

# Legislative Council.

Wednesday, 7th April, 1943.

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The PRESIDENT took the Chair at 2.15 p.m., and read prayers.

## BILL—COMMONWEALTH POWERS.

*In Committee.*

Resumed from the previous day. Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 2—Reference of matters to Parliament of Commonwealth.

Paragraph (b) (partly considered):

The CHAIRMAN: Progress was reported after the word "and" in line 1 of paragraph (b) had been struck out and Hon. H. Seddon had moved to insert the following words in lieu:—"of unemployed persons on the construction of national works, public works and local government works, and the relief of unemployed persons by occupational training and insurance against."

Hon. H. SEDDON: Yesterday I gave reasons why these words should be inserted and I think there is no need to add to what I said then.

The CHIEF SECRETARY: Apparently the Committee, having agreed to the first portion of Mr. Seddon's amendment, is desirous of limiting the power of the Commonwealth with regard to employment, and therefore I do not propose to contest the amendment. To do so would be merely heating the air. I can only protest against this refusal to give the Commonwealth the right to deal with employment in a broad way as was provided in the paragraph. There are many other aspects, besides those mentioned by Mr. Seddon, from which it would be desirable for the Commonwealth to have further powers to deal with the problem of unemployment.

Amendment put and passed.

Hon. H. SEDDON: I move an amendment—

That all words after the word "shall," in line 2, be struck out and the words "affect or in any way prejudice the sovereign right of the Parliament of the State through a

State Arbitration Court or other State industrial tribunal to regulate and determine wages and other conditions of employment in the State" be inserted in lieu.

The position in Western Australia for many years has been that the State Arbitration Court has determined the basic wage, and wages and conditions in the various industries. The paragraph as it now stands will enable the unions to determine whether they will have their cases decided by the State Arbitration Court as previously, or allow them to be determined by the Commonwealth Arbitration Court. As the result of determinations by the State Arbitration Court the basic wage in Western Australia is considerably higher than corresponding wages under determinations of the Commonwealth Arbitration Court. I hold that we should retain in the hands of the State court the control which it now has. Members may recall the position which existed in industry here prior to the passing of the State Industrial Arbitration Act. For a long time there was a tendency for either employers or employees to try to get into one court or the other; and in a good many cases, owing to the conditions under which the Commonwealth Arbitration Court operates, interstate disputes were created in order that cases might be brought before the Commonwealth court. It has been an understood thing that our industries should have their conditions determined by the State Arbitration Court, seeing that the future of the State is largely in the hands of the State Government.

The CHIEF SECRETARY: I cannot agree that Mr. Seddon's amendment will obtain for anybody control to such an extent that all Western Australian industries shall be subject to the State Arbitration Court. Before I deal with this amendment, I would ask Mr. Seddon whether he can explain why it is necessary at the present time to insert the words proposed by him. It appears to me that the Committee, having agreed to his previous amendment, has created a position where there is absolutely no need either for the hon. member's further amendment or for the retention of the words already adopted. Mr. Seddon's proposal seems to me entirely inconsistent with the limitation which the Committee placed upon the Commonwealth Government regarding its power in the matter of employment and unemploy-

ment. The effect of the adoption of the previous amendment does away with the necessity for any further words dealing with the court.

Hon. H. SEDDON: My contention is that the words already inserted in the paragraph provide for the conditions under which the Commonwealth Government can deal with unemployment. In order to provide that the methods of dealing with unemployment shall be carried out under the conditions applying to all industries in Western Australia, it is necessary that the conditions obtaining in those occupations shall be brought under the control of, and be established by, our State Arbitration Court. That is my reason for moving the present amendment.

The CHIEF SECRETARY: Again I would raise the point that it is impossible for the hon. member to achieve his object. Organisations of employers and organisations of employees have the right to approach either the Commonwealth Arbitration Court or the State Arbitration Court, in accordance with their discretion. Anything that we might insert in this particular Bill could not prevent the organisations from exercising that right. The limitation which has been placed by the amendment to which we have just agreed, on the powers referred to the Commonwealth is set out in the amendment, which reads "the employment of unemployed persons on the construction of national works, public works, and local government works, and the relief of unemployed persons by occupational training and insurance against unemployment." Consequently, there is no need for the further amendment. The parties concerned will have the right to approach either the Commonwealth Arbitration Court or the State Arbitration Court. Anything we may include in this paragraph cannot take away from an industrial organisation of employees or of employers the right which it has under the existing Commonwealth and State Arbitration laws. The Solicitor General bears me out in my contention. The proposed amendment is futile.

Hon. L. B. BOLTON: I do not agree with the Chief Secretary's contention. As I read the paragraph, the union of employees has the right to approach either the Commonwealth Arbitration Court or the State Arbitration Court, but the employer has not

that right. In my opinion, it would be a privilege granted to the union of workers. The Chief Secretary said that the union of employees or the employer could approach either court, but this paragraph leaves it open to the union of employees to approach whichever court it thinks fit. I support the amendment.

Hon. H. L. ROCHE: I also support the amendment. If the amendment, as the Chief Secretary maintains, is redundant then all that portion of the paragraph after the word "unemployment" should also be held to be redundant.

The Chief Secretary: That is so.

Hon. H. L. ROCHE: If the amendment is rejected, the Committee should also strike out the portion of the paragraph to which I have referred.

The CHAIRMAN: If the Committee desires to test the point, Mr. Seddon may withdraw his amendment. An amendment could then be moved to strike out all the words after the word "unemployment."

Hon. H. SEDDON: In order to test the feeling of the Committee, I, with the permission of the Committee, withdraw my amendment.

Amendment, by leave, withdrawn.

The CHIEF SECRETARY: As I said, this paragraph having been amended to the extent it has, there is no need for the words following the word "unemployment" and consequently they should be struck out. No amendment of this kind would have been moved had it not been for the fear of some people that the reference was so wide that the Commonwealth would desire to override the State industrial arbitration laws. No ground exists for that fear. To me it is merely a bogey raised by people anxious to limit, as far as possible, the power proposed to be given to the Commonwealth Government to deal with employment in this and the other States. The words I am intending to move to strike out are words which were inserted by another place; they were inserted simply on account of the fear that had been expressed that our State Industrial Arbitration Act would become inoperative. There is no ground for that fear, although some people think so. The State Industrial Arbitration Act will not be affected in any shape or form; but should there be some organisation the members of which have been

provided with employment by the Commonwealth, that organisation would have the right to approach the Commonwealth Arbitration Court under the Commonwealth Arbitration Act. Nothing that we may put into this paragraph will affect that right. Not many industrial organisations in Western Australia are operating under the Commonwealth Arbitration Act; most of them operate under the State Act and will continue to do so. That being so, I can see no reason for the inclusion of the words to which I have referred, neither do I see any reason for Mr. Seddon's amendment. I move an amendment—

That in lines 1 to 15 the words "but so that no law made under this section shall operate in relation to employment within the State in a manner which will enable rates of wages to be fixed, and conditions of employment determined, if and whenever any industrial union of workers or other legally constituted association of workers, whose members would be affected thereby, objects in writing to the employer or association of employers concerned, and requires that such fixation of wages or determination of conditions of employment shall be dealt with and made under the laws of the State relating to Industrial Arbitration" be struck out.

Amendment put and passed.

Hon. Sir HAL COLEBATCH: I am not in favour of paragraph (b). Any work of this kind after the war would be far better done between the State and the Government than by transferring it to the Commonwealth. It is all very well to deprecate talk about being suspicious of the Commonwealth Government, but all we are doing is believing that that Government means what it says. The present Commonwealth Government has told us what its policy is in regard to matters of this kind. It is nationalisation of all undertakings. To my mind, there are two dangers in the paragraph as it stands. One is that, if we are to be guided by past experience, Western Australia will not get a fair deal. The bulk of the work will be done in those States where the votes are. The other is that under this power the Government may seriously prejudice the re-establishment of private enterprise. Anything done after the war affecting unemployment could be far better done by the State with the assistance of the Commonwealth. I hope the paragraph will be struck out.

The CHAIRMAN: It can be struck out only on recommittal.

#### *Point of Order.*

Hon. H. S. W. Parker: Could we not deal with the paragraphs as though they were clauses?

The Chairman: We could if we liked to break the Standing Orders but would it get us anywhere? I think it would only get us into a mess.

Hon. H. S. W. Parker: Could we do it without breaking any Standing Orders?

The Chairman: The full leave of the Committee would have to be secured. I think the President would have to take the Chair.

Hon. H. S. W. Parker: Take this particular matter! I would like to vote the whole lot out though I preferred the amendment rather than the original provision. When we have finished with this particular item we may have to go through the same arguments again on the other paragraphs. Could we not deal with each paragraph as though it were a clause?

The Chairman: It looks like being the expedient way but I think the hon. member would find it was not.

#### *Committee Resumed.*

The CHIEF SECRETARY: I do not think it matters what the procedure is so long as we arrive at some definite conclusion with regard to the various powers. The present procedure is perfectly satisfactory to me and will save a lot of trouble at a later stage. I do not know whether I should reply to what Sir Hal Colebatch had to say but I hope members will be a little more specific than he was in his remarks, which were to the effect that the Government had said the object of the Bill was to nationalise all industry. I give a flat denial to that. I do not know any authority that has made that statement. It has not been made in this Parliament. When members make statements of that kind I would like them to give their authority.

Hon. L. B. Bolton: Do you not think Mr. Dedman went pretty close to it?

The CHAIRMAN: There can be no further discussion on the paragraph until it is recommitted.

Paragraph, as amended, put and passed.

Paragraph (c):

Hon. A. THOMSON: I move an amendment—

That after the word "of" the following words be inserted:—"wheat, wool, meat, and butter and with the consent of the Parliament

of Western Australia expressed by a resolution of both Houses, and as long as such consent is not revoked by a like resolution, any other commodity or commodities of which a substantial portion was exported from the Commonwealth during any of the five financial years ending thirtieth day of June, one thousand nine hundred and thirty-nine, but so that no law made under this paragraph shall discriminate between States or parts of States in relation to the marketing of any such commodity or."

I think we all realise that owing to the length of the war these commodities may have to be dealt with by the Commonwealth Government, but I do not like the idea of handing over the whole of the control of the organised marketing of commodities which covers everything produced in Australia. We find in the preamble to the Bill from line 16 onwards the following words—

it was unanimously resolved that adequate powers to make laws in relation to post-war reconstruction should be referred to the Parliament of the Commonwealth by the Parliaments of the States:

That resolution was not unanimously carried, seeing that Senator McLeay asked that his opposition be definitely recorded. We know that Mr. Watts, the Leader of the Opposition in the Legislative Assembly, definitely stated that, while he accepted the measure, he reserved the right to endeavour to have amendments made to it. I consider that the commodities over which control should be exercised should be limited to those mentioned in the amendment.

The CHAIRMAN: Does the hon. member think the words "expressed by a resolution of both Houses" are necessary? Parliament consists of both Houses.

Hon. A. THOMSON: This has to be passed by both Houses to be effective.

The CHAIRMAN: If the hon. member wants the words included, well and good!

The CHIEF SECRETARY: Here again we have a desire on the part of the mover of the amendment to limit the authority and power of the Commonwealth Government, this time in regard to organised marketing. Our experience during the present war has proved very conclusively that it is highly desirable that we should have one authority for the purpose of marketing quite a number of commodities. There is no doubt that in the post-war period, when we are faced with conditions such as we have never before experienced—and more particularly when the primary industries of this State will re-

quire all the assistance it is possible to give them—we should not limit the opportunity the Commonwealth might have to do that which the primary industries, particularly of this State, might desire. By the amendment, the authority of the Commonwealth Government will be limited to the four items mentioned and to any other item which during any of the five years prior to the 30th June, 1939, has been exported.

It is quite possible that we shall have commodities, not only primary commodities, which we have never exported. The Commonwealth might desire to have control of those products so as to market them on behalf of the producers. That may be the only way by which the producers could get anything like a fair deal. It might be necessary for the Commonwealth to make agreements with other countries; reciprocal arrangements perhaps. Some of these commodities may be things that we have never exported, or that we exported ten years ago in a small way. Yet by this amendment the Commonwealth would not have the power or authority to deal with them. We would make a very big mistake if we agreed to this limitation. The potash industry at Lake Campion is one in point. We have never exported potash from this State. We may desire that the Commonwealth shall have the power and authority to deal with that item. We believe that the industry will produce sufficient potash to provide for the requirements of the whole of Australia.

Hon. H. S. W. Parker: Could not the State export it?

The CHIEF SECRETARY: It could, but the Commonwealth desires to make the necessary arrangements on behalf of the whole of Australia, and it is in the best position to deal with agreements of that kind which will be associated with other countries—the United States, for instance. It is very doubtful whether we, as a State, have any real standing in some of these matters. The preamble of the Bill is sufficiently clear to show that there is a desire for the utmost co-operation between the Commonwealth and the State. It is only a temporary power that we are referring. I cannot see why we should say to the Commonwealth Government, "If you have an opportunity to deal with a particular commodity outside what is mentioned in this amendment, we do not propose to allow you to carry out the necessary arrangements."

Hon. C. F. BAXTER: We are now finding out where we stand, and what is sought. The main items mentioned are wheat, wool, meat and butter, which implies that large quantities of those commodities are being exported and that it will be necessary for the Commonwealth to be empowered to deal with other countries in connection with these articles. But we should not hand over to the Commonwealth every little tin-pot industry. A big mouthful is made of our potash. Why should not this State have control of its exportable products? That applies to all small industries. The whole foundation of this paragraph is the necessity for the Commonwealth Government to handle those products which are produced in large quantities. We agree that that is right, but this Committee should be careful not to hand everything over to the Commonwealth.

Hon. L. CRAIG: I hope this amendment will not be agreed to. The greatest detriment to the agricultural industry at the present time is lack of markets. With assured markets there is hardly a commodity that we cannot produce.

Hon. C. F. Baxter: This applies to after the war.

Hon. L. CRAIG: Yes. That was one of our greatest hardships before the war. Wheat, wool and butter are commodities produced all over the world. Many others can be produced here, but not economically because we are unable to find a reasonable market for them. We can produce soya beans, linseed and flax. But without some organised method of marketing them they cannot be produced profitably; and we cannot find a market! I know men who grew linseed years ago, and did not know what to do with it. It was in demand, but no one could tell them where to sell or what was the anticipated price. The result was that they gave up growing linseed. Probably China's greatest crop is the soya bean. It is, perhaps, the most useful agricultural commodity grown in the world today. It is used in almost every industry. It is used in plastics, and also for children's food. The Chinese children are fed on the milk of the soya bean, and it is a staple product for sauces, jams, etc. Australian imports of soya beans run into many hundreds of thousands of pounds.

Hon. W. J. Mann: We cannot produce soya beans economically.

Hon. L. CRAIG: We can if a proper market is organised.

Hon. G. W. Miles: Can you imagine us competing with China?

Hon. L. CRAIG: This is a most important paragraph. I gave evidence before the Rural Reconstruction Commission on this very point. What I stressed, above all else, was that there should be a co-ordinated marketing organisation between all the States and the Commonwealth. The Commonwealth Government has now set up a Department of Agriculture. Each State has its own Department of Agriculture, and between them all it should be possible to give information to farmers as to the possibility of growing certain commodities not previously grown, for instance, small rubber plants. All these things can be produced but nobody can sell them. I hope the Commonwealth Government, after the war, will have a marketing branch attached to its Agricultural Department, not necessarily to sell the commodity itself, but to organise the sale of it; to find a market and the anticipated price, and to discover the conditions under which it grows.

Hon. C. F. Baxter: Could not the State do that?

Hon. L. CRAIG: No; nor would the State agree. This is a most essential paragraph. I am not sure that it is right in its original wording. I do not know that we want to hand over all commodities, but it is most essential that we do not confine organised marketing to those items that we have been exporting for years. We must find markets for the commodities we are not producing today, and for those that we do not produce in any quantity. Take mica! A producer of mica wrote to me and said, 'I have mica here but I cannot get anybody to buy it or give me a price for it. I have been in touch with two people who are interested and they said, 'We do not know how this compares with the world parity.' I was offered 2s. 3d. per lb. I cannot produce it at that price and I do not know what to do with it.' At the time I was connected with the Department of Industrial Development and I referred the matter to Mr. Fernie, telling him that the man did not know what to do with his mica. He suggested that I should bring the man to see him and I did so, taking the 30 lbs. of mica with us. Mr. Fernie said he would see what could be done, and he communi-

cated with the authorities in the Eastern States asking what the position regarding mica was at that stage. In consequence of Mr. Fernie's action, the man was able to sell his mica within a week or two.

Hon. A. Thomson: Then apparently the State, through a Government official, was able to arrange the sale!

Hon. L. CRAIG: It had to be arranged through the authorities in another State. It is necessary to organise our marketing; the man who endeavours to sell his commodity on his own can get nowhere.

Hon. A. Thomson: That happens in many directions.

Hon. L. CRAIG: Another commodity produced here that could be taken over by the Commonwealth under this paragraph is bismuth, which is found in parts of the North-West. There is a considerable market for bismuth, and the Commonwealth has taken the lot.

Hon. C. F. Baxter: Owing to the war.

Hon. L. CRAIG: But there was a potential market for bismuth before the war.

Hon. W. J. Mann: It was being exported before the war.

Hon. L. CRAIG: I know there are one or two buying organisations and, unless the article is sold through one, nobody can get anywhere. The same applied to pearl-shell, but that is another story. Another commodity that will be affected is casein, which is an essential for use in certain products. It is suggested that we shall include butter, but casein is not included. It would be unwise for the Committee to specify the commodities the marketing of which may be organised and those that may not be dealt with in that way. Then again, we would include commodities from the standpoint of Western Australia, whereas Queensland would include quite a different list. What a mess we would get into! Why give the Commonwealth power to organise the marketing of wheat in Western Australia and not in Queensland? More investigation is required to decide what commodities ought to be controlled. The amendment is calculated to do harm. I prefer the paragraph in its original form with whatever amendments are deemed necessary to enable the Commonwealth to give effect to what we desire.

Hon. G. B. WOOD: I am prepared to give the Commonwealth Government certain control regarding our surplus commodities,

such as those mentioned in the amendment. I cannot see any similarity between the marketing of wheat, butter and so forth and the marketing of, say, mica. We do not desire the Commonwealth Government to find markets for everything we produce. Many years ago when the Whim Creek copper mine was operating, those concerned did not go to the State or the Commonwealth Government with a request that a market should be found for the copper produced.

Hon. L. Craig: The company took what price it could get.

Hon. G. B. WOOD: The price received was from £105 to £120 a ton, and the company found its own market. Mr. Craig spoke about soya beans. The reference of the powers mentioned in the Bill is for five years, and I cannot imagine that a huge industry in the production of soya beans would be built up within that short period. Let members recall the mess the Commonwealth made of our barley industry. The Commonwealth has admitted its mistakes and has handed the control of that commodity back to the growers. After the war there may be a shortage of ships, and the space available for export may be rationed. For that reason I think it right to give the Commonwealth Government some control over the exports of the commodities mentioned in the amendment, which I support.

Hon. Sir HAL COLEBATCH: It seems to me that Mr. Craig does not make sufficient distinction between the organising of markets and the finding of markets. There is not, and never has been, any obstacle in the way of the Commonwealth finding markets. In fact, that Government has appointed representatives in many countries, and I have yet to learn that as a result the Commonwealth has gone as far in finding markets as has private enterprise. In the past the minor products that have been referred to have been dealt with and always the question has been: Is the commodity of the required quality and available at a suitable price? If the commodity complies with requirements, the market is arranged; if it does not, no market is established. The suggestion that, in order that the Commonwealth may find markets, it is necessary to give control over the marketing of everything, does not appeal to me. Then we are told that one State may decide upon one thing and another State upon another, as

a result of which there will be a lot of confusion. I do not think there has ever been introduced a Bill more certain to cause confusion than the one we are now dealing with. I understand Queensland and New South Wales have agreed to the measure as it stands. I do not know exactly what Victoria has done, but it has passed the Bill with many amendments. Tasmania threw it out altogether, and South Australia, dealing with this particular paragraph, amended it to read, "organised marketing of commodities of which there is a normal surplus exported from the Commonwealth"—which is on somewhat the same lines as the amendment under discussion. I have very little faith in governmental organising of markets, and I have yet to find one instance in which it has been completely successful.

Hon. H. S. W. PARKER: If we give away this particular power, we give away everything. I think I have made that remark about nearly every paragraph in the clause. Do members appreciate the meaning of the word "commodity"? I do not know why we want to give the Commonwealth power to control us absolutely in order to find a market for our mica, or soya beans, which I believe are not grown in this State.

Member: Experimental lots are being grown.

Hon. H. S. W. PARKER: Power to control other commodities can be given to the Commonwealth if and when the occasion arises. But why should we give the Commonwealth carte blanche to go straight ahead? Surely we have faith in the State Government and its department to find markets for our commodities! If not, we should do something about it. I admit that there are commodities over which the Commonwealth should be given control, but are we going to hand over the control of all our trade and commerce to the Commonwealth? That is what the paragraph means.

Hon. V. HAMERSLEY: I do not favour the handing over of this power to the Commonwealth. During the 1914-18 war the Commonwealth took control of the copper produced at the Whim Creek mines. A large amount of British and local capital had been invested there, and the Commonwealth prohibited the export of the copper unless it was first shipped to the Eastern States for treatment. The owners appealed to the Common-

wealth not to interfere because they were getting a good price for the product. The Commonwealth, however, took charge, and the cost of sending the copper to the East and getting it treated there made it impossible to continue production. I prefer to keep the Commonwealth out.

Hon. G. W. MILES: I oppose the amendment. To limit the powers of the Commonwealth to deal with four products only would be absurd seeing that many other lines will be produced after the war.

Hon. C. F. Baxter: The amendment will not tie the Commonwealth down to four products.

Hon. G. W. MILES: Only four are mentioned. What about the fruit exported from Western Australia. Why should not the Commonwealth have the power to organise that market? After the war the Commonwealth must be able to speak for the whole of Australia.

Hon. C. F. Baxter: Are you prepared to hand more power to the Commonwealth?

Hon. G. W. MILES: Yes, and cut out these imaginary State boundaries. I regret that the hon. member was not present yesterday to hear my views.

Hon. C. F. Baxter: I would not have gained very much.

Hon. G. W. MILES: The hon. member would have heard what the Commonwealth has done for our primary industries, which is something for which he gives it no credit. We have too many one-eyed gunners. I said enough yesterday to convey my views to the people.

Members: Hear, hear!

Hon. G. W. MILES: I am not out to catch votes, as some people are. There is a possibility of asbestos being produced of a value equal to our gold production, and there is no reason why the Commonwealth should not be empowered to organise the marketing of it.

Hon. H. S. W. Parker: Why cannot we market it?

Hon. G. W. MILES: Because we are too narrow to do anything. The pearling industry should also be considered. Pearl-shell to the value of £8,771,000 and pearls to the value of £2,300,000 have been exported. Why should not the Commonwealth be empowered to make arrangements with other nations for us to trade with them?

Hon. A. Thomson: You are an optimist.

Hon. G. W. MILES: Thank goodness I am not a pessimist, like some members! The powers asked for in the paragraph should be conceded to the Commonwealth.

Hon. L. CRAIG: Potatoes are not mentioned in the amendment, though growers in the South-West have been asking for years for the organisation of that industry.

Hon. W. J. Mann: How many potatoes do we export overseas?

Hon. L. CRAIG: The paragraph refers to the organised marketing of commodities, not to their export overseas. When a large crop is harvested in Victoria, potatoes are sent here and our product cannot be given away. This is a perishable product for which growers have been trying to get marketing organisation, and it is not included in the amendment. If we are going to specify certain commodities, we should take care to mention all that should be included. I would agree to the amendment passed by the South Australian Parliament, but to stipulate that something shall be organised and something else should not would be unwise.

The Chief Secretary: The South Australian amendment is not nearly so severe a limitation as the one proposed by Mr. Thomson.

Hon. L. CRAIG: That is so.

Hon. Sir HAL COLEBATCH: The South Australian amendment imposes a greater limit than Mr. Thomson's, because it applies only to commodities with exportable surpluses. Mr. Thomson's amendment would permit of the inclusion of any other commodity provided its inclusion is agreed to by the Parliament of the State.

The CHIEF SECRETARY: It would be preferable not to specify any commodity. Some members who are supporting the amendment are taking a very short-sighted view. Apparently they cannot get away from the idea that when the war ends we shall automatically revert to the position that prevailed in pre-war years. I cannot stress too strongly my opinion, at any rate, that in the post-war period we shall face conditions such as we have never previously experienced, and that it will be necessary for international agreements to be made among the United Nations, and with other nations as well, in respect of almost everything that can be produced in Australia. Then why should we limit the operations of the Commonwealth Govern-

ment to the commodities mentioned in the amendment plus those commodities that we have exported during the past five years? The paragraph as it stands represents a compromise, since it takes the place of the heading "Trade and commerce" appearing in the Commonwealth Government's original proposal. The Drafting Committee agreed that this was one aspect of trade and commerce over which the Commonwealth Government ought to have control. During the discussion it was pointed out that to define exactly what is a commodity is difficult, but that in practice "commodity" has come to mean something that can be disposed of by organised effort, or words to that effect.

We have had experience of organised marketing of commodities; and as the years go by, I daresay, we shall have experience of additional organised commodities. It may be that some commodities which we have never exported from this State, but which have been exported from the other States and which we shall produce in increasing quantities during the post-war years, will be included. The paragraph is not confined to the overseas export of commodities. It also refers to organised commodities to be disposed of in Australia, within all the States of the Commonwealth. Why be so shortsighted as to limit this State to particular items? I am grateful to Mr. Craig for the expression of his point of view. We have in Western Australia resources which have not yet been developed, and which I believe to be of great potential value. I am aware that even at the present time arrangements are being made by the Commonwealth Government to secure markets overseas. Unless that Government has this power and can negotiate with other countries for reciprocal agreements to the advantage of our producers, we shall suffer. Mr. Baxter asks whether we are going to hand over to the Commonwealth all our "little tinpot industries." That represents a very far-fetched interpretation of the paragraph.

Possibly we shall have in Australia commodities of which we cannot sell the surpluses, and it may be that in post-war years it will be necessary by means of international agreements and reciprocal arrangements with other countries to provide for exchange of such commodities. Seeing that it is only the Commonwealth Government which has any standing in the matter of international agree-



ments, we should not limit its powers as proposed by the amendment. Surely the Commonwealth Government must have power to pay regard to conditions in other countries. It will be necessary for us to agree internationally for the disposal of some of our commodities, whether there are surpluses of them or not.

Hon. H. L. ROCHE: The Chief Secretary and Mr. Craig in opposing the amendment confined their remarks to the four commodities specifically mentioned in it. But the amendment provides that any other commodity or commodities, of which a substantial surplus had been exported from the Commonwealth during the preceding five years, shall be the only commodities with which the Commonwealth can deal. Section 92 of the Commonwealth Constitution Act, of course, still operates. Its operation nearly caused the breakdown of the potato-growing, dried fruits and butter industries. That section can be repealed only as the result of a referendum. The commodities specified in the amendment are certainly export items. That is about all that legislation such as this can deal with until the Commonwealth Constitution itself has been amended. Potash and mica are hardly likely to be in such extensive supply throughout Australia that there will be any great difficulty in marketing them. At the moment their marketing takes place wholly within Australia, and those who wish to adhere so rigidly to the Bill as introduced appear to ignore entirely the fact that matters of that kind can be satisfactorily adjusted if the Commonwealth is prepared to co-operate with the States. It is not a question of further powers to deal with smaller matters. The Commonwealth requires further power to organise the marketing of our surplus products, which in the past have been exported in large quantities. That is what Mr. Thomson's amendment provides for.

The CHIEF SECRETARY: I wish to put the hon. member right as to his contention with regard to Section 92 of the Commonwealth Constitution. That section deals only with interstate trade.

Hon. H. L. Roche: Yes.

The CHIEF SECRETARY: It has nothing whatever to do with export trade nor with intra-state trade.

Hon. H. L. Roche: I did not say it had.

The CHIEF SECRETARY: It will not have the effect the hon. member suggested. This power will give the Commonwealth the right to deal with organised marketing of commodities on an Australia-wide basis. It will also give the Commonwealth the right to deal with organised marketing within a State, always subject to Section 92 of the Constitution.

Hon. H. L. Roche: Dr. Evatt says the same thing.

The CHIEF SECRETARY: Then I must be on good ground. I am pleased to learn that Dr. Evatt has said something that satisfies someone.

Hon. L. B. Bolton: The hon. member did not say it satisfied him.

The CHIEF SECRETARY: From my reading of the report of the proceedings at the Convention, this is one of the powers on which the Drafting Committee was absolutely unanimous. The Drafting Committee was not prepared to give the Commonwealth a wider power over trade and commerce than was contained in the original Bill. Let us not be short-sighted. Surely we must appreciate that organised marketing is absolutely necessary not only for the primary producers but also for many other sections of the community. We shall be making a tremendous mistake if we tie the hands of the Commonwealth in this particular matter.

Hon. Sir HAL COLEBATCH: All the points raised by the Chief Secretary are covered by Mr. Thomson's amendment, because it is only in regard to commodities which are exported that there is likely to be anything in the way of international agreements. When it comes to the organised marketing of all commodities, then it becomes a matter of outlook, and the socialist outlook is that all these things can best be done by the State. That is an article of faith to which I cannot subscribe.

The CHIEF SECRETARY: I am sorry Sir Hal has introduced that subject, because I have already told him that, so far as I know, he has no authority whatever for saying it is the Commonwealth's intention to nationalise or socialise industry.

Hon. Sir Hal Colebatch: I did not say so. I said it is the socialist outlook that these things can best be done by the State.

The CHIEF SECRETARY: Unless this State falls into line with the other States

of the Commonwealth in regard to the organised marketing of commodities, we shall suffer, and suffer severely.

Hon. H. L. Roche: Which commodities?

The CHIEF SECRETARY: I cannot say. We must give the Commonwealth power to deal with the organised marketing of commodities of which at present we have no knowledge. Commodities are produced in the Eastern States which are not produced here at present; while some are produced here which at present are not produced in the Eastern States. No one can specifically define the particular commodities which might be included. That was the Convention's difficulty, and it has been the difficulty of every convention which has endeavoured to draw up a Constitution. There cannot be definiteness as to its extent or scope. Consequently, some regard must be had for the bona fides of those who will be administering the affairs of the Commonwealth. Under this broad power, I think the Commonwealth would have an opportunity to do much good for Western Australia; if we limit the power I am afraid we shall be making a very big mistake.

Hon. A. THOMSON: I must confess to feeling absolutely amazed at the Chief Secretary's admission that the State Government is futile in any endeavour it might make to protect the interests of the State.

The Chief Secretary: I have not admitted that, and you have no right to say so.

Hon. A. THOMSON: The Chief Secretary has said that if we refuse to give the Commonwealth this power Western Australia will suffer. One thing to which I have objected all my life is having a gun held at my head. All I am endeavouring to do is to protect the interests of this State. I am not casting any doubt on the integrity or even on the good intentions of the Commonwealth Government. As a matter of fact, when the matter was discussed by the Convention, Dr. Evatt stated that the power to make laws with respect to organised marketing of commodities was another case in which close co-operation between the Commonwealth and the States would be practised. Would it be co-operation if the Commonwealth had power to deal with every commodity in Australia? Notwithstanding that some of us may be accused of being one-eyed, surely we have the right to exercise our privilege of protecting West-

ern Australia in the way we think best. If the Committee passes the paragraph as it stands we shall not be doing our duty to the State. Furthermore, even if we pass the amendment, Parliament will, in my humble opinion, be exceeding its powers.

I must also confess that I was amazed at Mr. Craig's views on this subject. I know steps have been taken to foster the soya bean industry in Australia, but shall we be able to compete in that industry with China and others of our allies if we retain the high tariff which is the declared policy of Australia? There is no reduction in that commodity so far as the tariff is concerned. When we offer the Commonwealth Government power to deal with our exportable commodities, I think we are showing a true spirit of co-operation. The Chief Secretary said we would be short-sighted if we considered we could revert to pre-war conditions, but we have had the dictionary interpretation of "commodity" quoted by Mr. Parker and we find that it covers everything. I suggest that Mr. Miles and Mr. Craig read the amendment and try to digest it. Surely it only seeks to protect Western Australia and that is a duty that devolves upon us. The amendment is more generous than the one passed in South Australia which states, "Organised marketing of commodities of which there is normally a surplus exported from the Commonwealth." If we pass this provision as it stands, it will be goodbye to all authority of State Parliaments. It will mean unification.

Hon. L. CRAIG: Mr. Thomson said that we would be doing a disservice to the State and the Commonwealth if we disallowed his amendment. It may be interesting to the Committee to know the views expressed by the R.S.L. Federal Conference which was recently held in Melbourne, and at which every State and the Federal Capital Territory were equally represented. At that conference it was unanimously agreed that the success of any future soldier land settlement depended entirely upon the Commonwealth Government having exclusive and unrestricted power in the field of organised marketing within and without Australia. That is a pretty influential body, composed of men who are wide awake.

Hon. A. Thomson: Was that conference held in Western Australia?

Hon. L. CRAIG: No, in Melbourne.

Hon. A. Thomson: How many delegates did this State have?

Hon. L. CRAIG: I do not know, but it was a pretty representative conference, and I think its opinions are highly respected throughout the Commonwealth.

Hon. J. G. HISLOP: It is probably unwise for a mere physician to enter into a debate on marketing, but I feel it would be unbecoming to record my vote against the amendment in silence. The amendment seems to lay down that future conditions will be similar to those that have obtained in the past. The amendment provides no scope at all for us to put into the hands of the Commonwealth any commodity which we may feel it should control.

Hon. A. Thomson: Yes, it does.

Hon. J. G. HISLOP: I am afraid it does not. The amendment means that we are still back in pre-war days. I would like to point out that since the war the manufacture of drugs has been undertaken in Australia as it never was before. The organised marketing of those drugs is certainly causing concern now, and will do so for years to come. In this State we are very short of B 1 vitamin. We do not get it in our natural foods. It is found in peanuts, pork and asparagus, and I think those articles form a very small proportion of the diet of the average citizen of this State. This vitamin can be found in large quantities in peanuts. In investigating the matter I found that peanuts were grown in large quantities in North Queensland.

Hon. A. Thomson: They are grown in Western Australia, too.

Hon. J. G. HISLOP: The marketing of this product was not successful, and almost all the growers of peanuts here and in Queensland had to give up the work. In North Queensland they have almost entirely withdrawn from the field. After this war we may have to delve more deeply into the dietetics of our country, and this is the sort of thing that will naturally crop up. With the example we have had we should make serious attempts to see that these disasters do not occur again. We may seriously regret the loss of the peanut markets. I am not quite so sure that when this war is over things will not just revert. We may, as a community, have to give up some of those things that we have had so that other parts of the world may share in

them. The wording of the amendment is to my mind restrictive, but I do not like the wide open nature of the term "commodities." I would like to amend the amendment to cover the disabilities which I personally find, and which many members have expressed. I intend to move that the amendment be amended by striking out all the words after "butter and" with a view to inserting the words "any other commodity concerning which the consent of the Parliament of the State has been given" in lieu. That limits the word "commodity" and also preserves to this House and another place the right to say whether a commodity shall be taken over for organised marketing by the Commonwealth.

*Sitting suspended from 3.55 to 4.17 p.m.*

The CHAIRMAN: I understand that Dr. Hislop wishes to amend the amendment and I want him to indicate what he desires.

Hon. J. G. HISLOP: The suggestion has been made that we might leave part of the paragraph as it stands, but before dealing with that I seek advice regarding the inclusion of the words "with the consent of the Parliament of Western Australia expressed by a resolution of both Houses" and the reference contained in the words "but so that no law made under this paragraph shall discriminate between States or parts of States." It appears that the position is already protected under the Constitution itself, and if that is so then the inclusion of the latter reference may be somewhat redundant. If the words are not redundant they might be added to my amendment.

The CHAIRMAN: Everyone knows that the Constitution provides that there shall be no discrimination between the States, but I do not know that the retention of the words will be detrimental.

Hon. A. THOMSON: I desire to inform the Committee that I would accept the proposed amendment on the amendment.

The CHAIRMAN: With reference to the consent of the Parliament of Western Australia expressed by resolution of both Houses, the Clerk points out that there is a difference between "consent of the Parliament of Western Australia" and "consent of the Parliament of Western Australia expressed by resolution of both Houses." The former includes the Crown whereas the latter does not. To achieve what is desired, the amendment will have to be re-drafted.

The **CHIEF SECRETARY**: I take this opportunity to inform Dr. Hislop and the Committee generally that Section 99 of the Commonwealth Constitution affords the protection respecting which the Chairman gave members his assurance. The section reads—

The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to one State or any part thereof over another State or any part thereof.

The words in the paragraph should be retained. The moment we specify any commodity we limit the power, and it is absolutely necessary that the Commonwealth should have as wide a power as possible.

**Hon. J. G. HISLOP**: I suggest that all the words after "Houses" be struck out.

**Hon. H. L. ROCHE**: The words "as long as such consent is not revoked by a like resolution" should be retained in order to give the State Parliament power of revocation.

The **CHAIRMAN**: I think the words are redundant. A resolution of both Houses would express what was intended.

**Hon. H. L. ROCHE**: I am afraid that if the words are deleted the State Parliament will have no power to revoke such consent.

**Hon. Sir HAL COLEBATCH**: A point to be considered is whether the amendment as worded will convey what is intended. As it reads it would mean that the organised marketing of wheat, wool, meat and butter could be undertaken by the Commonwealth only with the consent of the State Parliament. Those commodities should be specified and then the amendment should go on to state, "and, with the consent of the Parliament of Western Australia expressed by a resolution of both Houses, any other commodity."

**Hon. J. G. HISLOP**: The amendment might be amended by inserting after the word "Houses" the words "any other commodity."

**Hon. A. THOMSON**: The point raised by Mr. Roche is worthy of consideration. We should have the power to revoke such consent by resolution of both Houses.

The **CHAIRMAN**: I do not think it is necessary. As I have pointed out, the amendment contains the words "expressed by a resolution of both Houses," which would indicate what was intended.

**Hon. A. THOMSON**: But I am afraid that once we give consent, it may hold good for all time.

The **CHAIRMAN**: The more one looks at the matter, the more it bristles with difficulties. All the words after "commodity" might be struck out, and the remainder left. The word "other" in the phrase "any other commodity" should also be struck out.

The **CHIEF SECRETARY**: All the words from "commodity or commodities" onwards should be struck out.

The **CHAIRMAN**: The amendment should be to strike out all words after the words "or commodities" to the end. Or else the amendment should be to strike out all the words down to and including "other."

**Hon. H. SEDDON**: I hope the Committee will not carry Mr. Thomson's amendment. The matter should be left in its original form. Under our present marketing arrangements distinctions take place between the prices of commodities in various States. By adopting the course suggested we shall remove the safeguard for the purpose of which the amendment has been moved.

The **CHAIRMAN**: It is a matter of drafting the amendment.

**Hon. A. THOMSON**: Dr. Hislop's amendment provides for any other commodity being approved of by Parliament. Therefore anything that has not been exported prior to that period must receive the assent of this Parliament. However, we do ask that wheat, wool, meat and butter, which we approve, should remain.

**Hon. C. F. BAXTER**: I suggest to Dr. Hislop that the latter part of the amendment should not be cut out. The amendment does not apply to dealing with produce, which comes under the Bill. There can be no discrimination in that respect. We have had instances of the prices of commodities differing in the various capitals of the Commonwealth.

**Hon. L. Craig**: These are gentlemen's agreements!

**Hon. C. F. BAXTER**: Not with variations of 4d. to 6d. in the price of a dozen eggs! Section 99 does not apply here. It applies only to trade and commerce and revenue. To say that Section 99 applies here is misleading.

The **CHAIRMAN**: It will now be necessary for Dr. Hislop to move to strike out the words "or commodities."

**Hon. J. G. HISLOP**: I move—

That the amendment be amended by striking out the words "or commodities".

Hon. L. CRAIG: I think we are raising another point altogether.

The CHAIRMAN: Order! It is necessary that the word in question should be struck out, otherwise the amendment would not read sensibly.

Hon. G. B. Wood: I think the Committee is getting into a bit of a muddle.

The CHAIRMAN: I think the hon. member is. The Chairman is in no muddle. This amendment on the amendment is necessary to put the amendment in order.

Hon. G. B. Wood: Very well!

Amendment on amendment put and passed.

Hon. J. G. HISLOP: I move—

That the amendment be amended by striking out the words "of which a substantial portion was exported from the Commonwealth during any of the five financial years ending thirteenth day of June, one thousand nine hundred and thirty-nine."

Hon. H. SEDDON: I take it that, with the consent of the Parliament of Western Australia, any commodity can be brought under organised marketing, whether it has been exported or not.

Hon. C. F. Baxter: Yes.

Amendment on amendment put and passed.

The CHIEF SECRETARY: I do not think the words "but so that no law made under this paragraph shall discriminate between States or parts of States in relation to the marketing of any such commodity or" should be included in the amendment. I am surprised at Mr. Baxter's suggestion that I am misleading the Committee.

Hon. C. F. Baxter: I did not say you misled the Committee. I said your information was wrong and misleading.

The CHIEF SECRETARY: My information is not wrong; it is the Commonwealth Constitution, which is right. Section 99 prevents discrimination.

Hon. C. F. Baxter: Why has it not prevented it today?

The CHIEF SECRETARY: Why has it not been challenged? It gives all the protection we could wish for.

Hon. C. F. Baxter: You will find organised marketing does not come under it. Make inquiries!

The CHIEF SECRETARY: I become more surprised as time goes on.

Hon. C. F. Baxter: You would get a shock if you inquired fully.

The CHAIRMAN: If what the Chief Secretary says is not correct these words would have no effect because the Commonwealth law would prevail in other regards.

The CHIEF SECRETARY: I think the best way to convince Mr. Baxter would be to ask him to read the proceedings of the Convention dealing with this particular point. It is indicated very clearly that this particular power was substituted for "trade and commerce." It is because this was included in the Bill that it was agreed to drop the previous power which was "trade and commerce." Organised marketing must be an essential part of trade and commerce. If not, what is it?

Hon. H. SEDDON: At the Convention Mr. Baker referred to this particular paragraph. The debate proceeded as follows:—

Mr. Baker.—Under this paragraph you could have a Commonwealth Act covering six separate State schemes, and a certain measure of regulation of interstate trade.

Dr. Evatt.—Not only would you have one Act instead of seven, which would make it more convenient, but you could have under the Commonwealth law one organising authority instead of seven, enabling a more efficient dealing with the product.

That was the argument at the Convention but it is pointed out that Section 99 does not cover the question of organised marketing.

The Chief Secretary: Who contends that?

Hon. H. SEDDON: It is contended by certain people.

The Chief Secretary: Whom? Let us have your authority.

Hon. H. SEDDON: Certain lawyers.

The Chief Secretary: Who are they?

Hon. H. SEDDON: It is necessary that this should be retained in the amendment.

Hon. C. F. BAXTER: The Chief Secretary would be well advised to report progress so that the matter can be inquired into further. Many authorities have given advice on the subject.

The CHAIRMAN: I suggest that it be put to the test whether or not the Committee thinks these words should remain in as a qualification. I will put the amendment, as amended.

Amendment, as amended, put and passed.

The CHIEF SECRETARY: Does that mean we have passed from paragraph (c)?

The CHAIRMAN: The Chief Secretary can still amend the paragraph. He can add more to it.

The CHIEF SECRETARY: I do not want to add any more to it. I do not agree with it as it stands. When you put the question I was under the impression that you would still have to put it in another form after it had been amended in the way it was amended.

The CHAIRMAN: I have put it that Mr. Thomson's amendment, as amended, be agreed to.

The CHIEF SECRETARY: I want to reiterate that I object to the limitation of the provision. I object also to the provision for resolutions of both Houses of Parliament being revoked within the five-year period.

### *Point of Order.*

Hon. C. F. Baxter: On a point of order, what is the Chief Secretary discussing? We have already passed the paragraph.

The Chairman: No. The Chief Secretary can add something to it.

Hon. C. F. Baxter: You put it to the Committee and it was passed.

The Chief Secretary: I question whether it has been passed or not.

Hon. V. Hamersley: We voted "aye." You were the only one who voted "no."

Hon. C. F. Baxter: Recommit it!

The Chief Secretary: No. I do not want to recommit it. I want to make progress.

The Chairman: I have stretched the Standing Orders as far as I possibly could stretch them in order that we might reach some finality in this matter. I have not rebuked any member who has been out of order, and I think it is only fair to allow the Chief Secretary to proceed.

### *Committee Resumed.*

The CHIEF SECRETARY: I am not asking for any particular privilege but I want to know where we stand, because I look on this paragraph as being one of the most important in the Bill. I do not want to go over the whole of the arguments I have already raised, but I want to make sure that my protest against this amendment is entered. Had I understood that the Chairman had put the question, I would have asked for a division.

The CHAIRMAN: I will re-state the question. I have been doing it all day!

Paragraph, as amended, put and a division taken with the following result:—

Ayes	..	..	..	17
Noes	..	..	..	9

Majority for	..	..	8
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### AYES.

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

### NOES.

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

### PAIR.

AYE.	No.
Hon. H. V. Piesse	Hon. G. Fraser

Paragraph, as amended, thus agreed to.

Paragraph (d):

Hon. Sir HAL COLEBATCH: I move an amendment—

That paragraph (d) be struck out.

I am quite prepared to admit that uniform company legislation is a matter on which there is room for the very widest difference of opinion, but there are two things in connection with it that are important. One is that it has no real bearing on post-war reconstruction, and the other that if it is to be transferred at all it must be transferred permanently.

Hon. G. W. Miles: That is what we are doing.

Hon. Sir HAL COLEBATCH: If it is to be transferred it should be given to the Commonwealth by way of referendum and not transferred by Parliament. Some 14 years ago a Royal Commission was appointed by the Commonwealth Government to investigate the working of the Constitution. It took a great deal of evidence on this particular matter, and there were found to be very divergent views on it. Of the seven members composing the Commission three represented New South Wales and three Victoria. By a majority the Commission came to the conclusion that any advantage likely to accrue because of uniform legislation throughout the Commonwealth would be more than counterbalanced by the disadvantage arising by preventing States from passing legislation suitable to their

own requirements. At the present time the Commonwealth has considerable powers in connection with company legislation under Section 51 (xx), which deals with foreign corporations, and trading or financial corporations formed within the limits of the Commonwealth. The opinion of the majority of members of that Commission was that that gave the Commonwealth adequate power, and that it would be a mistake to prevent the States from passing company legislation suitable to their own requirements. Members will know that from the commencement of Federation the Commonwealth Government has had power over bankruptcy legislation. That was exercised only a few years ago, and I have not heard anyone say that the State has received any advantage from the passing of the bankruptcy law. The general opinion is that it is disadvantageous. The South Australian Parliament has eliminated this paragraph, and we would be wise to do the same.

Hon. H. S. W. PARKER: I agree with what Sir Hal has said. We have got along very well with our own company law. We can make whatever alterations are necessary. We are a long way from the Eastern States, especially when it comes to dealing with matters concerning companies. There is no necessity for a company registered in the Eastern States to be registered here. We have had the experience of the bankruptcy laws. We got along very satisfactorily under our own bankruptcy laws, which we could easily amend and bring up-to-date. Now that the Commonwealth has taken over the administration of the bankruptcy laws, they are found to be extremely complicated and difficult, leading to a tremendous amount of confusion and trouble. If there is to be a Commonwealth company law, the Registrar of Companies' office will be in Canberra, and that will cause much additional expense and trouble in connection with the registration of companies. We would be well advised to adhere to our State administration of our own company law. Formerly I thought uniform company law would be desirable but, on going further into the matter, I came to the conclusion that the advantages of State legislation far outweigh the possible advantages of a uniform company law.

Hon. E. M. Heenan: What is the principal disadvantage of uniform company law?

Hon. H. S. W. PARKER: The principal disadvantage arises from the fact that matters would be dealt with by regulations issued from Canberra. The registration of a company would have to be referred to that centre for finalisation. Furthermore, regulations framed in Canberra take some time to circulate as far as Perth, let alone to more distant parts. The result would be that matters would be arranged, then some new regulation would be issued and all the work transacted would be set aside. I can understand Victoria and New South Wales advocating uniform company law because those States are so interlocked, but that does not apply to Western Australia. An additional point is that for many years we have had in Western Australia types of companies peculiarly suited to conditions on the goldfields and elsewhere. Our State legislation has been overhauled, although the Bill has not yet reached this Chamber. It would be a pity to shelve that legislation now. Quite apart from all these considerations, it would be ridiculous to agree to handing over this particular power to the Commonwealth for a period of five years only.

The CHIEF SECRETARY: I was under the impression that requests had been received from the trading community in all parts of the Commonwealth from time to time for the provision of uniform company legislation.

Hon. H. S. W. Parker: I think that is so, too.

The CHIEF SECRETARY: One reason for that was the inconvenience experienced by companies desiring to operate in a State other than that in which they were registered. If there is one thing that the trading community desires it is the opportunity to do business without the inconvenience and embarrassment arising from the application of varying State laws. I shall not argue that the reference of this particular power is absolutely essential for the winning of the war or even for post-war reconstruction purposes, but I think it would be advantageous and in some ways much better if there were common control over all companies, which play a very great part in the trading life of Australia.

Hon. H. Seddon: They are responsible for over 90 per cent., according to statements made at the Convention.

The CHIEF SECRETARY: I should have thought the percentage greater than that. My experience is not very wide, but I should say that most of the trading is carried on by companies. The Commonwealth has certain power at present, but that power has not been exercised on account of decisions of the High Court in years gone by. Consequently the Commonwealth has desired the amending of the Constitution to enable it to exercise the control now sought. I do not know sufficient about company law to say what would be the difference between our present State Act and any Commonwealth legislation that might be passed. From our experience of what has happened in another place, it would seem that to embark upon a discussion of our company laws one must be prepared for weeks or even months of debate.

Hon. A. Thomson: The new legislation contains some very good provisions.

The CHIEF SECRETARY: And that is as it should be. Doubtless if the Commonwealth were to enact uniform company legislation, the measure would embody good provisions, seeing that it would be the latest law of its kind to be placed on the statute-book and the Commonwealth would have the benefit of the experience of the States. The suggestion has been made that this particular reference should not be included in the Bill because of the five-year limitation. That argument could be used regarding almost all the powers to be referred. In this instance the reference represents a compromise. The Commonwealth's original proposal was much wider but, as a result of the discussions at the Convention, agreement was reached that this particular paragraph should be included in the Bill. There may be arguments against it but, unless possible disabilities likely to result can be strongly stressed, we should stand by it. The greatest inconvenience experienced by companies today is that if registered in one State and desirous of operating in another, they have to obtain further registration.

Hon. L. CRAIG: If the reference of this power is to be limited to a period of five years, we would make a great mistake if we agreed to its inclusion in the Bill. A Select Committee of this Chamber gave consideration to our company legislation and at that time it was felt that there should be a uniform companies Act to apply throughout Australia. The endeavour of

that Select Committee was to make our legislation as uniform as possible with the Companies Acts of other States. That suggested the desirability of uniform legislation throughout the Commonwealth. One disadvantage of the State Act is that if a company does not like the legislation here it can go to another State and secure registration, which practice cannot be prevented. Practically all mining companies are registered in South Australia.

Hon. C. F. Baxter: South Australia passed a new company law only three or four years ago.

Hon. Sir Hal Colebatch: The reason why so many are registered there is that they were floated in South Australia. A number were registered in London for the same reason.

Hon. L. CRAIG: The fact remains that a large number of mining companies are registered in South Australia. It is desirable to have a company law covering the whole of the Commonwealth. Most of the people I have asked have expressed a desire for uniform company legislation. If the power is to be given for only five years, the Commonwealth would scarcely have time to pass a measure and put it into effect.

Hon. E. M. HEENAN: I thought the reference of this power would be readily approved. Many solicitors have expressed the opinion that a uniform company law is desirable, and I think it is the line along which we should move. There is a desire for uniformity of railway gauges, and I think we should have uniform licensing and divorce laws. On the question of the five years' limitation, there should be no anxiety because most members have expressed the opinion that the reference of these powers will become permanent. Mr. Parker is evidently fearful of government from Canberra, but under existing conditions Canberra is only a few hours journey distant. People in the outer parts of my province do not hold a very high opinion of government from Perth. Anyhow, distance is a factor that is being wiped out and the delays that some people fear are not likely to occur.

Hon. H. S. W. PARKER: Any company not registered in Western Australia is regarded as a foreign company, whether it be registered in Adelaide or in England, but all that is necessary is for such a company to file a power of attorney appointing a resi-



dent of the State as its representative. If we have a Commonwealth company law the register must be kept at Canberra, and to ascertain where a company was registered in order to serve a writ, one would have to send to Canberra and have a search made. A writ, too, would probably have to be issued out of the High Court. All sorts of difficulties would arise that would tend to increase expense, and to register a company would be a more complicated matter. For some time it has been necessary to obtain the permission of the Federal Treasurer in order to register a company, and this often occupies weeks. Under Commonwealth administration all the difficulties of having to refer to Canberra will exist, whereas, with our State law, anyone can go to the Supreme Court and make a search in about two minutes. If we have Commonwealth legislation, a Canberra solicitor would have to be employed to make a search. I do not like the idea of handing over the control of our companies to Canberra, where the officials are so far away that they do not understand our conditions.

Hon. G. B. WOOD: This is another proposal for centralising control. In connection with military matters everything has to be referred to Canberra. I have had to wait for months in order to get a matter finalised. In opposing the paragraph, I am influenced by the action of South Australia. If it is good enough for South Australia to decline to refer this power to the Commonwealth, a State which is much closer to Canberra than we are, it should be good enough for us.

The CHIEF SECRETARY: I have recollections of having used a similar argument recently to that put forward by Mr. Wood and of his having tried to turn it against me. South Australia is the home of a large number of companies operating in other States, and they have been registered there for a particular purpose. Consequently it means a lot to South Australia. The Commonwealth at present has certain powers over companies, but only after they have been formed, and it seems anomalous that the Commonwealth should have power to make laws dealing with companies after they have been formed and yet not have power with regard to their formation. Such an anomaly should not exist. I would rather adopt Mr. Heenan's view, that the time is coming when we shall have to take

a broader outlook than the mere State outlook which has been expressed here. I have no feeling in the matter. I certainly agree with the statement that in this case, if the Commonwealth did have power, and exercised that power, in regard to uniform company legislation, it would be a permanent power. Certainly I have no doubt that at the end of five years every State will agree that the power is one the Commonwealth should exercise permanently. I feel that I must stand by the side of the Convention.

Hon. G. W. MILES: I hope the Committee will grant this power to the Commonwealth. Australia requires one company law. Indeed, I believe the companies would prefer a Commonwealth Act to the various State Acts. With these amendments that are being put up, it looks to me as if the dice were loaded. The Minister is fighting a good rearguard action, and I shall support him.

Dr. J. G. HISLOP: I shall support the Bill as it stands, in this matter. I do not think the power will come back after five years, if transferred. I believe it will remain with the Commonwealth for all time. By modification of the Bill later, we can ensure that the transfer will be for all time. I do not see that its phraseology suggests, as Mr. Parker says, that under the Bill everything will have to be referred to Canberra.

Hon. H. S. W. PARKER: Uniform company law has nothing to do with this. There could still be uniform laws in the various States. But here we have a proposal that the Commonwealth shall control the whole of the law.

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

Ayes	..	..	..	15
Noes	..	..	..	10

Majority for .. .. . 5

AYES.	
Hon. C. F. Baxter	Hon. H. L. Roche
Hon. L. B. Bolton	Hon. H. Seddon
Hon. Sir Hal Colebatch	Hon. A. Thomson
Hon. J. A. Dimmitt	Hon. H. Tuckey
Hon. F. E. Gibson	Hon. F. R. Welsh
Hon. E. H. H. Hall	Hon. G. B. Wood
Hon. V. Hamersley	Hon. W. J. Mann
Hon. H. S. W. Parker	(Teller.)
NOS.	
Hon. C. R. Cornish	Hon. E. M. Heenan
Hon. L. Craig	Hon. W. H. Kitchin
Hon. J. M. Drew	Hon. G. W. Miles
Hon. E. H. Gray	Hon. T. Moore
Hon. W. R. Hall	Hon. J. G. Hislop
	(Teller.)

Amendment thus passed; the paragraph struck out.

Paragraph (e):

Hon. W. J. MANN: I move an amendment—

That in paragraph (e), before the word "trusts", the words "the regulation and control of" be inserted.

If paragraph (e) stands as printed, it will simply mean the unconditional transfer by the State to the Commonwealth of the complete control of any trust, combine or monopoly that might be operating in Western Australia. In addition, it probably means the abandonment of all legislative power and authority of this Parliament to deal with any future concerns of the kind that may be established here. To agree to such a transfer would be not merely unwise but highly dangerous. The sponsor of the Bill has not indicated by even a bare outline what is behind the introduction of these concerns into this Bill. We must remember that they were not mentioned in the original Bill. It is something of an afterthought. Dr. Evatt's first Bill introduced into the Commonwealth Parliament in October last did not mention trusts, combines or monopolies. They were introduced into the Bill presented to the Convention.

The CHAIRMAN: I suggest that the hon. member confine his remarks in connection with the amendment to the simple issue whether the words "regulation and control" are necessary qualifications for the words "trusts, combines and monopolies."

Hon. W. J. MANN: I was intending to ask your permission, Sir, to cover the main ground at once, so that I might shorten the proceedings, if possible. I am, however, prepared to accept your suggestion. As the paragraph now stands, it is limitless. The object should be mainly to control and regulate trusts, combines, and monopolies. Later, when I am moving a further amendment, I shall be able to expand my views and make clear to the Committee why I think we should try to secure that object. Personally, I thought that the following paragraph, dealing with profiteering and prices, would be sufficient in this connection; but apparently the Commonwealth Government had some reason for inserting the paragraph we are now considering. It will be no reply to my argument to tell me that anything I might say will happen is not likely to happen. There is something behind the paragraph, otherwise it would not have been included in the Bill.

The CHIEF SECRETARY: It is quite true that this paragraph was not included in the original Bill. In that Bill there was included an all-embracing power covering trusts and monopolies. Because the Convention was not prepared to agree to that all-embracing power, this power, among others, was agreed to by the delegates. The amendment does not go far enough. For instance, under it there would be no power to prohibit the operations of a trust, combine or monopoly, no matter how much it might be in our interests to do so. The position is analogous to that in which we find ourselves at the present time with regard to companies. The Commonwealth can legislate with regard to companies already formed, but it has no power over the formation of companies. Would the mover agree to the insertion of the word "prohibition" or "prohibit"? A trust or a combine might be very detrimental to Western Australia, and surely there should be power to prohibit it.

Hon. W. J. Mann: I propose to move that subsequently.

The CHIEF SECRETARY: I think the Commonwealth should have power to prohibit a particular combine or monopoly, if Parliament or the Government is convinced that its operations are detrimental to the best interests of the State.

Hon. W. J. Mann: Those are the words I use.

The CHIEF SECRETARY: But the hon. member does not use them in the way I ask him. Would he agree to the insertion of the word "prohibition" or "prohibit"?

Hon. H. Seddon: No!

The CHIEF SECRETARY: I should be glad to hear Mr. Seddon's reasons. Unless one of those words is included I am afraid I cannot agree to the amendment.

Hon. H. SEDDON: I gave my reasons when speaking to the second reading. I am very suspicious of the objective behind the Bill. I am inclined to support the idea that there should be an attempt made to prohibit trusts, combines and monopolies. The amendment provides for the regulation and control of monopolies where it is proved that they are against the best interests of the people, and I support it.

The Chief Secretary: That is a very weak explanation.

Hon. H. S. W. PARKER: Might I ask the Chief Secretary, assuming this Bill is passed, whether the Commonwealth could dissolve the combine now existing between the State Sawmills and other sawmills in the fixation of prices?

The CHIEF SECRETARY: In the first place, I do not admit there is a combine.

Hon. H. S. W. PARKER: You know there is.

The CHIEF SECRETARY: Members may laugh, but can they prove that a combine exists?

Hon. A. Thomson: There is a remarkable similarity in the prices charged.

The CHIEF SECRETARY: Of course there is, and there always will be. Firstly, I do not admit there is such a combine. Secondly, if there is a combine and it is detrimental to the interests of the State or of the Commonwealth then the Commonwealth would under this measure have the right to intervene.

Hon. Sir HAL COLEBATCH: We should not lose sight altogether of one thing. Dr. Evatt said that proposals to give the Commonwealth powers over trusts, combines and monopolies had been passed by both Houses of the Commonwealth Parliament on five occasions. It is equally to the point to say that the people of Australia have been asked to give that power to the Commonwealth on several occasions, and on each have refused. Why should this Parliament, which has extended its own life, give powers to the Commonwealth that the people have been asked on several occasions to give and have always refused to give?

The CHIEF SECRETARY: I am informed that the Commonwealth Parliament did pass an Act known as the Australian Industries Preservation Act, but it proved ineffective. Therefore, it is necessary to give the Commonwealth wider powers. Personally, I subscribe to the idea that trusts, combines and monopolies can be extremely beneficial to a country. But they can also be very detrimental, and it is necessary that the Commonwealth should have authority to deal with those combinations that are acting against the best interests of the country. If I were asked for details I would find difficulty in mentioning any particular one at present. But there are many instances in which it would have been very desirable for the Commonwealth Government to have had authority to intervene.

I suggest to Mr. Mann, who I am sure thinks he has a majority of members behind him, that he agree to the insertion of the word "prohibition."

Hon. W. J. MANN: I have not had time to satisfy myself as to what the insertion of the word would mean. It might alter the whole aspect. It seems to me there is no great objection to an endeavour to clarify the position, and that is all my amendment does.

The CHAIRMAN: Assuming the Commonwealth could not regulate or control trusts, combines and monopolies, what would be the alternative?

Hon. W. J. MANN: It would not matter very much to me because I have already said I am not at all enamoured of this proposal.

The CHAIRMAN: Prohibition would be the only remedy.

Hon. W. J. MANN: I am inclined for the time being to suggest that the Committee pass the amendment and if, after reflection, I am satisfied that prohibition would improve the position, I shall be prepared to ask for a recommitment; but I suggest that the matter be postponed. It only means postponing the paragraph until tomorrow.

The Chief Secretary: I have no objection to that.

Hon. G. W. MILES: Would it not be better to report progress and deal with the matter tomorrow? I agree with the Chief Secretary that the Commonwealth should have power to prohibit combines and monopolies that are detrimental to Australia.

The CHIEF SECRETARY: I was seriously considering reporting progress myself. We have spent a good deal of time on these paragraphs this afternoon but have not made very much headway. I propose, after reporting progress, to ask the House to assemble at 11 a.m. tomorrow. I am anxious to make satisfactory progress with the Bill this week so that another place may meet next week with the object of finalising both this and other matters on the notice paper by the end of that week, if possible.

The CHAIRMAN: It was suggested that the paragraph be postponed. I would point out to the Committee that only a clause and not a paragraph of a clause may be postponed.

Progress reported.

*House adjourned at 5.55 p.m.*