution, etc.

With these objects in view, the Minister for Works introduced this Bill, to be cited as the State Electricity Commission Act, 1945, which, as stated in the memorandum to the Bill, is the principal one of three measures, the other two being complementary to the principal Bill. Dealing with the various provisions of the State Electricity Commission Bill seriatim, Clauses



to 3 inclusive require no comment and are satisfactory. Clause 4 is also satisfactory, so far as it goes, but in the first schedule referred to in the clause, the Fremantle Municipal Tramways and Electric Lighting Act Amendment Act, 1943, being No. 26 of 1943, has been omitted and should be inserted as the second time in the list of Acts. That particular Act is a most vital one as it validates the board's agreement with the Government and the Commissioner of Railways, and other important agreements entered into by the board. It also clears up several ambiguities which existed in the principal Act. Clauses 5 to 20 inclusive are satisfactory. Clause 21 in paragraph (c) refers to the first schedule, which should be altered as I have already stated.

As to Part VI, which deals with finance and accounts, paragraph (ii) of the proviso to Subclause (2) of Clause 43 is contrary to accountancy principles. As it reads it could only mean that moneys received by appropriation by Parliament or from advances by the Treasurer, shall be deemed to be revenue or profit or income, whereas these amounts should most decidedly be debited to capital account—unless this provision is intended to convey the meaning that in the event of the books of the commission showing the operations for any year as resulting in a loss, Parliament or the Treasurer, as the case may be, will make up such loss by an appropriation or advance, the amount of which will be shown in the books of the commission as a credit to the revenue account as a set-off against the loss disclosed. Should this be the intended meaning it might be more clearly worded.

Clause 49 deals with the profits referred to in this connection which should not be paid to the credit of the Consolidated Revenue Fund but should be placed to the credit of a reserve account under powers conferred by Clause 52, for use by the commission if required in the reduction of its loan or other capital liabilities, or, alternatively, to be used in the purchase of additional assets required by the commission in place of raising additional moneys on capital account or seeking fresh advances from the Treasury. It is satisfactory that reference is made in no uncertain terms, in this and other clauses, to the necessity for making full allowance for interest and sink-

ing fund contributions and depreciation, obsolescence and maintenance of plant. In Clause 51 the commission, subject to the approval of the Auditor General, is given the power to fix the rate of depreciation and obsolescence of the assets. The fixing of this rate is a most important point in connection with any public utility undertaking, and I consider it would be well to have it distinctly laid down that the rate of depreciation shall be calculated upon the useful life of each individual asset, less residual value at the end of such useful life. The Fremantle Tramways and Electric Lighting Board has adopted this principle throughout, and according to the schedule prepared on this basis for the year ended the 31st August, 1945, the average rate of depreciation upon the original cost of the assets works out at 3.748 per cent.

Clause 52 deals with the reserve account for depreciation. The amount of the revenue should not be kept liquid but, in accordance with sound business practice, the amounts set aside for depreciation should, until required for the purpose for which they are set aside, be invested in the commission's own assets, thus limiting the necessity for raising moneys by loans. While on the question of depreciation, I would refer to the policy adopted by the Fremantle Tramways and Electric Lighting Board, which is identical with that just referred to, and this policy is largely responsible for the fact that although commencing operations in 1906, practically without funds with which to function, and with a loan indebtedness of £100,000, which had to be considerably increased later, the undertaking was, in 1938, entirely free from loan indebtedness, with assets amounting to over £350,000. My only excuse for my repeated references to the policy of the Fremantle Tramways and Electric Lighting Board is that I have been a member of that body for many years, and latterly chairman, and have had cause to respect, owing to the results achieved, the financial methods adopted throughout by that undertaking. The First Schedule, as stated in my comments on Clause 4, requires amendment by the addition of the words, "the Fremantle Municipal Tramways and Electric Lighting Act Amendment Act, 1943, being No. 26 of 1943."

On motion by Hon. H. Seddon, debate adjourned.

## BILL—SOUTH-WEST STATE POWER SCHEME.

### *Second Reading.*

Debate resumed from the 14th November.

**HON. W. J. MANN** (South-West) [8.45]: I cordially support the second reading of the Bill because it represents in one respect the culmination of many years of effort on the part of many sections of the community that have felt that in order to receive the greatest possible advantage industries could derive, cheap electrical power was necessary. The road leading up to the introduction of the Bill has been comparatively thorny. There has been a number of setbacks. A Royal Commission that sat for a long time to consider the problem did not feel that it could recommend any such project. Some of us disagreed seriously with that finding, holding that the issue had not been as closely examined as we had desired, and that all the factors had not been taken into consideration. However, we have to thank the Government for recognising the justice of our claims and instituting the second inquiry with wider powers than were formerly granted, thereby enabling those concerned an opportunity to investigate the position as it actually exists.

I feel sure that if members study the report of the Electricity Advisory Committee they will appreciate that a good job has been done, although not everyone is suited. The project as recommended is divided into three stages, and naturally those affected by stages 2 and 3 are inclined to consider that their claims are of paramount importance and that they should be included with equal priority among those covered by stage 1. The scheme envisaged is large and covers a wide area. Much as people will insist that their claims should receive first preference, we must recognise that some of necessity must wait a while.

To my mind there are two sections of the country that could have been included in stage 1 instead of in stage 2. The first refers to the belt of country from Busselton to Flinders Bay, which is a most important area in that it embraces the greater portion of the group settlement farms. If the provision of cheap electricity is to be applied to the farming community, then the area I mentioned has a distinct claim. I am sorry, therefore, that it was not found advisable to include that section of the State

in the first stage of the scheme. The other portion that I think could have been included is the area that runs from south-west of the line about Balingup to Nannup down a beautiful valley that is dotted with smiling homesteads and excellent dairy farms peopled by men and women who are doing a wonderfully good job. With those two exceptions, I feel that the Bill is excellent and that it will enable the provision of a source of power that will in a very few years leave a marked impression upon the State.

I wonder at times whether the people of Western Australia generally realise just how many activities there are in the South-West and how much that portion of the State has contributed to the State's economy. We have sawmills, the outlook for which is extremely bright. The demand for timber over the next few years is likely to be enormous not only in Western Australia, but in other parts of the world. That fact has been brought home to the people recently in the realisation that although we are proud of our hardwoods, we still have to import a appreciable quantity of timber, mostly softwoods. When people speak of the illimitable forests in the timber country, they show that they are speaking of what they do not understand. We are indeed fortunate in that we have extensive forests that can not only provide for all time all the requirements of the State, because of the reforestation scheme that has been established, but can be cut extensively for export.

The area south of Manjimup to around Northcliffe will very soon, I believe, display tremendous activity. I understand that five big mills and seven smaller mills are to be erected in a large slice of country there and their combined activities will spell great progress. I was speaking to the manager of one company recently, and I asked him how far he thought his concerns would be prepared to use electricity. He replied that if it were possible to secure a supply of current at a reasonable rate, it would suit his company admirably, despite the timber that is available all around the mills. I know the same applies to the smaller companies.

On Saturday last, in company with the Minister for Health, I paid a visit to Greenbushes, where we met a deputation to discuss local requirements. Among the activities shown to us subsequently was the tim-

mining and tantalite sluicing works, managed by an ex-member of Parliament and operating under considerable difficulties. There is a huge tin and tantalite lode which is just too shallow to be mined by driving on to it and just too deep to be easily worked because of the over-burden. We were assured by the manager that a supply of electric power would be of considerable advantage to the mining operations. I have known that country for many years, and I certainly believe the time will come when instead of picking areas here and there, the same procedure will be applied as in New Zealand, and the whole face of the country will be taken and put over the sluice boxes. Certainly I do not think people realise how great a part that section of the State played in the latter days of the war when tantalite was practically unobtainable elsewhere, although urgently required for radar purposes. So great was the demand for it that aeroplanes were waiting in the city ready to take off the moment they could secure a few hundredweight of tantalite. Certainly the demand is not so extensive now, but at the time I am speaking of I was assured by an expert sent out from the United States of America in order to superintend the work here, that as the tantalite was taken out of the lode in its raw state it was worth at least £1,000 per ton. We do not know just how much of that type of country there is, but the provision of cheap electric power will make mining in those parts much more advantageous and make possible better results.

Members are aware that the Collie coal-mines will use quite a lot of current, while the flax mills and the butter and cheese factories also will be large consumers of electric power. Recently a gentleman visited the South-West in order to make inquiries as to the possibility of establishing a jam and preserve factory there. So I claim that the outlook for the scheme is bright and in every respect should commend itself to the people of Western Australia. I could speak for hours on the advantages the scheme will confer on our people and our industries, and could quote illustrations of what is going on in other countries with the application of electric power to agriculture. I shall not do so because I feel sure the Bill has the approbation of members generally and that

it will be passed almost in its entirety or with but slight amendment.

**HON. H. SEDDON** (North-East) [8.59]: I support the second reading of the Bill, but there are one or two features of it to which I desire to draw attention. The proposal is to establish a power scheme for the South-West, and it has great possibilities, perhaps greater than we realise at present. Everything depends upon the cost. Granted that we can get cheap current there is no reason why progress in the South-West should not be greatly accelerated, provided we have a scheme efficient in operation and managed with a view to developing the industries of the State.

It is, however, interesting to read the reports of the Royal Commission published in 1940 and of the Advisory Committee published this year. One is to a certain extent complementary to the other. The 1940 report sets out the matter in its correct perspective, and I think it will save a lot of heart-burning. It will certainly save much disappointment when the scheme is put into operation in certain directions. Two of the members of the 1940 Commission were also members of the 1945 committee. The Royal Commission did draw attention to certain features of the distribution of electrical power which I think should be emphasised. On page 5 of the 1940 report there are one or two paragraphs to which I would like to direct attention. They explain that electrical energy would enable the initiation and development of private water supplies and irrigation schemes.

The Commission called an expert witness, a hydraulic engineer in the Public Works Department, who stated that he could envisage no large State irrigation or water supply scheme that would call for any considerable supply of electrical energy. I refer to that paragraph because we know there is a scheme under consideration at present for supplying large quantities of water to the Great Southern areas; and quite possibly that expert, if he were asked to revise his opinion, might say that he had not contemplated the scheme which it is proposed shall be inaugurated there. The report proceeds—

Your Commissioners agree that electrical energy would assist private schemes if the current could be supplied at a very cheap rate, but they are not sanguine that a central power plant could supply current at com-

petitive prices with current generated by efficient internal combustion plants located near the points to be served with electricity.

That, of course, is a very important criticism. In my opinion, in contemplating this scheme we must regard it from that angle. Unless this scheme can show efficient results compared with those power plants, it is unfair to expect local authorities, which have installed efficient plants, to surrender those plants and submit their consumers to what might possibly be a higher rate than they are paying now. Where it can be shown that the scheme can provide cheaper current than these local authorities can supply, well and good; but where they are generating at a figure at which this scheme cannot distribute and compete successfully, then I think the local authorities should be allowed to carry on. The report proceeds—

The suggestion of utilising electrical energy for sawmilling purposes was not wholly supported by witnesses. Evidence tendered by persons directly interested was, in the main, to the effect that purchased electrical energy would not be able to compete with steam power raised from mill waste.

I understand that a great deal of mill waste is now being used to produce charcoal, for which there is a ready market.

Hon. L. Craig: Only at the State sawmill.

Hon. H. SEDDON: That mill has broken the ground. There is a constantly increasing market for charcoal, so possibly that paragraph might again be revised in the light of later developments.

Hon. L. B. Bolton: The charcoal market is flat.

Hon. H. SEDDON: That is open to question. It is quite possible that there would still be a market for charcoal, perhaps in directions other than those for motor vehicles.

Hon. W. J. Mann: The time will come when we will utilise our sawdust instead of burning it.

Hon. H. SEDDON: That is so. One of the greatest opportunities open to a cheap electrical power scheme, such as is contemplated here, will be the utilisation of electrical energy for chemical purposes. An industrial chemical plant may be developed as the result of cheap electricity. That, as I said, will provide another source of wealth production in the South-West. The report proceeds—

The power or prime movers in most of the installed plants are Diesel type engines and electricity can be generated and distributed

over short distances at a cost which a central generating station, with long transmission and comparatively small output, would have difficulty in competing with.

It is not suggested that a modern power house using high pressure steam and pulverised fuel could not successfully compete with Diesel plants in actual costs of generation, other things being equal. In any comprehensive electricity scheme for the South-West of the State, transmission is the paramount factor. The central station would deliver high tension current for transmission over great distances for ultimate distribution at a lower voltage to sparsely populated areas. Such high tension transmission involves heavy capital expenditure, not only in the creation of the transmission lines, but also in the provision of transformers with the subsidiary apparatus and sub-stations. There are also the actual losses in transmission and transformation which must be reflected in the price to consumers. Localised plants are of course no mullet in such heavy capital expenditure, with the consequent heavy overhead charges to meet interest on capital, depreciation, etc.

Hon. W. J. Mann: The trouble is that they are limited in extent.

Hon. H. SEDDON: The report continues the commissioners are quoting an extract from the Federal Power Survey of U.S.A. of the 8th February, 1938—

“The utopian ideal of electric service line to every farm and home in the land is undoubtedly impossible of realisation, except on the basis of a heavy Government subsidy at the expense of the taxpayers nationally. Moreover, it would be uneconomic in any event. Those farms and homes located so far apart on the average that rural lines are too costly could all be served with small individual generating plants. Reliable farm lighting sets, driven by small internal combustion engines, with full automatic control, have been on the market for many years. These plants are adequate for all individual need and can be installed at reasonable cost. For still less it is possible to purchase a windmill generating plant which will operate a few lamps, radio set, and the like. These self-contained sources of individual supply constitute the economic alternative when the territory is too thinly populated to support rural lines.

“In the event that Congress should appropriate one billion dollars for rural electrification, as recently proposed, it would be more economical in many cases to subsidise the purchase of individual farm generating plants than to build rural supply lines.”

Your Commissioners were very concerned in their visits to the South-West by the dependence on the imported fuel for practically all plants, whether owned by local authorities, concessionaires or privately, and they feel that the question of producer gas in relation to these installations should be immediately investigated.

Hon. W. J. Mann: Producer gas was tried and dumped 15 years ago.

Hon. H. SEDDON: On the point of producer gas, there is a very large installation—some 3,000 h.p.—that has been in operation for many years.

Hon. J. Cornell: At the Gwalia mine.

Hon. H. SEDDON: Yes. The cost of production is exceedingly small, so small that it has often been quoted. I doubt whether it has been equalled anywhere else in the State, even by the use of Diesel oil engines. In addition, the mine has also been generating a considerable amount of low pressure steam which it uses in its winding engine. This is obtained from the waste heat of the gas engines.

Hon. J. Cornell: The mine is burning wood also.

Hon. H. SEDDON: Yes. The failure of producer gas, from whatever cause, is not due to the cheaply generated power from Diesel engines.

Hon. W. J. Mann: I only know of one town where that happens.

Hon. H. SEDDON: The whole facts of the case should be placed before the public, because, obviously, as I will show by referring to the later report, considerable expense will be incurred for some time and it will have to be borne by the general public. Personally, I am inclined to think that the period will be shorter than many people think, owing to the fact that we shall be able, in my opinion, to establish secondary industries by the application of industrial chemistry. The report continues—

From an engineering viewpoint, an electricity supply for the South-West of this State, with a generating station suitably located, high-tension transmission and low-tension distribution is a practical proposition and presents no insuperable difficulties.

I desire to quote some figures with respect to population. First, dealing with the commercial and economic aspects, the Commission reports—

Your Commissioners studied the commercial and economic aspects thoroughly. From their observations and inspections during visits to the South-West and from the evidence received and studied your Commissioners formed the opinion that industries and commerce represented by butter factories, saw mills, South-West port facilities, packing-sheds, etc., did not appear to be handicapped commercially in any way whatsoever from the lack of a national power scheme.

The investigations disclose that for the requirements of the South-West, assuming the existing independent generation stations were closed down (excepting Collie Power Company) and all services given from one central generating station, the estimated consumption of electric power for some considerable time would not exceed 4,000,000 kilowatt hours per annum generated, and this figure has been arrived at after giving liberal interpretation to all views of witnesses as to increases which may follow. But there is no reason to believe this would be greatly exceeded during the first five years of a scheme's inauguration.

The technical features of the proposed power station cover using Collie coal in powdered form, or what is generally known as pulverised, and the turbo-generators with self-contained auxiliary units.

The cost of generation would be as follows:—

		Pence per kilowatt hour.
Capital charges	£18,063	= 1.084
Operating costs	£12,166	= .73
Combined costs	£30,229	= 1.81

Dealing now with the density of population, which is a very important factor, they quote a scheme where a 66,000-volt transmission line is shown with 33,000-volt spurs. The capital cost of transmission to supply all towns was estimated at £512,000; distribution was £412,000, and replacing DC apparatus was £104,000, giving a total cost of £1,028,000. The population in the towns to be served was 33,000. The population of the whole area was approximately 100,000. The estimated number of consumers was 7,500 and the estimated annual consumption in units was 3,000,000. Charges on capital cost per unit due to above figures alone were approximately 8d. They then considered another scheme. The report states—

Owing to the high cost, your Commissioners then considered the question of supplying a more limited area of the south-western portion of the State—from Pemberton and Margaret River in the south to Mandurah in the north and Boyup Brook in the east.

The figures for that area are—

Transmission	.. ..	£248,000
Distribution	.. ..	226,500
Conversion of DC apparatus	.. ..	65,500
Total	.. ..	£540,000

Population in the area served in towns supplied 16,000 (total population approximately 50,000).

Estimated number of consumers 4,000  
Estimated units sold per annum 1,800,000  
Charges on capital cost per unit due to above figures alone, approx. 7d.

In these circumstances it will be seen that at that time the cost of the scheme worked out at pretty high figures, from the standpoint of cost per unit. In the scheme now proposed it is, of course, intended that the State shall bear a considerable amount of the cost, and it is intended that the cost will be fixed at a comparatively low price per unit. Incidentally, the Electricity Advisory Committee examined the possibility of using water storages and streams. The report states—

The committee has examined the possibility of utilising water storages and streams in the South-West for the purpose of generating power. It must be realised that small or intermittent streams would have no economic utility in such a large scheme as that proposed for the South-West.

The committee considers that, after the raising of Wellington Dam has been completed, the advisability of installing variable pressure turbines below the dam should be investigated.

I do not want to read the whole of the 1945 report, but I do point out that it approaches the question from a different angle from that of the previous one, and it contemplates that there shall be a contribution made by the State to the cost of current. Incidentally, too, the committee received valuable evidence from representatives of the sawmilling industry who indicated the desire of that industry that electricity should be made available for their various mills. The evidence was very definite of an intention to electrify mill equipment as far as possible and, by the installation of motors, greatly to extend the processing of timber at bush mills. There is a definite variation in the opinion of the committee there. This committee reports—

Estimated cost of current to consumers:—  
per unit.

First 20 units per month at	5d.
Next 20 units per month at	4d.
Next 60 units per month at	3d.
Next 500 units per month at	2d.
Next 4,400 units per month at	1½d.
All over 5,000 units per month	1¼d.

These figures are considerably below those in the first report. I have made these comparisons because I want to emphasise the fact that we have to generate power as cheaply as possible at this power station. Under the legislation proposed—and this point disturbs me considerably—there appears to be an intention on the part of the Government not only to take over the generating station and the distribution of

high-tension power and the putting in of low-tension distribution mains, but also to acquire coal mines. My opinion is that this State is already contributing on a very large scale for the cost of its fuel in many other utilities, and I think that in the establishing of a scheme of this magnitude it is unwise for it to be tied to one source of fuel.

There should be a considerable amount of latitude offered with the idea, if necessary, of transferring temporarily or permanently from the use of coal, and also from the angle that it might be desirable to get competitive prices for coal. If we are going to establish a State coal mine, we are going to commit the public of this State to paying what figure is thought desirable from the standpoint of the persons working the mine. We would be establishing a set of conditions there that would be anything but economical; in fact, we would be offering inducements for a continual imposition on the public of this State. I therefore think that on the Bill as it stands it would be undesirable to include powers for the commission to take over and work coal mines for itself. The future of the scheme depends on industrial development, and industrial development again depends on the cost of cheap power and cheap fuel.

Hon. C. F. Baxter: It will be of very little advantage to the farming community.

Hon. H. SEDDON: The reports show that, as far as the farming industry is concerned, there are very few people, except those in the closely-settled areas, who will benefit by this scheme.

Hon. C. F. Baxter: Where are we going to find four farms to the mile?

Hon. H. SEDDON: On the other hand, the development of industrial markets is very important. It has often been said that our State market is small, but industrial development does increase population and make markets, and to that extent it has a snowball effect. The extent of the market depends on the ability to compete, and that is what I was driving at when I suggested that this scheme should have more than one source of supply of fuel. The scheme, of course, will be subsidised by the Government. I take it that the subsidising period will be as short as possible. In other words, the greater the inducement we can offer to people to establish industries by offering

them cheap power, the quicker will this scheme develop and get on a paying basis. Cheap power depends on cheap fuel and large-scale units more than anything else. Incidentally, and in support of my argument of the danger of tying ourselves to one source of fuel, I shall quote certain figures dealing with the East Perth power house. These figures are very interesting.

Year.	Cost of fuel per unit sold.	Total Cost per unit sold.
1941 ..	.33d.	.76d.
1942 ..	.39d.	.82d.
1943 ..	.42d.	.85d.
1944 ..	.48d.	.89d.

In 1944 there was an increase of 45.4 per cent. in the cost of fuel in 1941 per unit sold. As far as I can see, there is no indication that the rise in these prices is going to stop. This new scheme, which will depend almost entirely on Collie coal, will be at the mercy of fuel that is produced locally and we contemplate, under the scheme, constantly rising costs unless we can do something to achieve stability in the cost of fuel. It is contended that our local market will develop—and I think it will—but if we are going to increase our power costs we are going to create a difficult position because, on account of the high cost of production, we will not be able to compete against commodities made, for example, in Tasmania, where the cost of power is very low. Tasmania has a tremendous advantage in the fact that it has water power, which is the cheapest power that it is possible to get for the generation of electricity.

I sound this note of warning because it appears to me that we have not solved the question of stability in the price of our fuel. Until we do that we shall, as I say, be entirely at the mercy of one source of fuel and will thereby commit ourselves to a very undesirable position from the standpoint of costs. The Bill provides, among other things, a definition of "undertaking" which includes not only power to take over the Collie power scheme but also, apparently, other undertakings. It provides for the acquiring of all mines and open cuts, and it empowers the Government to buy mines as well as the power company, and to acquire patents, whatever they may be. Therefore the Bill that is brought forward with the idea of acquiring the South-West

power station is very much wider in its scope than that. Those are the things that cause me a considerable amount of uneasiness. However, I intend to support the Bill but we should look closely into these questions. We should consider the Bill together with the powers given under the major measure which provides for the State commission.

#### HON. L. CRAIG (South-West) [8.38]:

As a South-West representative I naturally welcome a Bill of this sort. Electricity at the price estimated by the committee will be a great benefit to the community because of the provision of social amenities. I, like other members, wonder how much electricity will be used on the farms. The Government must take full responsibility for the economics of the scheme. It is quite impossible for laymen to criticise or commend unduly a scheme of such huge proportions. It will bring amenities to the country that, up to date, are enjoyed only in the cities. For that reason there is some justification for it. If a company were floated and the capital were sought by private enterprise, I do not know whether people would be willing to put their money into it. But this is not much different from what was done in the early days to develop this State when railways were run out into areas very sparsely occupied. It was the provision of railways that enabled people to occupy the land.

The provision of electric power in the South-West will permit of industries being developed. Inevitably there will be losses in the earlier years of the scheme. Personally I hope those losses will only be to the extent estimated by the Advisory Committee. They may easily exceed the estimated amount in the early years, but I hope that eventually the leeway may be made up. The establishment of industries will be possible and I have in mind the charcoal steel industry which it is intended to locate at Bunbury if the Wundowie experiment proves successful, and in that we shall have a potential huge consumer of power.

If this scheme is going to earn a satisfactory contribution to the cost, we shall almost immediately have to proceed with the Great Southern water scheme in order to have an immediate consumer of power to the extent of 11,000,000 units per annum. Unless the Great Southern water scheme is undertaken, I feel that the loss on the

power scheme in the early stage will be very great indeed. However, as one who dwells in the heart of the South-West and who knows that any amenities are welcome to its hardworking, thrifty people, I am pleased that the Bill has been introduced. If we can have electric power turned on to our homes so that we can have refrigerators and all the amenities to be found in the city—

Hon. L. B. Bolton: Have not you got those things now?

Hon. L. CRAIG: I am not saying whether that I cannot afford anything like them. The provision of electric current will permit of people enjoying all those amenities, and as long as the cost to the State is not too great, I hope we shall be able to extend the facilities and encourage people to live in the country amidst amenities equal to those available in the city. Today, things are shaping that way. People in my part of the country are living under conditions that I should call first-class. The smallest dairy farmer has a car, a refrigerator and a wireless.

Hon. W. J. Mann: So he should.

Hon. L. CRAIG: I am not saying whether he should or not. I am delighted to see that he has those things.

Hon. J. Cornell: Has he an overdraft as well?

Hon. L. CRAIG: As a businessman, I am glad to say that there is hardly an overdraft account in the South-West.

Hon. J. Cornell: What about a mortgage?

Hon. T. Moore: The Government wiped off all the overdrafts in the South-West.

Hon. L. CRAIG: Listen to the hon. member! Two or three years ago he complained of the losses in the South-West and now because of our thrift and hard work—members have only to look at our hands for evidence—and because we have achieved success, he is not satisfied. I commend the Bill for favourable consideration and hope it will lead to much industrial development in what I call the choice part of the State.

On motion by Hon. A. L. Loton, debate adjourned.

## **BILL—ELECTRICITY.**

### *Second Reading.*

Debate resumed from the 14th November.

HON. H. TUCKEY (South-West) [9.35]: As this Bill is largely a re-enactment of the Electricity Act, 1937, it does not call for

much debate. The major part of it represents a transfer of powers from the existing State Electricity Advisory Committee to the proposed commission. There are various new clauses concerning local authorities, but after studying them, I cannot see that they will unduly interfere with local governing bodies; as a matter of fact, I believe they will have the opposite effect. I support the second reading.

Question put and passed.

Bill read a second time.

## **BILL—CONSTITUTION ACTS AMENDMENT (No. 2).**

### *Second Reading—Defeated.*

Debate resumed from the 15th November.

HON. G. FRASER (West) [9.38]: I am very pleased to notice a slight change on the part of some members in their attitude to the Constitution Acts. However, some members who have changed their attitude are doing so with strings attached to it, being determined that if they cannot get the Bill amended in Committee, they will vote against the third reading. My attitude is one of straight-out support for the Bill without there being any strings at all attached to it.

Hon. W. J. Mann: One of the diehards?

Hon. G. FRASER: No, but I am one of those members who always vote for the democratic legislation introduced in this Chamber, and there is no doubt that this is a democratic measure. The Bill deals with two matters. One of them seeks to give the Government the sole right with respect to money Bills. Members will not deny, and during the debate have not denied, that on numerous occasions they have attempted to hamstring the Government over its money Bills.

Hon. L. B. Bolton: You cannot name one instance.

Hon. G. FRASER: On the last occasion when a similar measure was debated, Mr. Cornell gave an instance of the Government's having to hold a special session in order to get some of its financial legislation through.

Hon. W. J. Mann: You tell us another instance.

Hon. G. FRASER: There have been numerous instances involving taxation measures which this Chamber endeavoured to alter, and the Government of the day suc-



ceeded in getting them passed only after lengthy conferences. This occurred session after session.

Hon. L. B. Bolton: Nonsense!

Hon. G. FRASER: The records will show that what I say is correct.

Hon. T. Moore: Members here opposed the assessment Act on almost every occasion.

Hon. G. FRASER: I am amazed that members should have the audacity to challenge my statement. Such opposition has been offered almost every session, and this Bill seeks to give the Government the right it should have over money Bills. With the other section of the measure now before us, I entirely agree. One member mentioned that if a Bill other than a money Bill were to take three years from the date of its introduction until it became law, it would not be required, but I know of legislation that the Government has attempted to get on the statute-book ever since I have been a member, and it has not been successful yet.

Hon. L. B. Bolton: And never will be.

Hon. G. FRASER: Year after year the Government has brought in Bills to amend the Industrial Arbitration Act, the Workers' Compensation Act and the Factories and Shops Act, but this Chamber has refused to pass them.

Hon. T. Moore: To abolish backyard factories.

Hon. G. FRASER: That is one thing the Government has tried for years to get abolished. Consequently members cannot get away with the statement that three years will make the legislation not worth while. The Government has repeatedly endeavoured to get amendments made to the three Acts I have mentioned, but on no occasion has it been successful. Is it not only right that when the Government party has been returned after its programme has been clearly explained to the people, this Chamber should pass its legislation?

Hon. C. F. Baxter: This State has the best Industrial Arbitration Act in the world.

Hon. G. FRASER: This State had the best industrial legislation when it was passed in 1925, just 20 years ago. Would the hon. member be satisfied nowadays with a motor car he had 20 years ago? Of course not.

Hon. C. F. Baxter: That is not an analogy.

The PRESIDENT: Order!

Hon. C. F. Baxter: It is only stupidity.

The PRESIDENT: Order! The hon. member should be allowed to continue his speech without interruption.

Hon. G. FRASER: Industrial legislation, like everything else, should be progressive. At that time we had some members in this Chamber who held more democratic views than do some of the members of today; otherwise we would not have on the statute-book the Industrial Arbitration Act, bad as it is, and the Workers' Compensation Act. In those days we had such gentlemen as Dr. Saw, who did much for the people of this country in advocacy of a fair and reasonable Workers' Compensation Act. Since that time, however, almost without exception, we have been able to make little or no progress with that legislation. Many of the provisions of those Acts are out of date. We endeavoured to get peace in industry in this country, but this Chamber on all occasions has blocked any advance in that legislation. After the Government party had been returned by a majority of the adult population, not by a few people, to pass certain legislation, was it fair that it should be blocked by this House?

Hon. L. Craig: You did not have a majority at the last election.

Hon. G. FRASER: This House has always been the stumbling block. By this Bill the Government asks that, if legislation has been passed in three sessions, it all becomes law. Is there anything outrageous in that proposal? We ask for a provision similar to that which is operating in the Old Country. Members may say it is justified there because the House of Lords is not an elective House. What difference does it make whether a House is elective or nominee? If legislation is desired, the fact of its being passed by an elective or nominee House makes no difference. Progress may be made with legislation in England, but it is impossible to make progress in this State because of the attitude adopted by this Chamber. Those are the only two principles contained in the Bill.

I know that members, from their attitude in the past, may pass the second reading, but will endeavour to amend the Bill in Committee in such a way that it will not be recognisable as the same measure that reached this Chamber. In view of that

fact, I intend to confine my remarks to the few I have made; but I hope that even at this late hour some members will repent and at least give the Government of this country some say both in the carrying on of the affairs of State by the passing of financial measures, and the introduction of progressive legislation. I support the second reading.

**HON. G. B. WOOD** (East) [9.46]: My remarks will be brief, in view of the lateness of the hour. I intend to support the second reading and will give my reasons. I am not altogether satisfied with the system of managers of the two Houses meeting in conference. I do not think that is the correct way of settling differences. Another place appoints three managers, and we appoint three. The six of them sit and argue the point for five or six hours. Five of them may want one thing, and the remaining one something else. It is a question of the survival of the fittest. At the end of the period the five have to give way to the one. I do not think that is altogether right. This Bill may not provide everything that is desirable, but it is some sort of an attempt to rectify the existing position. Members have been aware that certain men appointed as managers have been determined to sit tight and not to give way a bit. I am not saying that they had not a perfect right to do so; but the point is that after hours of waiting and arguing the point, the managers fail to come to an agreement because of the opposition of such men. For that reason and in view of the amendments proposed to the Bill, I support the second reading.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [9.48]: In view of the tenor of the remarks of those who have contributed to the debate and the fact the several amendments are mooted, I do not propose to reply to the statements which have been made by one or two members, until we reach the Committee stage, except to say that this Chamber is probably the last second-chamber in the British Empire working under the conditions that apply to this Parliament in regard to the matters covered by this Bill. While some members may feel that the provisions of the Bill are not satisfactory and that they go much farther than is desirable, I

would point out that we are following the precedent of the Mother of Parliaments providing for the same system as applied to the Imperial Parliament and that if we agree to that, we cannot go far wrong. Whatever the views of members, I hope they will appreciate the point of view expressed by myself when introducing the Bill: that the time has come when there should be a reform of the procedure in regard to disputes between the two Houses whether they be on money Bills or ordinary Bills. I hope this Chamber will agree to the second reading and let us debate the alterations which are desired when we reach the Committee stage.

Question put.

The **PRESIDENT**: There must be a decision on this question.

Division taken with the following result:—

Ayes	....	....	....	....	14
Noes	....	....	....	....	11

Majority for .... 3

#### AYES.

Hon. G. F. Baxter.	Hon. W. R. Hall
Hon. Sir Hal Colebatch.	Hon. W. H. Kitson
Hon. L. Craig.	Hon. A. L. Loken
Hon. J. M. Drew	Hon. T. Moore.
Hon. G. Fraser.	Hon. H. L. Roache.
Hon. F. E. Gibson.	Hon. G. B. Wood
Hon. E. H. Gray	Hon. C. B. Williams
	(Teller.)

#### NOES.

Hon. L. B. Bolton.	Hon. W. J. Mann
Hon. J. Cornall	Hon. G. W. Miles
Hon. C. R. Cornish	Hon. H. Seddon.
Hon. J. A. Dimmlitt	Hon. F. R. Welsh
Hon. E. H. H. Hall	Hon. H. Tuckey
Hon. V. Hamersley	(Teller)

#### PAIR.

AYE.	No.
Hon. E. M. Hoennan	Hon. H. S. W. Parker

The **PRESIDENT**: There not being a constitutional majority, the Bill is defeated.

Bill defeated.

### BILL—TROTTHING CONTROL.

#### Second Reading.

Debate resumed from the 6th November.

**HON. H. S. W. PARKER** (Metropolitan Suburban) [9.55]: The purpose of this Bill is to control trotting; or that is what we are told. It is really to alter the control of trotting. The present control has been in force up over a number of years, and the Trotting Association has huge assets and pays

very big stakes. I would like to mention in way of comparison the Western Australian Turf Club, which has already been referred to. That body is under an Act of Parliament, and the Chief Secretary has certain powers in regard to it.

He has the power to investigate the club's affairs at any time and at all times. He has the power to look at its books and go into its buildings. But it has no power whatever to elect its committee or chairman. The Turf Club has been created by law the power to run and control race meetings.

Hon. C. B. Williams: Within the law.

Hon. H. S. W. PARKER: Yes. It has been given that power and that power can be taken away only by the Governor at any time by cancelling its by-laws after six months' notice. But it would take an Act of Parliament to remove the control by the committee. All sorts of suggestions have been made; but let me go a little further and point out what the real position is. The Trotting Association entertains a great many patrons. It has extremely large nominations. I would point out that no person need race his horse unless he wants to; but if he does, he is bound to do it under the rules controlling trotting. Whether he likes it or not, he must do it under the existing rules. There is, however, no occasion for him to do it unless he wants to. If he does not like the rules, no-one compels him to run his horses.

Why change the control? What is the reason? I suggest it is because a very small section of people desires to get some more £ s. d.—plain, hard, straight-out cash out of what they call an industry, but what most people call a sport. For some time there has been a body known as the Breeders, Owners and Trainers' Association. Originally one would expect that members could be only breeders, owners or trainers, but the membership actually comprises anyone who wishes to join the association. True, I understand that the majority are breeders, owners or trainers. It is an exactly similar body to the W.A. Turf Club, which is extremely useful and gives useful advice.

His association would be a useful body if it consisted of those professionally engaged in the sport and if it endeavoured to assist and advise the controlling body instead of endeavouring to take out of the hands of that body the control of the sport. We find that in every sport, as

it grows, there are dissatisfied persons. There are all sorts of allegations made by those persons against the powers in control, rightly or wrongly. One striking example is that of the board of control of cricket. As soon as there is a team to be sent to England there are all sorts of allegations.

Hon. C. B. Williams: Do not link trotting up with cricket!

Hon. H. S. W. PARKER: There are all sorts of allegations as to whether A or B should have been selected, or whether A should have been appointed manager, and it is always suggested that there is something wrong because he has been appointed. What is wanted at present is that the Breeders, Owners and Trainers' Association—

Hon. C. B. Williams: I understand you are representing Mr. Stratton.

Hon. H. S. W. PARKER: The Breeders, Owners and Trainers Association is anxious to get control of this sport and has engineered strikes and has abused the president. One gentleman has been most energetic, keen and vociferous in this matter. He has, by some means, been able either to forecast the Bill before the House or to get some inside information as to what the Bill was going to contain. I will quote from the report of a broadcast over station 6PR on the 26th June, 1944, by Mr. E. Clark—

That, coming from me, ladies and gentlemen, as President of the Breeders, Owners and Trainers' Association and as an ex-Federal President and an ex-State President of one of the biggest unions in Australia, may sound like a paradox, but nevertheless, they are my views on strikes, but, listeners, everything on God's earth is there for a purpose. Even a snake has its uses, and so with strikes. They are the only weapons available to a body such as ours in dealing with an unreasonable man or body of men.

That was a public statement, and a photo of the gentleman is attached to the publication. That gentleman has an occupation, other than that of running horses, presumably.

Hon. C. B. Williams: How much are you getting from Stratton?

Hon. H. S. W. PARKER: The broadcast continues—

In this morning's paper Mr. Stratton wishes you to believe that the first intimation he had of the impending disaster was on Friday. I will go further and say that the first news he had of the disaster was on Saturday morning, when endeavours were made to induce my members to scab on their fellow members and start their horses on Saturday afternoon.

The quotation continues—

There is no one prouder than myself to be able to say "thank you" to those of my members who stood firm. Of the others, perhaps as the years go by they will learn the word and the meaning of the word which describes their action.

The gentleman who said that is the one who, at Kellerberrin, said he was to be chairman of the league, from what I am informed—

The Chief Secretary: Who informed you of that?

Hon. H. S. W. PARKER: As the Minister knows, when one is informed of certain things, one does not broadcast the name of one's informant. In this instance it was Mr. Brimage.

Hon. J. Cornell: He was a visitor.

Hon. H. S. W. PARKER: I will quote again from Mr. Clark—

Now on the question of patriotism and the money paid to charity and patriotic purposes by the W.A. Trotting Association, very well, we recognise the good work which would still be good work if a little less were paid and the balance used in improving the lot of those who greatly assist in the compiling of the colossal figures—the owners of the horses. Their conditions could be improved without interfering very much with the sums paid out to the various causes. Mr. Stratton mentions his good work for the members of the fighting forces and we say they are worthy of every assistance. They are admitted free of charge to Gloucester Park while in uniform, but let one of our returned trotting boys—no matter how much a hero he might have been overseas—try to get into Gloucester Park in civilian attire and he hasn't an earthly.

How on earth can one expect every ex-soldier to be let in free? The quotation continues—

He can, of course, if he has a trotting license, get a privilege.

Hon. J. Cornell: Or a gold pass.

Hon. H. S. W. PARKER: I am quoting Mr. Clark—

The privilege, ladies and gentlemen, means that he has to go to Gloucester Park on Friday or Saturday morning and purchase a privilege ticket at half the ordinary price. He may have sunk a fortune in the game—that doesn't matter. He can only get into Gloucester Park on race days by the virtual charity of the W.A. Trotting Association.

That is one of the grievances of the chairman of this body, that he is endeavouring to get the control altered. The strike referred to was brought about, I am informed, by the fact that the handicaps were not dis-

closed until Friday evening or Saturday morning, with the object—at the time—stopping the S.P. bookmakers, but it was found that, in fact, it also had an effect on the owners which the club, I understand, do not want it to have. That effect was that it stopped them making the necessary arrangements as to what horses would run and what races they would start. At all events the club found that the nominations, handicaps and so on should be given out earlier and it was arranged that they should meet and confer on the following Wednesday. But, as Mr. Clark says, on the Saturday morning they decided to strike, and did so. No, on the Wednesday they met and the ban was lifted, but the horses that ran at that meeting on the Saturday were not handicapped for having won. It was a contingency of a sort, but they were not handicapped for having won, so this body decided to strike again and then Mr. Clark rushed off to broadcast again and, on the 10th July, said—

When I say I blame one man, I say so without hesitation, for he has garnered round him a band of gentry who speak one word and do one word only—yes, yes, yes to everything. If Stratton decides, like a bunch of automatons, individually and personally, they are mostly a team of fine fellows, but at the committee table—and as a deputationist and as an appeal against so-called crimes committed on the trotting track—I can truthfully say they are as dumb as Egypt's mummies.

The quotation continues—

Mr. Stratton says we have nothing to do with the handicapping of horses. I say that as we own the horses it is time we did have a say and have a fair basis upon which to work. Why should a committee such as the W.A.T.A. alter its rules indiscriminately to suit the horses belonging to one or more of their gentry while anyone else must write to the assessment board and wait until that gathering has decided upon the merits or otherwise of the case? Even on the assessment board we were not allowed to choose one lonely representative of our men, not that we were not satisfied with the man they have chosen, but the principle is wrong in a democratic country—and among sporting body particularly. Even our delegation to the draw for pole positions has been refused admittance to the holy chamber of handicappers. And these complaints, ladies and gentlemen, are not something which have arrived with the first consignment of frozen meat—we, or most of us, have been battling for recognition since the day one of our members left us to take his place on the W.A.T.A. committee. I refer to one J. P. Stratton who, as one of our members 15 years ago, had as many complaints as any of us.

'hat is perfectly true. The assessment board was rather an extraordinary body, one that reviewed any complaints regarding handicaps. A sort of appeal against handicaps. I have not heard of such a thing in any other port. To continue—

Gloucester Park is the property of the Trotting Association, but its value is infinitesimal compared with the thousands and thousands of pounds worth of horse flesh and equipment and properties owned by my members, who are not just scum—they are men in all walks of life and are all citizens of Western Australia, who must and do demand the protection the Government can give them from this trotting dictatorship. When I use the word "dictatorship" I mean it. If Mr. Stratton is out of town as I have been so often told, there is no one who can speak authoritatively for the Trotting Association.

Then again he said—

Mr. Stratton said he was surprised at our action in demanding that those horses belonging to the fraternity who endeavoured to break our efforts on June 24th should be put on the marks they earned according to his own racing rules. I tell him now he would have been more surprised still if we had not bucked against a deliberate insult. These horses earned well over £200 each when they won. The rules definitely state a horse shall be put back 12 yards if he wins £300 or under. If the assessment board—not Mr. Stratton—decided they had a case, then the assessment board could have lifted them at a later date—I repeat, not Mr. Stratton.

The quotation continues—

Mr. Stratton says he will now have to call together those who blacklegged on June 24th to decide what to do with the £1,250 of the Vinter Cup Final. I must remind Mr. Stratton that I have in black and white his promise that the nomination money of my members could be taken out of that £1,250 first. There were no contingencies—what he does with the balance is no concern of mine other than I don't like to see our money being thrown round amongst blackleggers.

The final paragraph reads—

The game is on, ladies and gentlemen, and we are determined to have our lawful rights. The sport is too big, our investments too heavy, our claims too just, and our membership too strong to allow this dictatorship to continue. We will help Mr. Stratton to protect the public as he so often quotes, but we don't want them reflected in the way Hitler protected France, Czechoslovakia and other places. We live in a democratic country and by democratic law we can and do seek the protection of our own democratic Government.

Hon. G. B. Wood: Where did you get that?

Hon. H. S. W. PARKER: That appears in the printed pamphlet. Members will appreciate from the extracts I have read

of that broadcast, the type of individual that is anxious to control trotting—and yet the Bill will give two of these people seats on the board of control. I think it will be agreed that that broadcast was couched in most intemperate language and was certainly not designed to benefit the sport in any shape or form. Strangely enough, it was that body and that person in whom apparently Mr. Dunphy placed implicit belief—although Mr. Dunphy said in his report that there was so much hearsay that he could not take much notice of it.

When I asked a question about the tabling of Mr. Dunphy's report I also asked about the file. I have looked through the file and from what I can discover it seems to be all odds and ends and pieces. It was suggested by the Chief Secretary that the New Zealand Trotting Association and the South Australian Trotting League were in favour of this proposal. Strangely enough, however, that report did not come to hand until after Mr. Dunphy had made his report to the Minister, at least so far as I have been able to gather from the file. It would appear from a minute dated the 5th October from the Chief Secretary to Cabinet that the Minister had had the report from Mr. Dunphy for a few days. About the same date Mr. Dunphy wrote to the Minister in reference to the report which he said he had "sent some time ago." Here is a letter that Mr. Clark, as president of the West Australian Trotting Breeders, Owners and Trainers' Association, wrote to Mr. Percival, the secretary of the W.A. Trotting Association, under date of 22nd December, 1944—

As you are no doubt aware, the W.A. Trotting Breeders, Owners and Trainers' Association (Inc.), has been endeavouring for some months to effect a settlement with your association on several issues which we consider to be vital to the best interests of the sport of trotting in this State. The delay or the failure on your part at arriving at a solution has now caused our members such concern that it has been decided to take other steps to safeguard the interests of those who actually provide the sport.

Having in mind the fact that the Breeders, Owners and Trainers of Western Australia are the backbone of the sport of trotting in Western Australia, and having bound themselves into a truly representative body known as the W.A. Trotting, Breeders, Owners and Trainers' Association (Inc.), we, the committee of that organisation, have now been instructed by a properly constituted general

meeting of our members to present as a log of claims, the following demands upon the W.A. Trotting Association (Inc.):—

- (1) The immediate abolition of the guarantor system, thereby allowing for free discussions in committee and allowing for a truly democratic system of control.
- (2) The re-opening of the W.A.T.A. membership list so that our members, if they so desire, may become members of the association formed to control the sport in which they have invested so much. The fee charged to be similar to that charged when members were last admitted. The rule making it compulsory for a new member to be proposed and seconded by committeemen to be so altered as to allow a prospective member to be proposed and seconded by any ordinary financial member.
- (3) The W.A.T.A. Constitution be so altered that two members of the committee of seven be representatives of the W.A. Trotting, Breeders, Owners and Trainers' Association (Inc.) elected by that body and to have the full powers of any other elected committeeman.

I am instructed to inform you that if these claims are not met to our satisfaction prior to January 31st, it is the intention of our members to cease racing until such time as a settlement is reached.

Let us take the first matter dealt with, the abolition of the guarantor system. That system was in force at that time, but it has ceased to exist. Then the next point is the re-opening of the membership question and the request for the rule making it compulsory for applications of new members to be signed by two members of the committee to be dispensed with. I find that it has been unnecessary for an applicant to be nominated by a committeeman of the Trotting Association. Rule 14 of the set of rules printed in 1932 provides—

Any person above the age of 21 years who desires to become a member of the Association shall be nominated in writing by two members. The nomination paper shall be countersigned by the candidate, and be accompanied by the entrance fee and full subscription for the year then current.

Hon. J. Cornell: What was the date of those rules?

Hon. H. S. W. PARKER: The rules were printed in 1932, and that particular rule is still in force.

Hon. J. Cornell: That was before Rafferty arrived.

Hon. H. S. W. PARKER: Another suggestion was that the W.A.T.C. rule regarding membership should be adopted. Rule 3 of the W.A.T.C. by-laws reads—

Candidates for admission as members of the club shall be proposed by one member and seconded by another in writing, and shall be elected by the committee by ballot. Two black balls shall exclude.

In connection with the Trotting Association the election is simply set out and a majority of the committee decides. The W.A.T.C. is far more strict than the Trotting Association, of which there is so much complaint. I have never before heard of any club having members of an outside body as committeemen. The W.A.T.C. goes further and provides that if a member of the club should become a trainer for reward or a jockey he shall, to use the words of the rule, "be expelled." There is nothing in the Trotting Association's rules to prevent anyone who is elected by a simple majority of the committee from being a member of the association. In reply to the letter I have quoted of the 22nd December, there is a reply from Mr. Percival under date the 13th January 1945. One paragraph in that letter reads—

As your association does not restrict your membership to breeders, owners, trainers and reinsmen, but admits to membership, even in votes membership, outside parties who have no bona fide interest in trotting, my committee feels that the framework of your association is being utilised by some members of your association to further their personal interests in an attempt to dictate the policy of the W.A.T.A.

Another paragraph in the letter reads—

For the reasons set out herein my committee now wishes to advise that it can no longer recognise your Association as being representative of the breeders, owners, trainers and reinsmen of trotting horses in Western Australia.

It has been suggested that in New Zealand, clubs in various parts of the Dominion are controlled by what is known as the New Zealand Trotting Conference which consists of certain persons nominated by the clubs and appointed by the Governor-General. That conference decides what races shall be run, approves of programmes and otherwise exercises powers very similar to those of the W.A.T.C. with respect to country racing clubs in Western Australia. I now quote a letter from Mr. H. F. Nicoll, of the New Zealand Trotting Conference. Members will realise that Mr. Dunphy in his report says

that this letter does not exist. What I am quoting from is a copy of that letter which is dated the 26th July, 1945. It reads—

I read your letter referring to racing and trotting control with much interest, because the subject has been occupying my mind considerably during the last year, owing to some weaknesses in our system here.

The Trotting Conference asked Mr. B. McCarthy, Vice-President of the N.Z.T. Association and me to visit Australia this year in order to investigate the control there, but we found the facilities for travelling so difficult that we delegated the work to my son Lt. Col. Nicoll, who was on his way home from the East, and he, having obtained permission to break his journey spent five weeks in Australia, during which period he visited several racing and trotting meetings and met the leading men in both sports. He has now given my conference a comprehensive report upon the controls existing throughout the Commonwealth and at our annual meeting of delegates, held last month, it was unanimously decided to make a change in our system to bring it more into line with that obtaining with you and in England, and this will probably come into being towards the end of this year.

As you may know, since I visited Sydney and Melbourne in 1936 and again in 1938, to attend the meetings of the Australian Trotting Clubs, I have looked upon the management and control of your association as a model, and we, in this Dominion quote your legislation and rules to our Minister of Internal Affairs as an example to be followed. I would be sorry to hear that any legislation should now be enacted that would, in any manner, divide or lessen the control your association at present enjoys, or that any other interests should be given any say in the management of trotting.

The N.Z. Owners and Breeders Association, in N.Z. is a powerful body, with branches in most of our towns and they have, in the past, endeavoured to regain representation upon our conference, but we have held, and have been supported in this by the higher authorities, that the control is, and should be, by the clubs alone, otherwise selfishly interested parties might obtain undue influence.

Dealing now with South Australia there is a letter written to Mr. Percival, the Secretary of the W.A. Trotting Association, by Mr. Rogers, the secretary of the South Australian Trotting Club, Incorporated, under date the 26th July, 1945. He says—

From the administrative side the separation of the office of the League and the principal club causes delay and inconvenience to people who wish to register horses, secure licenses, then make nominations. The former are done at the league office and the latter here.

Again he says—

My personal feeling is that as in other States the control should be vested in the senior racing body and I know this is shared by most officials, owners and trainers.

It is obvious that the body actually producing the sport is closer to public demands, administrative requirements and general conditions. There is a strong feeling here that a further amendment of the Act could be successfully sought to provide for the control to revert to this club but the Government has suggested that during the present period it would be most unwise to submit betting legislation for general amendment. In this respect it is noteworthy that one member of the League has on several occasions expressed himself that the League had outlived its usefulness and the control should be returned and placed in the hands of the South Australian Trotting Club.

I am informed that the South Australian League has no ground of its own and has to rent one. After this Bill was introduced, Mr. Clark again went on the air. Among other things he said—

We, as an organisation, and for many years as individuals, have striven for democratic control, a control above suspicion and with a knowledge of this section of sport, in which we could have implicit faith. In the Bill presented by Mr. Kitson we feel we have at last attained our objective. The world has been torn apart in recent years because of dictatorships.

The Breeders, Owners and Trainers' Association want to put in control a person who cannot be removed except by the Government. He is not elected. The essence of democracy is the election of representatives by the people. Why should a club that built up the assets which this club has, be presided over by a chairman appointed at the whim of the Government in power? Mr. Clark even suggests that "there is no nigger in the wood pile." He goes on to say—

With the passage of the Bill in its present form these things can never happen again. The main part of the control provides for a league to handle trotting affairs in this State, a league comprised of two representatives from our organisation, two members from the Trotting Association, one from Fremantle Club and one each from three country districts councils with an independent Chairman appointed by the Minister. There is no nigger in the wood pile.

Hon. J. Cornell: Who is the nigger, the Minister?

Hon. H. S. W. PARKER: I do not know.

Hon. W. J. Mann: Clark!

Hon. H. S. W. Parker: Mr. Clark continues—

When we could not settle our dispute with the W.A.T.A. in an arbitrary way we went to the Minister (who, incidentally, now has ministerial control over trotting as far as the present restricted Act will allow him), but he was powerless to intervene as the W.A.T.A. are now too powerful.

Might I mention that the Minister has no control whatever over trotting; but under the Racing Restriction Act, 1917, the Treasurer has power to fix the number of meetings—not the Chief Secretary; the Chief Secretary only has power over the Western Australian Turf Club. Is it not somewhat significant that this Bill is brought to this House? It is a Government Bill which is liable to be debated each way. Why was it not taken down to the democratic House, about which its members talk so much?

The Chief Secretary: Are you not making a very big mistake as regards the Minister in control of the Racing Restriction Act?

Hon. H. S. W. PARKER: I certainly think the Minister will find that the Treasurer is mentioned in the Act.

The Chief Secretary: I am asking you. I do not want you to make a mistake.

Hon. H. S. W. PARKER: Whether I am right or wrong, this Bill was put up to Cabinet and the Government decided to bring it down, according to the papers laid on the Table of the House.

The Chief Secretary: That is right.

Hon. H. S. W. PARKER: The members of another place say that the only democratic Chamber is the Assembly. Why not take the Bill there and let us put it into shape afterwards? Instead, it is brought here.

Hon. L. Craig: Do you object?

Hon. H. S. W. PARKER: I do object to its being brought here.

Hon. J. Cornell: It would have made no difference to the hon. member if it had been introduced in another place.

Hon. H. S. W. PARKER: Probably not. I do not know whether it would make any difference to any other member. The broadcast to which I referred was delivered within a day or two of this Bill being brought into this Chamber. Mr. Clark went on to say—

However, resolutions in no uncertain manner have been passed in favour of the Bill in country districts.

This gentleman went around the country organising meetings. How was he able to say what was in the Bill? I am credibly informed that the Trotting Association did not know the contents of the Bill; and I know members were anxious and keen to try to get some idea of what it did contain.

This gentleman apparently knew. H. continued—

There is another reason why we want the Bill. We can spend thousands of pounds to buy necessary equipment to keep the industry in motion, but, unlike shareholders in any other industry, we have no say in the administration.

God help trotting if it is going to be an industry!

Hon. J. Cornell: What else is it?

Hon. H. S. W. PARKER: Let us try to make it a sport. I certainly always understood that it was a sport; but in every sport abuses arise. However, why convert it into an industry?

The Chief Secretary: You do not suggest there is not a breeding industry, do you?

Hon. H. S. W. PARKER: I cannot understand why breeders want to control racing. I do not know that any industry is referred to in the Bill. I have not seen anything in the Bill about breeding. Mr. Clark proceeded—

We claim a greater share (in the management). We demonstrated that the industry needed our assets to continue, but we only want a share in the control. We do not want to take it completely.

Hon. W. J. Mann: Very nice!

Hon. H. S. W. PARKER: Yes. Mr. Clark continued—

We are striving for, and hope to obtain this impartial deal, and it is a pity these men would not reject personalities and have enough interest in the sport to support the Bill.

On Sunday, the 23rd September, a meeting of the district council was held at Kellerberrin. Mr. Clark called a meeting for the same day and issued dodgers advertising it. It was called for 3 p.m. and was to be held at the commercial room of the Kellerberrin Hotel. It also stated that Mr. Clark would explain the contents of the Trotting Control Bill. How was he enabled to address a meeting on the Trotting Control Bill? I submit that this is not a Government Bill. It is a Bill prepared simply for the Breeders, Owners and Trainers' Association. Is it desired to control the sport of trotting why not control it as the Turf Club is controlled?

The Chief Secretary: Have you read the whole of the report?



Hon. H. S. W. PARKER: No. I have read portion of it and tried to get the file back. There is much that is missing from the file. I was unable to find one letter. In a letter to Mr. Dunphy there is reference to pages 11 and 12, but I cannot find them. Mr. Dunphy himself said that the report was based so much on hearsay as not to be relied upon. Let me now give some figures of stakes. They are as follows:—

Season.		W.A. Turf Club.	W.A. Trotting Association.
		£	£
1939-40	....	25,018	39,203
1940-41	....	23,922	29,005
1941-42	....	18,586	24,429
1942-43	....	16,537	25,625
1943-44	....	31,850	54,275
		<u>£115,913</u>	<u>£172,537</u>

So we find that over a period of five years the W.A. Turf Club distributed in stakes the sum of £115,913, whereas during the same period the W.A. Trotting Association distributed the sum of £172,537, a difference of about £56,000.

Hon. J. Cornell: That was largely on account of the locality of the races.

Hon. H. S. W. PARKER: Whatever it is due to, the management of the W.A. Trotting Association could not have been bad; but whether it was good or bad, the Breeders, Owners and Trainers' Association are still asking for more money. It has been said that all the country clubs want the Bill. I shall now read a letter from the Secretary of the Golden Mile Trotting Club, Incorporated, dated the 23rd September, 1945. It is addressed to Hon. F. J. S. Wise and is as follows:—

We have heard rumors that Mr. Dunphy may recommend to the Government the introduction of a board of control for trotting or a league system of control.

May my Committee take the liberty of placing their unanimous opinions before you for your consideration.

In a recent letter to Mr. Dunphy my Committee stressed how bitterly opposed they were to any change of control in any way whatsoever, and submit herewith their reasons.

We are a club 400 miles away in a mining town, where amusement must be made by the inhabitants, 95 per cent. of our owners and trainers are mining men, and we feel confident therefore in claiming that trotting on

the Goldfields is an asset and a necessity for our community. The W.A. Trotting Association have in every way been most helpful, they have proffered advice and have given financial assistance when needed, they have been sympathetic in their outlook, and my Committee cannot honestly do other than view any possible change of control with the gravest alarm. We are of the opinion that any change of control will prove the death knell of trotting here.

We most respectfully solicit your consideration of the unanimous opinions stated above, which we, as a committee, claim to be true in every detail. Believe me to be, Sir, Your Obedient Servant, (Signed) H. Littler, Secretary.

Hon. G. Fraser: You said that that letter was from the club. I understand from the wording of the letter that is from the committee.

Hon. H. S. W. PARKER: The letter is headed, "The Golden Mile Trotting Club, Incorporated."

Hon. G. Fraser: Actually, it is from the club.

Hon. J. Cornell: Mr. Heenan got the stick over what he said in this Chamber.

Hon. H. S. W. PARKER: I am glad he spoke before he got the stick.

Hon. W. J. Mann: Apparently he told the truth.

Hon. H. S. W. PARKER: I now quote a letter from the Fremantle Trotting Club, dated the 17th September, 1945. It is as follows:—

I have to thank you for your letter of the 12th inst.

In reply to the last paragraph of this communication I wish to advise, as mentioned in my letter of the 10th instant, that advantage was taken of the Crown Solicitor's invitation and my full Committee, seven in number, recently had a long interview with him in reference to trotting matters in general and method of control in particular.

On that occasion my committee fully expressed its disapproval of any change in control such as board of control or league for the control of trotting and I wish to again urge that our considered opinions in this matter will be borne in mind by your Government. —Yours faithfully, (Signed) G. Booth, President.

Hon. G. Fraser: That letter, again, is from the committee.

Hon. L. B. Bolton: Is it on the file?

Hon. H. S. W. PARKER: I do not know. The letter I am now going to quote is dated the 9th November, 1945, and is from the

Fremantle Trotting Association. It is headed "Fremantle Trotting Association, High-street, Fremantle," and is as follows:—

At a meeting of the committee of the Fremantle Trotting Club Inc., held on the 8th inst., the utmost concern was expressed by members at the drastic alterations proposed by the Trotting Bill at present being debated in the Upper House.

The West Australian Trotting Association has always adopted a benevolent attitude in connection with this club, and we feel that it would be a retrograde step to replace the present form of control with a league that was at all times under the direction of the Minister.

We wish you to know that we have not sought this legislation, and the attached correspondence will disclose to you our very real opposition to it.

May we earnestly request you, in the interests of the sport and clubs like ours, to most strenuously oppose any alteration in the present form of control. By doing this you will ensure a continuance of a control which has been instrumental during the war in providing Fremantle war, patriotic and charitable funds with sums of money unequalled by any other institution.—Yours faithfully, (Signed) G. Booth, President.

Mr. Booth forwarded me a copy of a letter, addressed to the Premier and dated the 10th September, 1945, in which he says—

When interviewed recently by members of my committee, the Crown Solicitor, Mr. Dunphy, indicated that recommendations might be made to the Government for the introduction of a board of control for trotting or for a league system of control.

Investigations made by my club have revealed that in all States of Australia, with the exception of South Australia, the control of racing or trotting is in the hands of the leading club.

In South Australia, where the league system is in operation, a lack of harmony in administration is found to be in existence, and this is operating to the detriment of the sport.

The galloping clubs in South Australia, under the control of the leading club, are enjoying great prosperity whilst the trotting interests under the league system are unable to make progress.

In Western Australia, where the population is smaller, the trotting interests under the W.A.T.A. control have been able to more than hold their own with the galloping clubs.

At all times, when assistance has been sought by our club, the W.A.T.A. has done everything possible to assist. The Fremantle Club and the W.A.T.A. cater for what is practically the same audience with the same horses racing, and the closest co-operation between the two bodies is essential to ensure success. This co-operation has been so much in evidence in the past that we do not wish to lend any support to a suggestion of altered control, which might in any way endanger such co-operation in the future.

We believe the existing system, which has stood the test of time, to be a far more practical means of control for trotting than other systems which have not enjoyed success elsewhere, and we earnestly request that the Government will bear our considered judgment in mind and refrain from introducing a board of control or a league for the control of trotting in Western Australia.

The Premier replied on the 12th September as follows:—

I have your letter of the 10th inst., and am sending it on to the Hon. W. H. Kitson, who will be handling any action to be taken by the Government following Cabinet decisions on the matter.

I am wondering whether your club availed itself of the expressed invitation of the Crown Solicitor to tender evidence to him when he was giving consideration to the drafting of the Bill and a report to the Government.

The letter of the 17th September, which I have read, was written in reply to that one. I have numerous other matters I could deal with. It has been suggested that this is not democratic. I point out that the guarantor of control has gone; it is definitely finished. Whether it was through being pushed out does not matter; it is gone. In August last advertisements were inserted in "The West Australian" calling for nominations for president and members of the committee. Any member of the club could nominate for any of these positions, but the only nominations were those of the retiring president and committeemen. There was no opposition to them at all. Various allegations, made at a meeting held at Kellerberrin, were published on the 24th September. This meeting was called by Mr. Clark, and the following is a report of the meeting and the motion that was carried:—

After considerable discussion the following motion was carried:—

That this meeting supports the proposed control of trotting by an independent board constituted as follows:—Two representatives of the W.A.T.A., two representatives of the B.C. and T.A., one each from the country councils, one each from Kalgoorlie and Fremantle clubs, to be presided over by an independent chairman.

On the 24th September Mr. Clark had that resolution passed, or was present when it was passed at Kellerberrin. Perhaps the most important feature of this business is that when difficulties arose a Minister of the Crown was appealed to and he selected the second senior Crown Law officer to make inquiries and report. The officer did so and

there is no doubt about the type of report that he made. I should say that any person reading it would immediately, and without further hesitation, say that it was so extraordinary that steps should at once be taken to inquire into the position. If it is sufficiently strong to necessitate a Bill being brought down, it is sufficiently strong to have a full and complete inquiry before presenting that Bill to Parliament. There should have been, immediately, a Royal Commission to inquire into all these serious allegations. Mr. Clark asked if he could come and see me, and I was pleased to see him. He again repeated these allegations, almost word for word with what is contained in the report. It does not matter what effect it had on me, but there is the report, and the Government did nothing. Before the Government takes such serious action as to bring down a Bill, it should, at the least, get the evidence on oath and make some inquiries.

Hon. G. Fraser: Would you support a Royal Commission to inquire into trotting affairs?

Hon. H. S. W. PARKER: Most decidedly I would. That is what should have been done before any Bill was presented to this House. For that reason, I shall vote against the Bill.

On motion by Hon. G. Fraser, debate adjourned.

*House adjourned at 10.52 p.m.*

## Legislative Assembly.

*Tuesday, 20th November, 1945.*

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

## QUESTIONS.

### MUNICIPAL CORPORATIONS ACT AMENDMENT BILL.

*As to Requests by Local Authorities.*

Mr. DONEY asked the Minister for Works:

Have any municipalities or associations of municipalities, and if so, which, asked for the proposed amendments to the Municipal Corporations Act dealing with—

- plural voting;
- meetings to commence before 7 p.m.;
- abolition of interest on overdue rates;
- uniform building by-laws to be prescribed by the Governor;
- cancellation of the discretion of municipalities on respect of the use of wood in the construction of buildings intended to be used as dwelling houses?

The MINISTER replied:

(a) No, and it is not to be expected that members of municipal councils would ask for the abolition of the voting system which has brought about their election to those councils. The Bill proposes to abolish the plural voting system because the Government believes that system is undemocratic giving as it does as many as 16 votes to a number of individual ratepayers in the Perth City Council and as many as eight votes to certain ratepayers in certain other municipal council districts.

(b) No.

(c) The right of municipal councils to charge and recover interest on rates in arrear was expressly taken away by Section 42 of the Municipal Corporations Act Amendment Act, 1938. The consequential amendments in the Bill are in line with that legislation.

(d) Yes—by the Local Government Association, the membership of which embraces the metropolitan municipal councils in addition to the metropolitan road boards.

(e) No. The discretion conferred on councils by Section 311 is limited to the issue of licenses, the operation of which may be restricted to specified periods of time. There is no provision in the Bill purporting to cancel this discretion.