that for successful furnace operation iron ore, whether in a raw state or in the process of being produced into pellets, must have a low sulphur content if it is to be suitable to feed into steel furnaces.

With those few remarks I support the Bill and I wish the company the very best success for the future. I hope this Government will give it the encouragement it needs, that the Commonwealth Government will not continue to hamper the operations of the company to the extent it seems hell-bent on doing, and that Cleveland Cliffs will succeed in establishing a second plant in Western Australia with all the resultant benefits which will accrue to the people of the country.

**THE HON. J. DOLAN** (South-East Metropolitan—Leader of the House) [5.33 p.m.]: I will not delay the House. I thank the Leader of the Opposition for his support of the Bill and also for the comments he made regarding the co-operation between private enterprise and the Government. The desire of the Government is to get these projects going and we have pursued a policy of giving every possible encouragement.

With those remarks I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

Bill passed through Committee without debate, reported without amendment, and the report adopted.

*Third Reading*

Bill read a third time, on motion by The Hon. J Dolan (Leader of the House), and passed.

*House adjourned at 5.36 p.m.*

# Legislative Assembly

Thursday, the 22nd November, 1973

The SPEAKER (Mr. Norton) took the Chair at 11.00 a.m., and read prayers.

## STATE FORESTS

*Revocation of Dedication: Motion*

**MR. H. D. EVANS** (Warren—Minister for Forests) [11.03 a.m.]: I move—

> That the proposal for the partial revocation of State Forests Nos. 23, 25, 28, 30, 37, 41, 51 and 53 laid on the Table of the Legislative Assembly by Command of His Excellency the Governor on 21st November, 1973, be carried out.

Question put and passed.

Resolution transmitted to the Council and its concurrence desired therein, on motion by Mr. H. D. Evans (Minister for Forests).

## ALUMINA REFINERY (WORSLEY) AGREEMENT BILL

*Council's Amendment*

Amendment made by the Council now considered.

*In Committee*

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. J. T. Tonkin (Premier) in charge of the Bill.

The amendment made by the Council was as follows—

The Schedule.

Page 5, lines 27 to 41—Delete the definition "Crown land" and substitute the following—

"Crown land" means all land of the Crown including—

(a) all land dedicated as a State forest under the Forests Act, 1918 other than land reserved as State Forest No. 51 as it existed on the 14th May, 1973;

(b) all land reserved for the purpose of water conservation;

(c) land reserved under the Land Act and numbered 15410, 18534, 19738, 19739, 19740, 19741, 19958, 20063, 20182, 21287, 24791, 26363, 26666, 30394 and 31890; and

(d) land reserved under the Forests Act as Timber Reserves and numbered 66/25, 69/25, 131/25; 144/25, 145/25, 146/25, 147/25, 148/25, 151/25, 160/25, 171/25, 172/25 and 189/25,

but excluding—

(e) land granted or agreed to be granted in fee simple;

(f) land held or occupied under the Crown by lease or licence for any purpose other than pastoral or timber purposes; and

(g) all other land reserved under the Land Act or the Forests Act unless the Minister, after consultation with the Environmental Protection Authority, established under the Environmental Protection Act, 1971, otherwise determines;.

Mr. J. T. TONKIN: Members will recall it was foreshadowed that it would be necessary to make an amendment to the schedule to the Bill in connection with the

definition of "Crown land". The Bill has been agreed to in another place, the only amendment being the alteration to the definition of "Crown land" in the schedule. Another place has passed the Bill containing the agreement, with the alteration. I move—

That the amendment made by the Council be agreed to.

Sir CHARLES COURT: I am sorry I have not a copy of the Council's amendment.

Mr. J. T. Tonkin: It is on the notice paper.

Sir CHARLES COURT: We have only just been supplied with a copy of today's notice paper. When this measure was before the Chamber previously we made some reservations and passed some comments about the definitions of various areas.

At the time the Minister had the matters which we raised considered; and before the Bill was further debated he made some observations. At the time I said that rather than hold up the Bill the Minister might be agreeable to making adjustments in another place. I am assuming the adjustments that have been made in the Council are in conformity with what the Minister said at the time in this Chamber.

Mr. J. T. Tonkin: I understand that is so.

Sir CHARLES COURT: I was assuming that we would be given adequate time to check on this, because the Minister wanted to make a number of amendments to clarify the areas that were excluded to avoid argument, and to check on other matters which were of a purely technical nature. Some of these were for the purpose of protecting the forestry interests, and others related to environmental protection matters.

Mr. J. T. Tonkin: Would you like to report progress?

Sir CHARLES COURT: I cannot do that, but I could ask one of my colleagues to move in that direction.

*Progress*

Progress reported and leave given to sit again at a later stage of the sitting, on motion by Mr. Thompson.

*(Continued on page 5359)*

## SPECIAL HOLIDAYS BILL

*Second Reading*

**MR. HARMAN** (Maylands—Minister for Labour) [11.09 a.m.]: I move—

That the Bill be now read a second time.

This is a Bill to provide for two additional paid holidays for the following purposes—

(a) On the 31st December, 1973, so that workers throughout the State will receive the benefit of an extended holiday break at the New Year; and

(b) to enable workers to celebrate the visit to Western Australia of the reigning Sovereign, Her Majesty Queen Elizabeth the Second, in the early months of 1974. When the Queen visited Western Australia in 1954 a special holiday was granted under a special Act passed by Parliament on that occasion.

In deciding on the inclusion of a one-day additional holiday on New Year's eve in Western Australia, the Government has been, to some degree, influenced by the action taken in several other States to grant workers a slightly extended holiday break either at Christmas or New Year. The fact that business could be detrimentally affected by fewer trading days has also been carefully considered and for this reason shops will continue to be allowed to open on Monday, the 24th December, which is recognised as a busy trading day, and the following Monday, the 31st December, will be utilised for holiday purposes.

In New South Wales and South Australia, workers in banks, commerce, and industry will be granted an additional paid holiday on the 31st December. In Victoria and Tasmania, banks will be closed on two additional days, but workers in private industry in those States will not get additional holidays. In Queensland neither banks nor workers in private industry will get any extra holidays. Queensland, of course, had already granted one additional holiday to all workers in that State in 1973 at Easter.

The Public and Bank Holidays Act will already allow these two days to be proclaimed as both public and bank holidays, but that Act does not cover the payment of wages to the worker on a holiday.

A standard clause in industrial awards permits the employer to avoid making payment of wages on the two special holidays above-mentioned because the clause states "that on any public holiday not prescribed as a holiday under the particular award (and the two days concerned are not award holidays), the employers establishment or place of business may be closed in which case a worker needs to present himself for duty and payment of wages may be deducted, but if work is done the ordinary rates of pay shall apply".

This clause has been included in awards for some years, but in the short time available since the proclamation of the Public and Bank Holidays Act there has been no opportunity to approach the Western Australian Industrial Commission to change the clause to provide for payment on additional holidays which the Government may proclaim in special circumstances under section 7 of the Public and Bank

Holidays Act. This latter Act, of course, is of modern origin and was only proclaimed to take effect on the 22nd June, 1973. Time would not permit at present for the Industrial Commission to receive, hear, and determine the many applications which could be lodged by unions for amendment of particular awards.

The Special Holidays Bill therefore, in clause 5, makes specific provision for workers to be paid wages for the two special holidays. The scope of the Bill is confined to those two days and will have no force or effect once those two holidays have been taken.

A proclamation of the two days as public and bank holidays under the Public and Bank Holidays Act will cause banks to be closed and similarly, by flow on to the Factories and Shops Act, shops, except that exempted shops, privileged shops, and small shops will not be required to close.

Section 9 of the Public and Bank Holidays Act prevails over an industrial award or agreement to the extent of any inconsistency in respect of the holidays. The Special Holidays Bill on the other hand is intended to ensure that workers are paid for the two special holidays. It is desirable to determine this Bill as expeditiously as possible to allow the public to be aware of the holiday arrangements, particularly for the 31st December, 1973.

I commend the Bill to the House.

Debate adjourned, on motion by Mr. O'Neil (Deputy Leader of the Opposition).

## PYRAMID SALES SCHEMES BILL

*Second Reading*

**MR. HARMAN** (Maylands—Minister for Consumer Protection) [11.15 a.m.]: I move—

> That the Bill be now read a second time.

The Pyramid Sales Schemes Bill is introduced to eliminate in this State a business scheme which has rapidly spread throughout various countries of the world and has left in its wake a trail of despair and destruction for many persons drawn into its operations.

The evils of pyramid type selling are well documented and the activities of organisations using these methods have commanded the attention of public authorities both in Australia and overseas. Its expansion in Australia has followed closely that experienced in America, Canada, Britain, New Zealand, and South Africa.

Pyramid selling first started in America in mid-1960. The first company to make a name for itself sold "health products". From this grew, in an amoeba-like way, most of the other well known companies. Directors from one organisation left to start another. The products varied from "personality enrichment courses" to cosmetics, but the techniques—and sometimes even the instruction manuals—were, at the beginning at least, remarkably similar.

Most sold a message of huge earnings with an evangelistic fervour that often put well known crusaders in the shade. The incentive was to create "your own little empire" with great emphasis placed on how fast the pyramid could grow. It is said that if the instruction manual of one organisation had been followed to the letter, it would have meant within four years the company would have had 280,000,000 people selling its products.

The Consumer Affairs Council of Western Australia, after carefully considering its implications in Australia and elsewhere, has recommended to the Government a need to ban pyramid selling schemes. It was of the opinion that Western Australia should introduce such legislation as a matter of urgency, bearing in mind that uniform legislation amongst the States and at an Australian Government level was desirable, but realising that this may not be achieved rapidly.

The annual report of the Chairman of the Consumer Affairs Council of Western Australia for the year ended the 30th June, 1973, records some interesting facts on the structure of pyramid selling—or multi-level marketing as it is often termed—the methods used, and firms which have been found to be operating undesirable systems. The council has felt deep concern at the hardship which these objectionable aspects have caused. The pyramid normally has the following features—

(1) A company which sells a right (franchise) to sell its goods.

(2) A participant (franchise holder) who buys the goods from the company or from other participants for resale.

(3) The original franchise holders, who, as well as selling goods direct to the public, recruit further participants to whom they will sell the goods for resale, and in some cases to yet another level of participants. Each receives a discount on the price at which the goods are eventually sold to the consumer. The higher one is in the hierarchy, the higher the discount. At all but the lowest level in the structure, franchise holders receive a payment for recruiting new participants. This leads to expansion on the chain letter principle.

(4) A new franchise holder pays immediately a sum of money, the amount being determined by the level at which he wishes to join the scheme or improve his level in the structure. At higher levels in the bigger schemes, sums as high as $3,000 have not been uncommon; at the lowest level it may be no more than a few dollars.

The lowest level usually forms the bulk of the sales force working on low commission—although the retail price may be much more expensive than equivalent goods elsewhere, by reason of the discount structure in the pyramid—but their outlay does not usually confer the right to receive any payment if they recruit others.

(5) The company running the scheme has two main sources of income—the sale of its goods or services to the franchise holders, and a proportion of the payment made when new participants are recruited or when existing participants buy their way into a higher level.

Warnings have repeatedly been given by publicity from Government sources of the abuses of known schemes and of the complaints lodged by disillusioned and deceived participants. It is said that consumers should be aware that the existing law is still largely founded on the principle known as *caveat emptor*—meaning "let the buyer beware". That principle was far more appropriate for transactions conducted in the village markets than for the modern consumer-oriented transactions of today.

The untrained person is often no match for the highly organised and well-trained businessman who presents seemingly lucrative propositions but does so on terms and conditions suitable only to the vendor. The ordinary person needs protection by the law from being inveigled into these quasi-business schemes where higher outlay offers persons entry at higher level in the structure. Perhaps this Bill may well be axiomatic of "let the seller beware".

Senior American and interstate executives of various companies have visited Western Australia and addressed potential investors. Attendances at meetings and private parties are allegedly high and induction continues at a surprising rate. A recent blatant example in Perth of the calamitous effects such a scheme can have showed that a person who had become involved had spent savings of $1,000 and was soon $3,000 in debt. The only thing this person had to show for a total commitment of $4,000 was a cassette recorder, some cassettes, and two books. The cassettes and books are basically a motivation course in salesmanship.

If a scheme is completely fraudulent, existing law offers sanctions, both civil and criminal, although these may take some time to take effect. There is evidence of very considerable abuse in pyramid sales schemes which cannot be remedied under existing general principles of law. The Government has therefore reached the conclusion that new provisions are necessary to deal with the practice.

The Consumer Protection Bureau has been keeping close surveillance on pyramid sales operations in Western Australia and the information it has gained may well emulate the story unfolded in Victoria when the Government in that State recently introduced legislation to outlaw pyramid selling as an amendment to the Consumer Protection Act, and I quote—

> In spite of repeated warnings, many persons are still being recruited into schemes, only to lose most of the money they have invested in the venture. Some have borrowed money at high interest rates to pay for their entry and now are left with heavy repayments to be made to loan companies with no income from the scheme to assist. The disappointed prospective entrepreneur, the participant, as a victim of an unconscionable practice, deserves protection.
>
> Pyramid sellers are unscrupulous and dangerous men. They deliberately crawl into the lives of their unsuspecting victims to trap, cheat and rob them of their savings. The whole scheme of pyramiding is insidious.

Mr. Hartrey: Hear, hear!

Mr. HARMAN: To continue—

> In some cases people have been left broken and penniless. The public have been warned again and again of the activities of these highly organised professionals, who in some cases, because of this, have been forced out of business.
>
> But others are still operating, some underground, issuing grubby little invitation cards to attend so-called "opportunity meetings" to people who still believe they can make a quick buck. Meetings are held clandestinely, visitors are checked and rechecked as to their bona fides and then adroitly and rapidly they are parted from their money.
>
> Although the venue has often changed, the pyramid sellers go about their nefarious business in the same way, leaving behind them a trail of misery and hopelessness.

At the same time as Victoria moved to bring forward its legislation, the Australian Government also moved in this direction at a national level. The Trade Practices Bill was introduced into the Senate in the latter part of September, 1973, but soon after—on the 25th October, 1973—was presented to the House of Representatives. It contained a clause 61 to prohibit pyramid selling schemes.

The Minister for Secondary Industry and Supply in explaining it to the House said, *inter alia*—I quote from Commonwealth *Hansard* of the 25th October, 1973—

> The purpose of this Bill is to control restrictive trade practices and monopolisation and to protect consumers from unfair commercial practices. The Bill will replace the existing Restrictive Trade Practices Act . . .
>
> The Bill will also provide on a national basis long overdue protection for consumers against a wide range of unfair practices.
>
> The Bill is similar to another Bill that the Government introduced into the Senate on 27th September. Debate on that Bill has been deferred by the Senate until next year. The Government has made it clear that such a delay in the passage of legislation of this importance is quite unacceptable.
>
> . . . The Bill is introduced into this House so as to afford it an opportunity to consider and express its views on the important provisions of this Bill.
>
> . . . The Consumer Protection provisions are to be found, for the most part, in Part V . . . do not necessarily displace State legislation in the same field. Clause 74 expressly states that Part V is not intended to exclude or limit the concurrent operation of any law of a State or Territory. The Bill recognises that in many consumer protection matters there is a need for a national approach, and that the effectiveness of State laws is necessarily limited . . . Pyramid selling is a practice that has been a cause of much concern in recent years. This practice is prohibited by Clause 61 . . .

New South Wales has announced its intention to introduce legislation to outlaw pyramid selling and similar practices. Queensland also plans to proceed with similar legislation.

The draft Bill presented by this Government follows the principles written into that part of the Trade Practices Bill dealing with pyramid selling schemes so as to operate as uniformly as possible and avoid conflict or confusion. I now refer to the main clauses in the Bill.

Clauses 1 to 3 deal with the short title, date of commencement, and definitions.

Clause 4 is the main clause which, in subclauses (1) to (4), makes it an offence for a person to obtain or seek a benefit from a pyramid selling scheme, and, in subclause (5), describes what elements are comprised in a pyramid selling scheme.

Objectionable schemes usually combine two essential elements: firstly, the franchise holders pay for their rights under the scheme; and secondly, they are paid for the recruitment of further participants. Taken together, these two factors lead to expansion of such schemes on the chain letter principle. It is not intended to embrace schemes which do not combine the elements prescribed in this clause. It is recognised there are systems of franchising and direct selling which do not involve expansion on the chain letter principle and which provide services for which there is a public demand.

In franchise trading, the franchise holder does not recruit others. He normally sells goods or provides a service to the public from one level and from a retail establishment. Generally, the outlet is established on the basis of market surveys conducted by the grantor of the franchise who supports it subsequently by supervision, advertising, and other services.

In direct selling the main source of income of the company and the franchise holder is the sale of goods or services. Numbers recruited are related to forecasts of demand for the goods, and the area in which an agent may operate is defined. These companies generally subscribe to a code of conduct; they provide after-sales service and will exchange defective goods.

It is clearly desirable in devising new measures to eliminate pyramid selling, not to impede these operations or to hamper new and objective developments in these fields.

Clause 5 makes provision for the Governor-in-Council to declare that certain schemes are not pyramid selling schemes and are free from the restrictions of this legislation.

Clause 6: The practice of referral selling is made an offence by this clause. This is the practice by which a supplier induces a consumer to acquire goods or services by indicating that the consumer, after making the contract and paying for the goods or services, can receive further benefits by way of rebates or commission. This contingency is based on the consumer giving to the supplier the names of other prospective customers or otherwise assisting the supplier to supply goods or services to other persons. However, no offence is committed when the acquisition of the goods or services is by the trade or other businesses, or for a public purpose, or the goods are acquired for resale. In effect such groups are not consumers. Referral selling has been associated with the high-pressure selling of books such as encyclopedias on the door-to-door selling method. The offence is applicable when the inducement for further rebates, commission, or other benefit is contingent on an event taking place after the contract is made.

Clause 7 prevents a person being convicted under both State and Commonwealth law for the same offence.

Clause 8: Offences for contraventions of this Bill carry a substantial penalty as shown in this clause. Offences will be

dealt with summarily by a stipendiary magistrate sitting alone. However on conviction of an offender, he shall be committed to the District Court of Western Australia which may pass sentence and may make such order in relation to the convicted person as might be made by a court of summary jurisdiction convicting a person of an offence.

A District Court is not a court of summary jurisdiction but fines or imprisonment are of a magnitude to require a District Court to pass sentence. In the case of a body corporate, the penalty is a fine not exceeding $50,000 and for a person not a body corporate, the penalty is a fine not exceeding $10,000 or imprisonment not exceeding six months.

Clause 9: The District Court, in addition to having powers to impose a penalty under clause 8, and being able to grant an injunction under clause 10, will also be empowered to make such orders as it thinks fit to redress injury to persons caused by acts or conduct by a defendant in matters covered by this legislation. Such orders may include—

(a) declaring the whole of part of a contract or collateral agreement to be void;

(b) varying a contract or arrangement as specified in the order;

(c) directing the refund of money or return of property; and

(d) directing payment to a person who suffered loss or damage.

Clause 10 allows a District Court to grant an injunction on an application of the Attorney-General, in the public interest, or of the Commissioner for Consumer Protection, administering to consumers or any other person, to restrain a person engaging in any course of conduct or doing an act which would constitute a contravention of this legislation or inducing or attempting to induce a person to do likewise. The court may grant an interim injunction pending determination of the main application. In a high-pressure organisation where deceptive and undesirable methods can be used to reap rich rewards, the actions of operators who move in and strike quickly may be able to be halted more rapidly by the right to apply for an injunction to restrain such operations. The speed with which sanctions can be imposed where violations occur is an essential part of the legislation.

Clause 11 provides for a person to take civil action against another person where he has suffered loss or damage by the action of that other person, done in contravention of a provision of this legislation. This right applies even though no conviction under the Bill may have occurred, so it does not interfere with common law rights of an aggrieved party.

Clause 13 deals with acts done by servants or agents of a body corporate and, if they are convicted of an offence, allows for a person who is concerned or takes part in the management of that body corporate to be convicted of a like offence. A defence is provided for a person if it can be proved that the offence was committed without his knowledge, he was not in a position to influence the body corporate in committing the offence, or he used due diligence to prevent it.

I commend the Bill to the House.

Debate adjourned, on motion by Mr. Thompson.

## LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 3)

*Second Reading*

**MR. HARMAN** (Maylands—Minister for Labour) [11.33 a.m.]: I move—

That the Bill be now read a second time.

This Bill is presented as an urgent measure because its main purpose is to enable the Australian Model Uniform Building Code to be adopted in Western Australia. This code is the product of several years' work by the interstate Standing Committee on Uniform Building Regulations. The committee was instituted by the Ministers for Local Government of the States. It is representative of each State, the Australian Capital Territory, and the Northern Territory, and its secretariat is located at the Commonwealth Experimental Building Station.

The code can truly be said to be an example of co-operative activity between the various States and the Australian Government, and it is believed that the new building by-laws based on the code will be welcomed by architects, engineers, builders, and municipal councils alike.

The code has already been adopted in the States of New South Wales and South Australia and other States are in course of adopting it.

This State has given an undertaking to have the by-laws, based on the code, promulgated by the 1st January, 1974. The new by-laws will be in metric dimensions. Before the by-laws are finalised, it will be necessary to ensure that the legislation contains the necessary enabling powers and this is the main purpose of the Bill which is now submitted.

Clause 1 merely relates to the title of the Bill. Clause 2 provides that the provisions will come into force on dates fixed by proclamation.

Clause 3 is to repeal section 373 and to re-enact it. The present provisions of this section are as follows—

(1) (a) Subject to the provisions of subsections (2) and (4) of this section, this Part applies to each district in the State.

(b) The Governor may, by Order, apply all or any of the provisions of this Part to any district or to portion

of a district, and except while their operation is suspended under subsection (2), or except as provided otherwise by subsection (4), of this section, the provisions apply to the district or the portion of the district in accordance with the Order but not otherwise.

(2) At the request of a council the Governor may by Order, from time to time suspend the operation of all or any of the provisions of this Part in its district or any portion thereof to which they apply for such period as he thinks fit.

(3) Where all or any of the provisions of this Part apply in a district or part thereof, the municipality shall appoint a building surveyor.

(4) Notwithstanding that an Order is so made, the provisions of this Part shall not apply to buildings owned or occupied by, or under the control or management of the Crown in right of the State, or a department, agency, or instrumentality of the Crown in right of the State.

(5) During the operation of an Order so made, the provisions of this Part apply, subject to subsection (4) of this section, to a building, notwithstanding that its roof or covering has been removed or has fallen in, that the building has not been completed, or, having been completed part of the building has wholly or in part been demolished, removed, or become ruinous or that the building is a building of a type that has not a roof or covering.

This section was amended in 1967 in an endeavour to clarify the provisions, but nevertheless the phraseology is not very clear. The amendment will clearly provide that part XV will be applicable to the whole of the State except where an order is made exempting a district or portion of a district from its provisions. It is also believed that because of the provisions of paragraph (a) of subsection (1) of this section, paragraph (b) is quite unnecessary.

Clause 4 repeals subsection (4) of section 374 of the principal Act which at present is as follows—

(4) (a) When a plan and specifications in respect of a building proposed to be built are submitted to the council for its approval in accordance with the provisions of subsection (1) of this section, the person causing them to be submitted shall also deposit with the council, which shall retain it, a statement in writing signed by the person for whom the building, to which the plan and specifications relate, is to be built, setting forth the purpose or purposes for which the building is intended to be used, and if particular parts of it are intended to be used as distinct from other parts and for purposes different from those for which another part is intended to be used, setting forth the purpose or purposes for which each particular part is to be used.

(b) After the statement has been so deposited with the council no person shall use, or permit the use of, the building or part for a purpose other than that set forth in the statement in relation to the building or part, except by the written authority of the council, or of the Minister on appeal under paragraph (c) of this subsection.

Penalty: Maximum penalty, four hundred dollars and in addition a maximum daily penalty of sixteen dollars for each day during which the offence continues.

(c) A person who has applied for and been refused the authority by the council may appeal in writing to the Minister against the refusal of the council to grant the authority and the Minister may grant the authority in the name of the council, and the Minister's decision is not subject to appeal.

This subsection is at present designed to prevent a building from being used for a purpose other than that for which it was designed unless the council approves or the Minister grants authority on appeal. It applies however, only to buildings erected after the commencement of the Local Government Act and if the control required by the Australian Model Uniform Building Code is to be effective, it will be required to apply to all buildings. The subsection is substituted by section 374C detailed in clause 6 hereafter.

Clause 5 introduces a new section 374B which is designed to permit building work to be undertaken in an emergency. The necessity for this amendment was recently demonstrated when a building was unroofed, and the restoration could not lawfully proceed until a building license was obtained. The new section requires written notice of the work performed to be served on a council as soon as practicable and provides that failure to comply with this condition is an offence.

Clause 6 provides for a new section 374C which replaces and expands the present section 374(4) to ensure that the buildings are not used for purposes other than their correct classification. It enables a council to classify any building erected before the commencement of this amending Act and to ensure compliance with the purpose of that classification.

Clause 7: This clause repeals sections 381 and 382 of the Act which at present are as follows—

381. No person shall use for covering the roof of a building in a district of a municipality, a material

other than slate, tiles, metal, glass, artificial stone, cement, fire resisting shingles, or other material approved by the council as suitable for the purpose.

382. (1) No person shall build a building intended to be or capable of being used as a dwelling-house higher than the floor level of the ground floor, until the builder has satisfied the council or the building surveyor of the municipality in whose district the building is being built, that the ground floor is so constructed, or is raised to such a height, as to admit a free current of air passing under that floor or, where the floor is an impermeable concrete floor, that the admission of a free current of air passing under that floor is unnecessary and has received from the building surveyor or council a certificate that he or it is so satisfied.

(2) (a) Where a building, intended to be, or capable of being, used as a dwelling-house or for offices, or for occupation by persons for such periods as in the opinion of the council render filling desirable, is built or is about to be built, or is being built, in a low or damp situation, the council or the building surveyor may by written notice served upon him, require the owner to fill up the space between the surface of the ground and the ground floor level of the building with sand, cement, or other suitable material to such height, and within such time, as is specified in the notice.

(b) A person who does not comply with the requirement of the notice commits an offence.

(3) A person who is dissatisfied with the refusal of the certificate, or with a requirement in the notice may within fourteen days of the refusal of the certificate, or of the service upon him of the notice, as the case may be, appeal under division 19 of this part in the manner prescribed by the regulations in respect of the matter with which he is dissatisfied.

The reason for this amendment is that similar provisions are contained in the Australian Model Uniform Building Code and it is more appropriate that this control should be exercised through the by-laws which will be made in accordance with the code.

Clause 8 seeks to repeal the existing section 433 which at present prescribes the various purposes for which a council may make by-laws. It provides for the re-enactment of the section to conform generally with the provisions of the Australian Model Uniform Building Code. The section is very similar to the provisions of section 61 of the Building Act of South Australia for which the regulations in that State have been made to adapt and adopt the Australian Model Uniform Building Code. Subsections (1) to (40) of this section are self-explanatory and must all be included in the Act if the by-laws as prepared as an adaptation of the Australian Model Uniform Building Code are to be brought into force in time.

The final clause in this Bill is to overcome the necessity to prepare Orders-in-Council to apply amendments to the Uniform Building By-laws, to those municipalities to which the by-laws apply.

This clause seeks to repeal section 433A of the Local Government Act and re-enact it. Section 433A as presently drafted requires an Order-in-Council to be prepared to apply amendments to the Uniform Building By-laws to municipalities every time an amendment is made. This, of course, causes delays between the time amendments are made by one Order-in-Council, and their application to municipalities by a subsequent order. This also causes confusion in municipalities relative to the date that any such amendments apply.

The proposal contained in this clause will automatically apply amendments to the Uniform Building By-laws to those municipal districts and portions of districts where the by-laws apply without the necessity for a subsequent Order-in-Council, thus overcoming the delays and confusion already detailed.

This will be achieved by applying the Uniform Building By-laws to the whole of the State, except where the Governor, by order, from time to time declares municipal districts exempt, or limits the extent of their application in specified municipal districts.

I commend the Bill to the House.

Debate adjourned, on motion by Mr. Nalder.

## DOOR TO DOOR (SALES) ACT AMENDMENT BILL

*In Committee*

Resumed from the 7th August. The Chairman of Committees (Mr. Bateman) in the Chair; Mr. Harman (Minister for Labour) in charge of the Bill.

Clause 4: Section 3A added—

Progress was reported on the clause after the Minister for Labour had moved the following amendment—

Page 3, line 8—Delete the words "by the vendor".

Mr. HARMAN: At the time progress was reported I undertook to inquire into the point raised by the member for Wembley following the moving of my amendment. I have had the matter checked and discussed and I have ascertained that it is desirable to proceed with the amendment,

because it means that by deleting the words "by the vendor" the agreement shall be unenforceable against either party.

We have a situation where a person goes through a procedure to obtain goods from a door-to-door salesman and then realises that one of the obligations made by that salesman has not been met, and if the words "by the vendor" remain in the clause he can take action against the door-to-door salesman or his agent. I consider that this would be a windfall for the purchaser to which he is not entitled, and therefore I wish to continue with the amendment to delete the words "by the vendor".

Mr. R. L. YOUNG: We are still no better informed as to what the Minister wants to achieve by the deletion of these words; certainly no more than we were when we debated this clause about three or four months ago. To refresh the Minister's memory, I took the attitude at that time that if the Minister defended his Bill in respect of the previous clause on the basis that he had done—namely, that the Bill was designed to protect the consumer—he could not use the same argument in trying to amend this clause. It was at that stage that progress was reported, because quite a number of members on the Government side of the Chamber stated that the member for Wembley was quite correct.

Progress was then reported and now the Bill is being discussed in Committee again without any real reason forthcoming from the Minister as to why these words should be deleted.

Mr. Harman: I gave you the reason.

Mr. R. L. YOUNG: The Minister appeared to give us an explanation as to why he should proceed with the amendment but he did not even do this as well today as he did several months ago.

The explanation he gave was that the deletion of the words would ensure that both parties were given the right to opt out of an arrangement, if one party failed in its obligations under the Act. I said at the time that if the Bill was designed for the protection of consumers, and the seller failed to carry out his obligations, why should the contract which had been entered into become unenforceable by both parties?

The penalty for failing to comply with the Act should be that the contract is unenforceable by the person who is guilty of such failure. On this occasion the Minister has not given us any greater explanation. If he has not investigated the matter sufficiently since the Bill was last considered in Committee, then I suggest he is defending his amendment purely for the sake of doing so. We would be none the wiser about the reason, except that the deletion of the words is in complete contradistinction to the Minister's comments on the previous clause.

I am disappointed that the Minister has not improved on the explanaton he gave previously. On this occasion I seem to understand his explanation even less than I did previously. I hope he will be agreeable to withdrawing his amendment, in accordance with the attitude that underlies this legislation; that is, a person who fails to comply with the Act should be the one to be penalised.

Amendment put and passed.

Mr. HARMAN: I move an amendment—

Page 3—Delete subsection (2) of new section 3A.

I am prepared to agree to the amendment appearing on the notice paper in the name of the member for Wembley which seeks to insert certain words after the word "residence".

The purpose of my amendment is to delete proposed new section 3A (2) which reads as follows—

> (2) Where any credit purchase agreement is pursuant to subsection (1) of this section unenforceable, the vendor, dealer and every person who acts on behalf of the vendor in connection with or in the course of any negotiation, transaction or dealing leading to the making of the agreement shall be guilty of an offence against this Act.

This is in line with the amendment we have just agreed to.

Mr. R. L. YOUNG: The Minister has indicated he is agreeable to my amendment. If that is so, will it be possible for me to add some words after the word "residence"?

The CHAIRMAN: The honourable member may do so.

Mr. R. L. YOUNG: Because clause 8 provides an adequate penalty for a person who operates outside the permitted hours as prescribed in the Act, I agree to the Minister's amendment.

Amendment put and passed.

Mr. R. L. YOUNG: I move an amendment—

Page 3, line 17—Add after the word "residence" the following words—

> for the purpose of entering into that negotiation or continuing a negotiation entered into within permitted hours.

The purpose of this amendment is to tidy up the verbiage of the provision in regard to the permitted hours during which a vendor may call at a person's residence to sell goods.

The provision in this clause states that a contract is unenforceable unless it is made within certain hours, or in accordance with certain negotiations that are outlined in the provision. However, it does

not indicate the purpose for which a salesman might call at the residence of a person.

No doubt some members are aware that salesmen, such as those selling encyclopedias, will call at the front door of residences and suggest that they are not there for the purpose of selling encyclopedias. It is possible that they do not make this claim in such a way that they can be regarded as seeking an unsolicited request to return to the residences later. Where a salesman does so return he would be acting within the law, but my amendment will ensure that the householder will not be regarded as having invited the salesman to return to sell some goods. In other words, a salesman who claims that he is carrying out a survey will not be regarded as having been invited back later to sell pots and pans.

Mr. May: On whom does the onus of proof lie that the householder requested the seller to come back?

Mr. R. L. YOUNG: The onus would lie on the person prescribed in the Bill. The onus would be on the person laying a charge under the Act that a seller did not comply with the Act; in other words, that the seller came back outside of the permitted hours.

Mr. May: To get rid of salesmen at their doors many householders will say to them, "Come back at any other time."

Mr. O'Neil: The Minister should ask the Minister for Labour about this, because it was the latter who introduced the Bill.

Mr. R. L. YOUNG: Some people might say that to salesmen calling at their doors. My amendment will overcome this problem. Unless the householder says to a salesman, "Come back later to sell me these things" the salesman will be regarded as calling outside of the permitted hours.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 5 put and passed.

Clause 6: Section 5 amended—

Mr. HARMAN: I ask the Committee to vote against the clause. Later on I wish to insert a new clause to stand as clause 6 which is designed to protect the rights of all the people involved.

Clause put and negatived.

Clauses 7 and 8 put and passed.

New clause 3—

Mr. HARMAN: I move—

Page 2—Insert after clause 2 the following new clause to stand as clause 3—

S. 3 amended.

3. Section 3 of the principal Act is amended—

(a) by deleting the words "by the owner" in line five; and

(b) by adding after the word "vendor" in line thirteen, the words "or dealer".

This amendment is necessary in order that we might be consistent with what we have done previously.

New clause put and passed.

New clause 6—

Mr. HARMAN: I move—

Page 3—Insert after clause 5 the following new clause to stand as clause 6—

S. 5 repealed and re-enacted.

6. Section 5 of the principal Act is repealed and the section is re-enacted as follows—

Rights and obligations of parties where agreement terminated or unenforceable.

5. (1) Where a notice of termination is given pursuant to section four of this Act the agreement shall be deemed to have been rescinded by mutual consent and there shall also be deemed to have been a total failure of consideration in respect of the agreement.

(2) If a vendor or dealer has accepted or received from a purchaser or bailee any moneys or other property—

(a) under or in relation to a credit purchase agreement that is, pursuant to section three or section three A of this Act, unenforceable; or

(b) under or in relation to a credit purchase agreement that is terminated pursuant to section four of this Act,

the purchaser or bailee may demand that the vendor or dealer, as the case may be,—

(c) repay or redeliver the moneys or other property to him; or

(d) in the case of property other than money, pay to him an amount equivalent to the monetary value of the property as at the time it was

accepted or received by the vendor or dealer, as the case may be,

and may sue for and recover the money, property or amount so demanded.

(3) If goods have been delivered to a purchaser or bailee by a vendor or dealer—

(a) under a credit purchase agreement that is, pursuant to section three or section three A of this Act, unenforceable; or

(b) under a credit purchase agreement that is terminated pursuant to section four of this Act whether those goods were so delivered before or after the agreement was so terminated,

the purchaser or bailee—

(c) shall deliver up those goods to the vendor or dealer at the place where those goods were delivered to him upon demand by the vendor or dealer; and

(d) shall be liable to pay compensation to the vendor for any damage done to the goods whilst the goods have been in his custody other than damage arising from the normal use of the goods or loss or damage arising from circumstances beyond his control,

and the goods so demanded, or that compensation, or both, may be sued for and recovered by the vendor.

(4) A vendor or dealer who fails to repay or redeliver any moneys, or property, or to pay any amount, when demanded to do so pursuant to subsection (2) of this section is guilty of an offence and, without prejudice to the right of the purchaser or bailee to recover the moneys, property or amount by action in a court of competent jurisdiction, liable to a penalty of not more than two hundred dollars.

(5) A purchaser or bailee who, without reasonable excuse, fails to deliver up any goods when demanded to do so pursuant to subsection (3) of this section is guilty of an offence and, without prejudice to the right of the vendor to recover the goods or compensation for their loss by action in a court of competent jurisdiction, liable to a penalty of not more than two hundred dollars.

This new clause is designed to repeal and re-enact section 5 of the Act to clarify the rights and obligations of the vendor or dealer as well as the purchaser in respect of the return of goods or deposits paid retrospectively when unenforceability occurs.

Mr. R. L. YOUNG: This new clause is in fact a decided improvement on the existing provisions in the Act and I think it will help to spell out in clearer terms the obligations of people concerning the return of goods and the cancellation of contracts. We have no opposition to it.

New clause put and passed.

New clause 7—

Mr. HARMAN: I move—

Page 4—Insert after clause 6 the following new clause to stand as clause 7—

S.6 amended.

7. Section 6 of the principal Act is amended by adding after the word "vendor" in line eight, the words "or dealer".

Again this amendment is consistent with the amendments we have made to the definitions.

New clause put and passed.

Title put and passed.

*Report*

Bill reported, with amendments, and the report adopted.

## SUPERANNUATION AND FAMILY BENEFITS ACT AMENDMENT BILL (No. 2)

*Second Reading*

**MR. J. T. TONKIN** (Melville—Treasurer) [12.07 p.m.]: I move—

That the Bill be now read a second time.

For some time, the Government has been conscious of important developments in other Government superannuation schemes throughout Australia and it has also been aware of certain deficiencies in our own scheme.

We have received many representations from contributors' representatives and from pensioners, seeking improvements to the scheme.

Prior to my Government assuming office, I undertook, if elected, to examine the possibilities of modernising the State superannuation scheme with a view to bringing it into line with several features of the parliamentary scheme. One improvement in particular that I proposed at the time was the conversion of certain pensions, or portions thereof, to lump-sum payments at the option of the contributor.

Another aspect in which the scheme for Government employees suffers by comparison with the parliamentary scheme, is the progressive reduction of pension entitlement as a percentage of salary on retirement as salary levels increase.

Although the previous Government took steps to alleviate this problem, which is inherent in the present structure of the unit entitlement scale, the rapid escalation of salaries in recent years has made it a matter of concern to increasing numbers of employees.

It is clearly necessary to determine a reasonable relationship of pension to salary at retirement and to reconstruct the scale of unit entitlement to ensure that the relationship remains unchanged as wage levels rise over the years.

It has long been my own view that improvement is also needed to the method currently used to update pensions to offset the continuing decline in their purchasing power. At present, only the State share of pension is updated annually and I have on more than one occasion expressed the opinion that a way should be found to maintain the purchasing power of the whole pension.

I have also been concerned at the length of time many pensioners have to wait under the present arrangements before becoming eligible to have their pension updated. At best, a pension must have been paid for a year before being adjusted to compensate for cost-of-living increases in the interval, and for many the delay extends to two years.

The scheme is also sadly out of date in its provisions for female contributors. It was conceived in a day when only single women could be appointed to the permanent staff and qualify for superannuation benefits.

Today, married women are taking up career positions in the teaching service, and the Public Service generally, in increasing numbers and they are entitled to receive superannuation benefits consistent with their contributions to the fund and their needs on retirement.

Mr. E. H. M. Lewis: What is the age at which they can benefit now?

Mr. J. T. TONKIN: At age 60 years. These and other matters have been the subject of a detailed and wide-ranging study by the Superannuation Board and senior officers of the Treasury. The Government has also had regard to proposals submitted by the Joint Superannuation Committee representing employee associations.

We have also looked carefully at developments and trends in other State schemes most of which have been overhauled and brought up to date in recent years. In particular, proposals put forward by a committee set up by the Australian Government to review the Commonwealth scheme will, if adopted, have far-reaching effects on Government superannuation schemes in this country.

I will say more about possible future developments later. For the moment, I wish to emphasise that we are conscious of moves to effect radical changes in Government superannuation schemes in Australia and we have been at pains to ensure that the changes we now propose to our own scheme will not inhibit its reconstruction in the future should developments elsewhere show that to be desirable.

The Bill now before members proposes to amend the Superannuation and Family Benefits Act in order to—

(1) Reduce the initial delay in applying cost-of-living increases to the State share of pension.

(2) Apply cost-of-living increases to the total pension.

(3) Allow contributors, on retirement, the option of taking part of their pensions in a lump sum.

(4) Distribute the surplus in the fund as at the 30th June, 1969.

The method to be used is the same as that applied to the surplus at the 30th June, 1964.

(5) Provide for allowances to dependants of deceased female contributors and retired female pensioners.

(6) Provide for a retired married female contributor whose husband is also a pensioner in his own right, to receive her own pension as well as the widow's benefit derived from her husband should he pre-decease her. This is consistent with the Parliamentary Superannuation Scheme.

(7) Provide for payment of a widow's pension to the widow of a pensioner who married her after his retirement, if she is over the age of 55 when he dies, or from the date she attains the age of 55 after his death.

(8) Provide for continuation of a widow's pension to the widow of a contributor or pensioner, if she remarries at the age of 55 or over.

(9) Provide for an entitlement of one unit for each $130 of salary throughout the scale, in lieu of reducing this entitlement to one unit for each $163 of salary in excess of $7,800 per annum. The effect will be to provide for a State share of pension of approximately 50 per cent. of salary on retirement. The present scale has the effect of progressively reducing this percentage as salary increases beyond $7,800, which is inconsistent with developments in other Government schemes.

(10) Remove a double penalty on contributors with relatively short periods of service where a contributor, by not taking up all his units, is already paid a reduced State share of pension.

(11) Admit staff of the Civil Service Association to the State scheme subject to the association concluding a satisfactory agreement with the Government whereby it will meet the employer share of pensions.

(12) Correct a number of minor deficiencies in the scheme.

Members will see from the summary I have just given that the proposed improvements to the scheme are both substantial and wide ranging. Each warrants some explanation and, if members will bear with me, I will endeavour to explain what are often complex matters as clearly as I am able.

Updating of pensions: Under the present method of updating, the State share of pension is increased annually by the percentage increase in the consumer price index for Perth where the pension has been paid for a period of at least 12 months.

For example, the State share of pension paid to former contributors who retired on or before the 31st December, 1972, will be increased in January, 1974, by the percentage increase in the consumer price index during 1973.

As the Act now stands, a person who retired in January, 1973, will not qualify for pension updating until January, 1975, an interval of two years. This delay is far too long in granting cost-of-living adjustments, more especially if we take into consideration the rapidity of inflation which has been occurring in Australia during the last few years.

It is proposed therefore, to reduce the period for which pensions have to be paid before becoming eligible for updating, by granting one-quarter of the percentage increase in the previous year's consumer price index for each full three months that the pension has been in force during that year.

A result would be to grant from January, 1974, 75 per cent. of the 1973 increase in the consumer price index to persons who retired during the quarter ended the 31st March, 1973, and 50 per cent. and 25 per cent. respectively to persons who retired during the quarters ended the 30th June, 1973, and the 30th September, 1973.

Pensions that have been in force for the full year will of course receive the benefit of the whole increase in the consumer price index over the intervening year as at present.

Under those proposals, the maximum period that any pensioner will have to wait after retirement before receiving an adjustment to his pension will be one year and three months compared with two years as at present.

Although the scheme provides for a single pension to be paid according to the number of units for which an employee was contributing on retirement, the pension is in fact composed of two parts—the share paid from the fund according to the contributions paid by the contributor into the fund and a supplement paid by the Government. The State share constitutes the greater part of the pension.

As I remarked earlier, only the State share of pension is updated at present and the value of the fund share of existing pensions is declining rapidly with the steep rise in living costs in recent years. This has meant that very many pensioners are experiencing increasing hardship as the purchasing power of their total pension declines year by year.

Accordingly, it is proposed that, from the first pension date in 1974, the whole pension will be updated by making an appropriate adjustment to the State share.

It is relevant to note that the recent decision of the Australian Government to update the Government share of Commonwealth pensions by 1.4 times the increase in the consumer price index is arithmetically equivalent to updating the full pension as we now propose.

Cash options: There have been numerous requests to allow contributors to take some part of their pension entitlement in a lump sum on retirement, in line with the practice in most other States.

The availability of a lump sum could, in many cases, provide a greater benefit to a retired person than the receipt at regular intervals of a very much smaller amount in the form of a pension. As an example, such a lump sum could be used to redeem a mortgage over the family home.

It could be used to help finance the purchase of a home unit or other dwelling, particularly in the case of a former employee whose conditions of service made it difficult for him to acquire a permanent home during his working life.

Members of the Police Force and the teaching service are examples of this category of employee. To these employees, the availability of a lump sum obtained from the commutation of part of their pension, could be of considerable advantage in the purchase of a home on retirement.

It is therefore proposed to give contributors the right to commute that part of their pensions which is provided by the fund from their contributions. The State share of pension will not be subject to commutation as the State Superannuation Scheme is one under which the Government defers its contribution until the pension emerges.

There is a restriction contained in the Bill which is designed to prevent the misuse of the cash option scheme. Broadly speaking, the restriction is designed to prevent contributors using the proceeds of cash commutation to purchase, on the eve of retirement, units which they have neglected to take up earlier in their careers.

The opportunity to use cash commutation for this purpose would otherwise exist, because the State Superannuation Scheme is essentially a voluntary one under which contributors are not obliged to take any more than two units. In these circumstances many contributors approach retirement having contributed for much less than their ordinary entitlement. It is not intended that the cash commutation scheme be used to provide them with funds to take up neglected units on the eve of retirement.

Unless such a restriction were imposed there could well be an increase in the tendency to defer taking units during a contributor's working life until shortly before retirement. Such a practice is undesirable, not only because it represents a use of the fund which was never intended but, moveover, it automatically creates the situation where the employee's wife and dependants are denied, during his working career, the protection of the invalidity and death benefits which the fund is designed to produce.

Accordingly, the restriction proposed is one which will prevent a contributor from commuting to cash the fund share of any unit for which he has not contributed for a period of five years unless the unit is one taken up by him at the time of a salary increase or other increase in unit entitlement which took place within the period of five years immediately preceding his retirement.

It is also proposed that a contributor will not be eligible to commute any of his pension to cash unless he completes the full contributions on any unit which he has neglected earlier in his career but takes up within the last five years prior to his retirement.

I would stress that the proposed restrictions apply only to the exercise of the new right to convert part of a pension to a lump sum. It will not, in any way, interfere with or restrict the existing rights of contributors who do not choose to take up the lump sum option.

The amount of the lump sum is to be calculated by multiplying the amount payable annually in respect of the fund share of pension by an actuarially determined factor which takes into account average life expectancy.

If a contributor retires before the elected retiring age on which his contributions have been based, the pension payable in respect of each unit held is currently reduced below the norm of $26 a year because he will have paid a reduced amount into the fund and because he will receive the pension on average for a longer time. In such cases the lump sum payable will be proportionally less also.

The factor appropriate to the experience of our fund is still to be calculated by the consulting actuary; but, using other funds as a guide, it may be assumed that it will be in the order of nine to 10 for males, depending on age at retirement.

Members may be interested in some examples of the estimated lump sum payment that could be drawn by contributors for age 65 retirement who retire at that age. If the fund component of 10 units is cashed, the lump sum payment is expected to be about $2,350; for 20 units, $4,700; for 30 units, $7,050; for 40 units, $9,400; and for 50 units, $11,750.

Those sums do not represent the full value of the fund share of each unit as the exercise of the option to take a lump sum will not deprive a pensioner's wife, if subsequently widowed, of the right to her reversionary pension in respect of any units for which her husband elected to take cash; that is, the widow's benefit of a pensioner who elects to take his cash option is unaffected by that action and it is proposed that, on the death of the pensioner, his widow should also have the right to convert the fund share of her pension to a lump sum.

Distribution of surplus: A report on the state and sufficiency of the Superannuation Fund by the consulting actuary in July, 1972, disclosed a surplus of $5,345,000 as at the 30th June, 1969.

The surplus is very close to 10 per cent. of the liability for existing and future pensions as at the 30th June, 1969, and therefore allows the addition to those pensions of 10c a fortnight for each unit held at that date. This is precisely the way the surplus in the fund in June, 1964, was distributed and it is proposed to distribute the 1969 surplus in the same manner.

The effect of this proposal may be seen from the example of an employee who was contributing for 30 units of pension at the 30th June, 1969, and subsequently retired at his elected retiring age. From the first pension date next year he will receive a

supplement to the fund share of his pension of $3 a fortnight. A corresponding entitlement will be credited to serving employees who were contributors to the fund at the 30th June, 1969, and they will receive it on retirement.

Female contributors: When the State Superannuation Scheme was devised in 1938, only unmarried female contributors were ever likely to derive a pension. Now that married female employees can be appointed to or attain permanent employment, the benefits payable to female contributors and pensioners need review.

It is proposed that children of deceased female contributors or of retired female pensioners should be paid the same allowances as the children of deceased male contributors and retired male pensioners, subject to the usual tests of dependency and age. At the moment, no children's allowances are payable to the children of deceased female contributors.

It is proposed to continue the existing provision—in common with the Parliamentary Superannuation Scheme—that a female employee who retires may receive her own pension notwithstanding that her husband may also be a pensioner in his own right. Similarly, it is proposed that she be entitled to receive her own pension in full and the 22/35ths widow's pension derived from her husband, if he predeceases her. This, too, is consistent with the Parliamentary Superannuation Scheme.

The Bill therefore proposes to remove a provision under which, at the present time, a female pensioner must choose between continuing to receive her own pension but forgoing her widow's pension, or accepting the 22/35ths widow's pension and surrendering her own.

It is also proposed that if a female pensioner or contributor dies, a 22/35ths reversionary pension may be paid to her husband, but only if it is established that he is wholly or substantially dependent upon her. This provision is intended to cover the case where the husband is an invalid or is under some substantial disability and is therefore dependent upon his wife's income.

Widows: Many representations have been received dealing with widows' pensions. One of the most common is for an amendment which would provide that the widow of a pensioner received the standard widow's benefit even though she married the pensioner after he had retired. Such a benefit is generally denied in Government schemes here and elsewhere, apparently for the reason that it is felt ailing pensioners might marry women many years younger than themselves in order to bestow a valuable pension upon them. It would not require many such cases for a considerable burden to be placed on the fund at the expense of other contributors.

While those fears may be real, it nevertheless seems harsh that the wife of a retired pensioner is never entitled to receive a widow's pension if she married him after his retirement, notwithstanding that their ages may not be markedly different. It is therefore proposed that a widow's pension at the standard rate be paid to the widow of a pensioner who married her after his retirement and that the pension shall be paid—

(a) immediately from the death of the pensioner if the widow is then over the age of 55; or

(b) after the widow attains the age of 55, if at the date of her husband's death she was not yet 55.

It is considered that the second of these conditions should be sufficient to cope with any problem of pensioners marrying very much younger women in order to bestow upon them a pension.

Representations have also been made for an alteration of the Act to provide that the widow of a contributor or pensioner should retain her reversionary pension even through she remarries. The Government adheres to the view that in ordinary cases it is to be expected that her second husband will support her but it is acknowledged that if she remarries at an older age, she may well be marrying another pensioner or retired person. Accordingly, the Bill proposes that where a widow in receipt of a widow's pension remarries at the age of 55 years or more, her widow's pension will continue to be paid.

I would point out that it is not intended to disturb the present fund rules providing for continuation of any widow's pension upon remarriage if hardship can be shown, nor is it intended to alter the rule that a widow's pension lost by remarriage is automatically restored on the termination of the second marriage.

Removal of taper in the scale of unit entitlements: The general trend in Government pension schemes is to provide for a Government share of pension equal to 50 per cent. of retirement salary. This proportion, or better, applies in the State scheme up to salaries of $7,800 per annum. Thereafter the percentage declines progressively as follows—

| | | | |
|---|---|---|---|
| $10,140 | .... | .... | 47.8 per cent. |
| $14,300 | .... | .... | 45.0 per cent. |
| $18,200 | .... | .... | 44.0 per cent. |
| $22,100 | .... | .... | 43.3 per cent. |

The reason for the decline after $7,800 per annum is a break in the scale of unit entitlement from one unit for each $130 of salary up to $7,800 to one unit for each $163 of salary thereafter.

The result is that a person now on a salary of $7,800 per annum, with an anticipated retirement benefit from the Government of 50.7 per cent. of salary, suffers a decline in this benefit simply as a result of future general increases in salaries which, I think members will agree, is completely illogical.

When introducing legislation in 1970 to alter the unit entitlement scale to reduce the effect of the taper, my predecessor, Sir David Brand, said—

> If this position is not corrected, pensions payable to senior officers will become more and more unrealistic in relation to retirement salaries as salaries increase over time, as they inevitably will.
>
> Lest this be seen as a problem affecting only the more senior officers in the service, it must be borne in mind that the general upward movement of salaries over the years must result in the erosion of pension entitlements for all officers as the higher salaries of today become the norm of tomorrow.

I give full credit to the previous Government for the steps it took on that occasion and, of course, the measure received the full support of my party. However, the escalation of general wage levels has been far more rapid than could have been anticipated when the Act was last amended and it has become clear that the problem will constantly recur unless the taper is removed entirely.

It is proposed to follow this course and to provide for an entitlement of one unit for each $130 of salary right throughout the scale, including noncontributory unit entitlement. The new entitlement scale will differ from the present scale only in that it will provide for one contributory unit and one noncontributory unit for each $260 of salary above $7,800 per annum instead of one contributory and one noncontributory unit for each $326 of salary above that point as at present.

The effect of this change will be that all employees contributing for their full primary unit entitlement will be assured of a Government share of pension closely approximating 50 per cent. of their retirement salary.

The Act limits pensions otherwise payable for persons with short periods of service. A contributor with less than 10 years' service receives only a refund of his contributions and a contributor with 10 or more but less than 20 years of service has the State share of his pension reduced by one-twentieth for each year by which his service is less than 20 years. The object of the provision is to reduce the Government component of pensions for persons rendering less than the average period of service.

This provision can, however, operate harshly in instances where the contributor with short service has never sought the maximum pension and has in fact elected to take up part of his primary unit entitlement only. A contributor who does this has, by electing not to take up all his units, already reduced the pension payable to him and to further reduce the State pension on such of the units as he did subscribe for is, in effect, to apply a double penalty. It is proposed that the Act be amended to avoid the double penalty in these circumstances.

The Government has considered representations from the Civil Service Association requesting that staff of the association be permitted to join the State superannuation scheme under an arrangement whereby the association will meet the cost of the employer's share of the pension.

Over the years, the staff of the association has often come from within the Government service and it is not unusual for an association officer to be appointed to a position in the Public Service later in his career.

*Sitting suspended from 12.45 to 2.15 p.m.*

Mr. J. T. TONKIN: Membership of the State scheme would give association staff a greater degree of security and it is proposed, therefore, that the Act be amended to empower the Government to admit association staff to the scheme subject to the association concluding an agreement to meet the employer's share of the pension.

Other amendments: Several other amendments of a more minor nature are proposed to correct minor deficiencies in the scheme and to enable easier administration of the Act. I shall deal with each of them briefly.

Retrenchment benefits: The present provisions dealing with the calculation of retrenchment benefits require an extremely complex calculation of the Government's potential deferred liability in respect of contributions made by the retrenched contributor. It is proposed that the provisions be simplified so that a retrenched contributor receives 3½ times his own contributions by way of retrenchment benefit. Such a sum very closely approximates the retrenchment benefits presently payable.

Elections made out of time: It is proposed that the board be given the power to accept elections made out of time by contributors and to vary elections made by contributors in certain circumstances.

It is intended that the board would have such a discretionary power only on application being made by the contributor or pensioner concerned and where it is satisfied that there are circumstances warranting the exercise of the power.

Similar powers are granted to boards administering other Government superannuation schemes and such a power is particularly needed where a contributor has been misled as to his rights by wrong advice.

Reduction of unit holding: It is proposed to modify the rights of contributors who reduce their unit holdings more than once by withholding in the fund until retirement, any refund arising from a second or subsequent reduction in unit holding.

It is felt necessary to so provide, because the taxation deductibility of all contributors may be in jeopardy while these provisions remain as they are. A similar right to reduce and withdraw was an important element in the recent decision of the taxation authorities to refuse deductibility for some provident account payments.

Transfer from other Funds: Because of changes in contribution rates between the States and other divergences, it is no longer practicable to continue the present practice of allowing a contributor to another fund, on joining the service of this State, to continue paying for his units as though they had been taken out under our scheme.

It is proposed to amend the Act to provide that a person joining from another Government fund may subscribe for his full unit entitlement without having to pass a medical examination provided he uses his refund of contributions from the previous scheme to fully pay as many units as possible. Credit will be given for service with his previous employer.

Student Children: On the death of a contributor or a former contributor who was in receipt of a pension under the Act, an allowance is payable in respect of any student child of his who is under the age of 21 years and who was wholly or substantially dependent upon him.

It is proposed to extend this benefit for student children under the age of 25 years. In this respect, it is to be noted that for income tax purposes a deduction is allowed for students under 25 years of age.

Other proposed amendments are designed to—

(a) remove the requirement that a contributor must pay 12 months' contributions on each unit held by him before an invalidity pension is payable;

(b) enable pensioners to take further units after retirement where entitlement arises from retrospective salary increases dating from befor his retirement date;

(c) allow past service to be credited where a previously retrenched employee rejoins the service; and

(d) permit employees whose salaries are reduced for other than disciplinary reasons to retain their existing primary unit entitlement.

In each of these cases the amendments are designed to remove an anomaly which presently operates against the interests of contributors.

With one exception, the proposals I have outlined will have little or no impact on the Consolidated Revenue Fund. The exception is the proposal for updating pensions which is expected to cost in the order of $50,000 this financial year and $100,000 in a full year.

Expenditure on cash options and the distribution of surplus will, of course, be met from the Superannuation Fund.

That completes my outline of the proposals. I am sure members will agree that they represent very desirable improvements to the scheme and are wide ranging in their effects.

Nevertheless, although much has been done in recent years to alleviate the problem, a serious deficiency remains in our schemes; a deficiency which is common to all unit-based schemes.

As I remarked earlier in this speech, contribution rates for units are designed to ensure that each unit taken out is fully paid on completion of service. Consequently the older an employee is when a unit is taken up, the higher the fortnightly cost.

It is not unusual for the cost of taking up additional units to exceed the increase in salary that gives rise to the entitlement. When higher taxation is taken into account, older employees often face the unpalatable choice of seeing their take-home pay decrease, or forgoing units and having to settle for a reduced pension on retirement.

Employees at all levels of remuneration are equally affected by this feature of the scheme which has been accentuated by the rapid rise in salary levels and therefore unit entitlements in recent years.

The Government is aware of moves in other Government superannuation schemes to change to a system under which contribution rates are determined as a fixed percentage of salary and is paying close attention to these developments. We propose that a careful study be made of the practicability of changing to a percentage-of-salary basis within the next two or three years.

Finally, the introduction of this Bill gives me considerable personal satisfaction inasmuch as it is in complete conformity with a deliberate undertaking I gave in my policy speech at the last State general election. I said that the existing system would be carefully reviewed for the purpose of having it brought into line with the Parliamentary Superannuation Scheme. This Bill will achieve that if it becomes an Act, and so it can be truthfully claimed

that it is in complete fulfilment of one of the promises upon which the Government was elected.

I commend the Bill to the House.

Debate adjourned, on motion by Mr. O'Neil (Deputy Leader of the Opposition).

## BILLS (5): MESSAGES

*Appropriations*

Messages from the Lieutenant Governor received and read recommending appropriations for the purposes of the following Bills—

1. Wheat Industry Stabilization Act Amendment Bill.
2. Tourist Bill.
3. Liquor Act Amendment Bill.
4. Special Holidays Bill.
5. Superannuation and Family Benefits Act Amendment Bill (No. 2).

## ALUMINA REFINERY (WORSLEY) AGREEMENT BILL

*Council's Amendment*

Amendment made by the Council further considered from an earlier stage of the sitting.

*In Committee*

The Deputy Chairman of Committees (Mr. Brown) in the Chair; Mr. J. T. Tonkin (Premier) in charge of the Bill.

Progress was reported after the Premier had moved that the following amendment made by the Council be agreed to—

The Schedule.

Page 5, lines 27 to 41—Delete the definition "Crown land" and substitute the following—

"Crown land" means all land of the Crown including—

(a) all land dedicated as a State forest under the Forests Act, 1918 other than land reserved as State Forest No. 51 as it existed on the 14th May, 1973;

(b) all land reserved for the purpose of water conservation;

(c) land reserved under the Land Act and numbered 15410, 18534, 19738, 19739, 19740, 19741, 19958, 20063, 20182, 21287, 24791, 26363, 26666, 30394 and 31890; and

(d) land reserved under the Forests Act as Timber Reserves and numbered 66/25, 69/25, 131/25, 144/25, 145/25, 146/25, 147/25, 148/25, 151/25, 160/25, 171/25, 172/25 and 189/25,

but excluding—

(e) land granted or agreed to be granted in fee simple;

(f) land held or occupied under the Crown by lease or licence for any purpose other than pastoral or timber purposes; and

(g) all other land reserved under the Land Act or the Forests Act unless the Minister, after consultation with the Environmental Protection Authority, established under the Environmental Protection Act, 1971, otherwise determines;

Mr. O'NEIL: The consideration of this item was postponed until a later stage of the sitting when the Leader of the Opposition, who was present in the Chamber at the time, asked for some time to examine the proposal contained in the Legislative Council's amendment. The Leader of the Oposition is now winging his way away and in the time available to me I have conferred with my colleagues in another place to ascertain whether or not the rearrangement of the details in respect of the control of land referred to in the agreement is correct. All I can say is that, to the best of my knowledge, it is.

If we look at the number of references to land reserved under the Reserves Act, the Forests Act, and various other Acts, it would take a very long time to check whether in fact all those reserves are perfectly in order. On this occasion, however, if the company concerned is satisfied and if the Government is satisfied, I, too, am prepared to be satisfied.

In the circumstances, we would go along with the Premier's move to agree with the Council's amendment.

Question put and passed; the Council's amendment agreed to.

*Report*

Resolution reported, the report adopted, and a message accordingly returned to the Council.

## MOTOR VEHICLE DEALERS BILL

*Second Reading*

Debate resumed from the 13th November.

**MR. O'NEIL** (East Melville—Deputy Leader of the Opposition) [2.31 p.m.]: This is one of a series of Bills which would come under the general heading of "consumer welfare" or "consumer protection". Parliaments right throughout Australia, and perhaps throughout the world, have in recent times shown a great deal of concern for the welfare of the consumer. It may well be that this is appropriate, but there is an old adage to the effect that one cannot legislate for fools. So

the very fact that it is necessary to have so many legislative protective measures for the public generally would seem to indicate that somewhere along the line our system of education must be breaking down; perhaps we are producing more fools. It seems to me that more and more legislative bodies are catering for people they believe cannot look after themselves.

Unfortunately it is true that some people cannot do so, but I wonder whether this pattern of consumer protection, which is nation-wide and is evident overseas, too, could be regarded as a criticism of our system of education. It is a fact that various people associated with the buying and selling of money as a commodity—hire-purchase firms, credit finance companies, and so on—undertake as best they are able an education programme. As I understand it the Australian Finance Conference, for one, has a programme in our secondary schools to educate the citizens of tomorrow—and perhaps today—in the buying and selling of money, because that is what credit finance is all about.

It appears at this time that we have not been too successful and therefore we must fall back on the necessity to produce legislation which is termed "consumer protection" legislation. The Bill before us is not specifically concerned with the field of finance, but other Bills recently introduced by the Minister for Labour relate to it. Today a Bill was introduced to deal with pyramid selling and yesterday a Bill was introduced to deal with unsolicited goods, pseudo-invoicing, and the like. It seems to me that those who want to hoodwink the people are well educated and that those who are being hoodwinked are not sufficiently educated. However, it is part of a national pattern and we must go along with it.

This brings me to an aspect which has concerned me for some time; that is, the expression "consumer protection". It is true that before the last State general election both the then Leader of the Opposition and the then Leader of the Government as part of their policy speeches said they would establish in Western Australia a bureau for consumer protection. I have an idea that my recommendation was that it be called a bureau of consumer affairs, but the title was subsequently "Consumer Protection Bureau". This is the point I want to make: very often as a result of the wrong term being used people gain a wrong impression of the purpose of the actions taken in this Parliament, and I believe that what we should be doing is talking about a bureau or department of consumer affairs.

Mr. Hartrey: It is consumer protection that the bureau is designed to achieve.

Mr. O'NEIL: That bureau's franchise could be extended.

Mr. Hartrey: That is its principal function—consumer protection!

Mr. O'NEIL: I am expressing my views and if the member for Boulder-Dundas does not agree, that is all right.

Mr. Hartrey: I repeat—the whole object of the Bill is to protect the people of this State.

Mr. O'NEIL: He has not heard a word I have said.

Mr. Hartrey: I have.

Mr. Hutchinson: Then you have not understood it.

Mr. O'NEIL: I have said that in my view, instead of using the term "consumer protection" which is, in fact, a slight slur upon the people and indicates that in our opinion we on the hill think the mass needs to be protected—

Mr. Hartrey: They do need to be protected.

Mr. O'NEIL: That is what the member for Boulder-Dundas thinks.

Mr. Hartrey: That is what I know.

Mr. O'NEIL: If the member for Boulder-Dundas had listened—

Mr. Hartrey: I did listen.

Mr. O'NEIL: —he would have heard me say that we have failed somewhere when we reach the situation that because of a lack of education our citizens need protection. That is the point I made and I believe that to talk about protecting the consumers accepts the premise that they need protecting.

Mr. Hartrey: They do.

Mr. H. D. Evans: You are talking arrant nonsense. How can we expect consumers to be educated to compete with the media and modern techniques of selling?

Mr. O'NEIL: The Minister for Agriculture lacks an appreciation of what I am saying to exactly the same extent as the member for Boulder-Dundas.

Mr. Hutchinson: If you had listened you would have understood.

Mr. Hartrey: We are all slow learners according to you.

Mr. O'NEIL: Before I proceed any further let me hasten to say that I support the Bill. Perhaps that will reduce the number of interjections.

The SPEAKER: If the Deputy Leader of the Opposition were to address the Chair that, too, would reduce the number of interjections.

Mr. O'NEIL: I think the Bill is a good one. Perhaps that statement will have the same effect, too.

I was merely developing a theme that both political parties at the last election determined that there ought to be a system of consumer protection. It was part of the policy of both parties.

Then I went on to make the point that the use of the term "consumer protection" to me implied that—whether or not the

Minister for Agriculture thinks I am talking arrant nonsense, I could not care less —somewhere along the line society has failed to educate the people. I consider there should be no need for a legislative body such as this to accept the situation that the people are fools and need protection. I would much prefer that not to be the case, but I accept that perhaps it is.

I went on to say that in my view instead of using the term "protection", which I do not like, we should use the term "affairs". A bureau for consumer affairs would protect those who needed protection, but it would have a further function; that is, to assist those who do not need to be protected, but who require assistance—and there is a difference.

When we talk about consumer affairs we are not concerned only about the individual transactions into which a consumer enters and about which he knows. We should also be concerned about the service to the consumer. I believe that what we should have done—and I foretell this will occur—was to establish a bureau for consumer affairs. I am of the opinion that in time our Consumer Protection Bureau will become a bureau for consumer affairs and that it will involve itself in many more matters than the mere protection of the consumer. It will involve itself in matters which will ensure adequate service to the consumer.

For example, I can envisage that it will concern itself with trading hours. It will be a body much better equipped to determine what are adequate trading hours and what is adequate service to the consumer than is the body we have at present for this task. That is a body with the strange title of the "Retail Trades Advisory and Control Committee", which has no control at all.

It is significant that this problem of ensuring that the consumer is served has been a problem in every State in Australia. It is significant that in Queensland, as I understand the situation as it was—it may have changed—the matter of determining hours of trading is left with an industrial commission.

I do not believe that is the way it ought to be. I believe that, having set up an extremely effective and hard-working consumer affairs bureau, little by little we should give it more to do. Looking after what the consumer wants in the way of service is one task it should undertake. Therefore, under those circumstances, it is safe to assume that the name will change. It will become a bureau of consumer affairs rather than a bureau which appears to have been set up simply to protect the consumer who, because of a lack in our education system somewhere along the line, needs protection.

I want to pay some tribute to the Consumer Protection Bureau because patently it has been particularly active. I do not know whether the various Ministers for Labour have been happy about this, because the activity of the bureau and the efficiency with which it has carried out its task has created, in this session of Parliament at least, a reasonably heavy load for the Minister for Labour, whoever he may have been. I am not too sure how many measures have had to be handled by the Minister for Labour. Many have been presented up to date in this part of the Parliament and, in respect of them, I have represented the Opposition's viewpoint in most cases although the task was also shared very ably by my colleagues on this side. As I said previously, a number of Acts are related to the broader concept of consumer protection and consumer affairs.

I now wish to come specifically to the Bill. I will not spend a great deal of time on it, except to issue a warning: When one cannot find any really serious objection to a measure which is presented it always seems, to me at least, that this type of Bill attracts a great deal of debate. I have been through the measure fairly carefully. The Minister was good enough to allow a week's adjournment so that the measure could be studied thoroughly. I must say that in the areas of which I have some knowledge I can find no real objection at all to the legislation.

The Opposition endorses the principle and thinks it is sound; it is the more sound because it has followed the pattern of legislation elsewhere. More importantly, from the inquiries I have made it has been presented as a result of consultation with all the interested parties who could possibly be regarded as being concerned with the legislation.

I have said before in the House that if it is known that this has happened and the measure is presented as a result of the general acceptance of a basic principle—and it has been the subject of examination, scrutiny, discussion, consultation, and compromise—there remains little to be critical about.

There may well be some clauses in the Bill related to specific operations in the sales of motor vehicles which members, who have had more practical experience than I at this level, may like to raise. I think the function in respect of the debate on the measure ought to be to obtain from members of this Chamber expressions of what their practical experience has been and how they view the effects of a piece of legislation such as this.

Suffice it to say that we on this side believe in the principle. We cannot help but be persuaded that this industry needed to be "cleaned up"—if that is the expression to use. It is quite evident from what one reads in the Press and from the reports

which have been made available from the Commissioner for Consumer Protection that this is the area with the greatest problems.

I think this is the reason for the introduction of the measure apart from the fact that there are more imperfect—shall we say—used-car dealers than there are imperfect salesmen in other categories. Perhaps the volume of the trade and the very nature of the article being dealt with—and the fact that it can be used or misused—may well be the reasons for the greater number of complaints in respect of cars, and particularly used cars, than in respect of any other commodity.

For example, if one were to buy a secondhand refrigerator one would not drive it down the street at 75 miles an hour. Many of the goods which are sold secondhand do not suffer the same sort of treatment as a motor vehicle. This is especially so in that a motor vehicle suffers different treatment at the hands of different owners, with each owner driving the car usually for a short period.

It is safe enough to assume that perhaps the dealers are not entirely at fault. Perhaps it is the commodity itself and the way it is used or abused. By the very nature of the animal, it is subject to resale far more frequently than anything else.

Having said that and having accepted that this is the area in which the public seem to need some sort of protection, let me say that we accept the basic principle. It is incumbent upon a member who takes the adjournment of a debate to inquire of the people whom the legislation will concern what its effects are likely to be. I wrote to the Chamber of Automotive Industries and to the Chamber of Commerce. Both of these bodies represent the industry on the vehicle side and represent both new and used-car dealers. I am happy to report that they go along with the principles in the legislation. They make the point, of course, as a form of self-protection, that some problems may well be found when the measure has operated as an Act for some time. That is a fair enough statement. There would never be a piece of legislation which was not found to have some imperfections when it was put into practical application. Let us assume that this will be the case and with the passage of time and experience we will find some shortcomings in the legislation.

The other body which is concerned in this matter would be one representing consumers. We have dealt with the suppliers of both used and new vehicles. I now come to the question of the consumer. Perhaps the only way one can reach the consumer in this case is to talk to an organisation which represents a great number of them. Of course, that organisation is the Royal Automobile Club. It does not represent all consumers—but no organisation could. My understanding is—and indeed, the R.A.C. has said so—that there are something like 197,000 Western Australian motorists who are members of that organisation.

I am quite sure that, like myself, many of those members do not attend the meetings and were not asked to comment on the measure. However, they certainly belong to an organisation which purports to—and does—represent their interests very well. Once again, in this area, there is a general acceptance of opinion that the legislation is, in essence, good. The R.A.C. reserves the viewpoint that it may well be that some imperfections will be discovered in the legislation in time to come, but that is to be expected.

The Royal Automobile Club makes two points which are worth recording and perhaps these matters could be considered. I do not propose to move any amendments to any part of the legislation as a matter of fact, but I think at this time any comments which are available from those affected should be recorded for the consideration of the person who is to administer the measure. The Royal Automobile Club says in its letter dated the 20th November, 1973—

> We are of the opinion that both engine number and model designation should be included as statutory requirements.

This is related to the information to be made available to a consumer when he purchases a used motor vehicle.

I understand from the R.A.C. that this is a matter which was, in fact, considered and there was good reason why the course of action suggested by the R.A.C. was not followed. I am not in a position to know the reason. However, the R.A.C. was good enough—as were the other organisations I have mentioned—to admit that the Commissioner for Consumer Protection listened sympathetically to every proposition which was put forward. He accepted some and explained the reasons why others were not acceptable.

In fact, all these people indicated great satisfaction at the co-operation in regard to the preparation of this relatively new type of legislation—certainly new to Western Australia. The club expressed some concern—I think it is using this measure as a vehicle to express its concern—that although some reference appears to an annual inspection of motor vehicles, it is really under the provisions of another Act which has not been proclaimed. I believe the comments made by the R.A.C. on this matter should also be recorded. It says—

> The extent to which mechanically unsound vehicles contribute to road accidents is an unknown factor, and there is as yet no reasonable evidence on a cost/benefit basis which would

> support compulsory periodic inspections. It is our view that the matter need be further researched in an attempt to ascertain the true position before any such costly scheme is introduced in this State.

Although this Bill is in the main noncontentious, I believe it may attract a considerable amount of comment during the second reading stage. I am prepared to leave my remarks at this point with the indication that we support the Bill. We accept, as everyone in this Chamber will accept, that we will find imperfections in it and in its implementation. We trust those who have the responsibility to implement it will recognise the imperfections and refer these matters to the Legislature for amendments from time to time.

I will leave discussion of specific proposals in the Bill to other members who have more experience in this field. I want to make the point again, as I did in the beginning although I think I was misunderstood, that I believe something is wrong when not only in Western Australia, but also throughout the rest of the world, we have to legislate to make up for a lack of education in our community.

It seems to me that legislation of this type is brought about because the people are not able to protect themselves. Surely it should be one of the functions of an efficient education system to send our young citizens out into the world with enough knowledge to be able to look after themselves. A Government should not have to accept the responsibility for legislation of this type very often. However, the problem is with us.

We have consumer protection legislation, and I repeat once again that I believe in time consumer protection organisations will handle consumer matters generally, other than consumer protection, and ultimately they will become involved with what I would call consumer affairs. Organisations of this type should not only serve the consumer but also should have regard for the information which industry and commerce should make available to the consumer. We support the Bill.

**MR. McPHARLIN** (Mt. Marshall) [2.53 p.m.]: This Bill deals not only with used-motor vehicle dealers, but also with new-car dealers. I believe it is a good idea that both used-car dealers and new-car dealers should be licensed.

The comments made by the Deputy Leader of the Opposition are very appropriate. He has criticised the apparent lack of education in consumer affairs. People do not have a thorough understanding of what is entailed when they enter into contracts for the purchase of motor vehicles. Many people get into difficulties over hire-purchase payments, and some of them have been misled by used-car dealers.

Members will recall the Honorary Royal Commission which inquired into hire-purchase and other agreements. Of course, during our investigations we considered many matters in relation to used-car dealers. Many people in this business appeared before us, and we made inquiries as to all aspects of their practices. A considerable amount of evidence was given on the subject.

After the examination of the evidence, we made some recommendations in our report as to what we considered were desirable aspects to be introduced into legislation. We took evidence not only from used-car and new-car dealers, but we studied also the information contained in the Rogerson and Molomby reports, and I believe members will be familiar with these. The Molomby report was submitted to the Victorian Government, and the Rogerson report was prepared by the University of Adelaide Law School committee. Some very useful comments were made in those reports, and I would like to refer briefly to one or two of them. The Rogerson report says—

> There is ample evidence that purchases of second-hand motor vehicles are the source of much trouble and hardship in the field of consumer credit.

Later on it states—

> It would be very easy to fall into the trap of damning all used car dealers as open and notorious rogues and for that reason to put upon them all the blame and responsibility for the hardships of all consumers who make a bad bargain.

I do not think any of us would condemn all used-car dealers. We know some of the dealers try to operate to a high standard and endeavour to keep the occupation respectable and worth while. So we should not fall into the trap of condemning every dealer. That warning was given in the Rogerson committee report.

The report of the Honorary Royal Commission contains some extracts from the Molomby report, and also evidence from the Australian Finance Conference. Members will be aware that the conference is the representative body of member hire-purchase companies. The conference suggested that we would assist consumers if we could police the licensing system possibly through a licensing board such as that embodied in the South Australian legislation. This was also suggested by the motor trade itself. The Australian Finance Conference gave us a great deal of information.

The Molomby report referred to the *caveat emptor* approach, as did the Minister in his second reading speech. The Molomby report says—

> The "caveat emptor" approach is singularly inappropriate and submissions that it be retained were not able to be accepted.

This illustrates that practices have been taking place within the used-car business in Australia that make *caveat emptor* provisions redundant.

After all the investigations and a thorough study of the information given to us we made a recommendation—and members who have read our report will be aware of this—in the following terms—

> The Commission has carefully perused and considered the mass of evidence submitted by used car dealers, consumers who considered that they had legitimate complaints, the representations of the Australian Finance Conference, and the passages quoted herein from the Molomby Report, and has come to the conclusion that legislation substantially on the lines of the Second Hand Motor Vehicles Act 1971 (South Australia) would give adequate protection to consumers.

Having looked at the measure before us and having compared it with the South Australian Act which I have here, it is quite evident that the measure follows that Act to a degree. Some variations occur, but overall the principle laid down in the South Australian Act has been adopted.

I would like to refer to one or two slight variations. In South Australia the board members are appointed for a four-year term. In the proposal before us, board members will be appointed for a three-year term. Also, in South Australia a board member who misses four consecutive meetings automatically loses his place on the board.

Under the Bill before us, if a member misses three consecutive meetings he will no longer be a member. When there is an equality of votes in South Australia the chairman has a casting vote, but it is proposed here that he shall not have a casting vote.

I think it is important to consider part of the evidence given to the Honorary Royal Commission by the Automobile Chamber of Commerce. I will read a paragraph which I think is appropriate—

> In regard to these submissions we think it important to understand that new car selling and used vehicle dealing are absolutely intertwined.

That means, of course, that it is most difficult to divorce one from the other, because new-car dealers must accept second-hand cars as trade-ins and they must sell those used cars. Some dealers send these used cars to other used-car yards. However, the two aspects are intertwined. I think the Bill has taken cognisance of that fact. The Automobile Chamber of Commerce also said—

> Even the specialist used vehicle dealer that does not sell new cars quite often depends for stock on new vehicle dealer sources.

That is quite true.

When the Deputy Leader of the Opposition was speaking he referred to the need for education. He claimed there is a lack of education and that we are falling down somewhere by not making people understand what is required. Members of the Honorary Royal Commission would agree with me when I say that this is a matter to which we gave a great deal of thought. But just where do we start educating? Do we start by including it in the curriculum for secondary schools? Perhaps if we could get the Education Department to accept that, it would be a good starting point.

Mr. Hartrey: More importantly, who do we get to do the educating?

Mr. Lapham: Are we all supposed to be half-baked lawyers?

Mr. O'Neil: I do not think you need to be a lawyer to protect yourself.

Mr. McPHARLIN: The Australian Finance Conference has a programme under which it endeavours to go to various organisations and schools to give instructions on the use of hire-purchase contracts, the way they should be filled out, and what is involved in them. Only two days ago I got in touch with the representative of a hire-purchase company in this State and asked him about this very matter. I asked what was being done to promote a better understanding of the hire-purchase system. He told me he is personally involved in trying to educate school children. He attended a class of commercial students—boys and girls—to talk to them on the subject. When he got to the class he found the students listened intently for about 10 minutes. Then they lost interest and the girls started looking through the windows to see where their boyfriends were. He found it most difficult to make them concentrate.

So where do we start? I firmly believe this problem must be tackled at some point. I think the school is probably the most appropriate place to start because after students leave school they will be involved in this for the rest of their lives. Purchasing and selling is part of our way of life, and it is most important that we endeavour to educate students in the most effective way we can.

However, even if we do commence a programme of education, and we endeavour to get people to understand what is involved in buying and selling under hire-purchase or other credit systems, we will

always have a percentage who just cannot be educated or who refuse to learn.

Mr. Lapham: Are they too trusting?

Mr. McPHARLIN: I think in many cases they just do not want to understand; they just do not seem to care.

Mr. Lapham: I think there is a basis of trust in most people.

Mr. McPHARLIN: That is probably the reason for the legislation being before us; it is an endeavour to protect the few who get themselves into trouble.

Mr. Lapham: Most people have a basis of trust in them. Should we destroy that in order to cover a few sharp practices?

Mr. McPHARLIN: Possibly that is so. I might add that, with the Deputy Leader of the Opposition, I support this measure because its provisions are in line with the recommendations of the Honorary Royal Commission; so as a matter of principle I would find it difficult not to agree with the legislation. However, I think it is just as well to mention some of the traps in respect of used-car dealing.

I have before me a report which clearly outlines some of these traps which are used by secondhand dealers. The report merely repeats the evidence given to the Honorary Royal Commission. It was made by the chief executive of a major Perth motor dealer. The first on his list of traps is ghosting. That is a practice in which an advertisement is inserted in the Press which claims that the dealer has a car for sale at a certain price. A client rings the dealer and makes an appointment to inspect the car—because due to the way it is advertised he thinks it must be a bargain—but when he gets to the car yard the salesman tells him that the car has been sold.

Mr. Hartrey: Wouldn't he be told that when he rang up?

Mr. McPHARLIN: No, the idea is to get the client to the yard, and after he is told the advertised car has been sold he is immediately put under pressure to buy another car.

The SPEAKER: I must ask members to be quiet.

Mr. McPHARLIN: This practice is also known by the name of "bait and switch" and it is fairly widespread. When the measure before us becomes law we will be able to safeguard against it.

Another practice is known as the "wholesale club". In this case when a client is signing a hire-purchase agreement the dealer advises him that for a fee—it may be $30 to $60—he can join the dealer's wholesale club, which entitles him to purchase parts at the wholesale price. The fee is added to the amount of the hire-purchase contract. If the agreement includes maintenance the dealer claims that the client will get all parts at wholesale rates, but that does not always happen because under the agreement the dealer is the one who must repair the car and the client must pay whatever the dealer says is the price for the parts. So the client does not enjoy the advantage he thinks he will enjoy.

Of course, we have all heard about jacked deals. This is another very widespread practice. Then we have spotters. Some dealers pay mechanics to test cars for them. They give the cars a very limited inspection, for which they are paid. The spotters are there to give the car a quick inspection and to make it look good so that the prospective customer is led to believe that the vehicle has been thoroughly checked. Some of these mechanics receive between $20 and $50 on a car depending on the arrangement.

I did not believe it when I first heard the evidence given before the Honorary Royal Commission, but some clients after selecting a vehicle sign a blank hire-purchase agreement and leave it with the dealer. The dealer then fills the agreement in, and a copy is forwarded to the client through the mail.

In many cases after the client has taken the car away he finds out shortly afterwards that what he has agreed to pay for it in his discussions with the dealer is not the amount shown in the agreement; in fact, he is committed to a far greater amount than that agreed on.

Driving trials is another aspect in the sale of used cars. Some dealers offer their clients driving trials of 24 to 48 hours. The client signs a hire-purchase agreement and takes the vehicle out for what he has been led to believe is a driving trial. In fact he has signed the hire-purchase agreement before the driving trial. He is told afterwards that he has to purchase the vehicle.

Under the Hire-Purchase Act a dealer commits an offence if he fails to supply a schedule to the hire-purchase agreement, to show the figures that appear on the agreement. This schedule should be handed to the client before the deal is concluded. Of course, in many cases this is not done, and the client does not see the schedule. This matter is covered by the Hire-Purchase Act.

Then we have the question of warranties. All kinds of warranties are offered by dealers, and the most common one is the 50/50 warranty under which the client is told by the salesman that 50 per cent. of the cost of repairs will be paid by the dealer, and the other 50 per cent. will be borne by the client. In carrying out the repairs the dealer charges the full garage rate for the work done in his workshop. He keeps the cost of repairs up, so that the client ends up paying the same amount

for the repairs as if the work had been done elsewhere, and he has to meet the full cost.

Mr. Lapham: These are all subterfuges.

Mr. McPHARLIN: That is so. These practices go on in Western Australia. There is a method used by dealers to help bankrupts, who are bad credit risks, to acquire vehicles. The way they do this is to have the vehicle registered in the name of a person with a good credit rating. If the insurance is added to the price in the hire-purchase agreement it has to be in the name of the hirer to correspond with the name on the hire-purchase agreement. If the bankrupt is the driver of the vehicle when it is involved in an accident, it normally ends up with the vehicle being repossessed. Thus, the actual person signing the agreement is responsible for all damages incurred. Very seldom does the truth come out. This practice is not widely known, but it goes on. I have no reason to doubt that the report to which I am referring is correct; if it is, then such a practice should not be permitted to continue.

I have a list of 10 more subterfuges adopted by dealers. I could enumerate them, but to do so would take up too much time. The practices which we see in operation do justify legislation of this nature being introduced. The legislation should act in such a way as to give protection to people. In some cases the fault lies with the buyers, but in other cases with the dealers, most of whom are experts in manipulating the sale of used cars because they are adept at using persuasive jargon. It is not often that the fault lies with the client when he is taken for a ride.

The legislation before us will help to wipe out the dealers who are operating on the fringe of good sales ethics, and the "shonky" salesman who pervade the used-car trade. If the licensing authority goes about its business in the way outlined in the Bill, I am sure it will render a good service to the community, and will make both the new-car and the used-car trades much more creditable. For that reason I have no objection to this legislation. If it does function in the way it is hoped, then no doubt the result will be very satisfactory.

Of course, in any new scheme there are always some bugbears when it is put into operation; and invariably some people operate outside the rules. No doubt, the board that is to be appointed under this legislation will comprise responsible people who are experienced in the trade. I am sure they will administer the legislation fairly and overcome the "shonky" practices which exist, and so give the trade a better reputation and a higher standing in the community. All of us wish to see the legislation achieving this, so as to give the community a better deal. I hope that other members who will be speaking in the debate will add their support to the Bill.

**MR. A. A. LEWIS** (Blackwood) [3.17 p.m.]: I have a number of queries which I wish to put to the Minister. In the main I support the Bill. In his reply to the debate I would like the Minister to clarify certain points which I shall raise.

The Bill contains a definition of "second-hand vehicle". The definition of "vehicle" in the Bill means a vehicle within the meaning given thereto by the Traffic Act. In the Traffic Act a vehicle is defined as—

> (a) every conveyance, not being a train, vessel or aircraft, and every object capable of being propelled or drawn, on wheels or tracks, by any means; and
>
> (b) where the context permits, an animal being driven or ridden;

In the case of new vehicles the definition would cover self-propelled equipment. I cannot find anywhere in the Bill any exceptions to this.

Under the existing Act dealers of machinery have to obtain licenses to operate when they sell self-propelled equipment. I would like to know where they will stand in the future under the legislation before us.

To deal with the provision in the Bill, I draw attention to clause 20 (1) (e). It is as follows—

> (e) if the person being the holder of a dealer's licence has been found by the Board, after due inquiry, not to have sufficient material and financial resources to enable him to comply with the requirements of this Act;

To my knowledge many country dealerships started out with very little, but their resources were built up through the years. I do not believe it should be the duty of the board to decide whether or not these people have the finance to run their businesses. I think it is the right of the individual to decide whether or not to go into the business.

I can quote many cases to the Minister of people who started off with less than $500, but who subsequently became some of the most successful men in the business.

I think the board would laugh at any proposition put to it for a man to go into business with a capital of only $500. The board should not have anything to do with such a requirement. Private enterprise should be allowed to go its way as long as the public is protected, as it will be under the provisions of this Bill.

Mr. Harman: Such a person would have the right of appeal.

Mr. A. A. LEWIS: But with an investment of only $500 he would probably forget the idea because an appeal could cost far more than it was worth. I think this provision needs to be looked into.

Quite frankly, the aim of the Bill seems to be in the interests of big business, and not in the interests of the small individual dealer. Those involved in big business will receive most benefit from the provisions of this measure, even more so than the consumer.

Mr. Hartrey: But experience has shown that big business does best.

Mr. A. A. LEWIS: I disagree. We hear about many small dealers in the metropolitan area, but there are a great number of small dealers in the country, and usually they are held in high regard in their districts. I wonder whether the member for Boulder-Dundas really considered that point when he interjected.

Mr. Hartrey: My experience has been in the goldfields.

Mr. Harman: Dealers in small country towns are usually of high repute.

Mr. A. A. LEWIS: A man might start in a small way in a country town and because of his fair dealing he builds up his business and moves out into other areas. I believe this clause of the Bill should be looked at, otherwise it will cruel the aim of the measure.

I will move on to subclause (3) of clause 20. The substance of this subclause is that if a dealer loses his license—it could be that he goes out of business because of a lack of financial resources—he will not be able to obtain a salesman's license unless the board so specifies. I would agree with this provision if the dealer went out of business because his license was cancelled. We have seen many instances of men going out of business, and then within a day or two starting to work for the opposition. I believe that is the right of any individual and the board should not have the power to say whether or not he shall receive a license.

Mr. Sibson: A man sometimes starts to work for the opposition before he has wound up his affairs.

Mr. A. A. LEWIS: That is right. If a man winds up his business he should have the right to continue in his trade or profession if he so wishes.

Under the provisions of clause 21 (3) (a) the board will be able to decide what sort of premises a person can occupy, and whether or not they are suitable. Again, I think this provision is unacceptable because many country dealers have started their businesses in a very small way. I think of Manjimup where two or three dealers started their businesses in apple-packing sheds and such places, and then expanded into other premises. Normally, a board functioning under the conditions set out in this Bill would not have given those people permission to start their businesses. It was hard enough for them to get permission from the firms from whom they obtained a franchise enabling them to start in that way. However, those men have made a success of their businesses and are making a good living and providing employment for a number of people. It should be none of the board's business what premises are used, so long as a man can make a go of it.

Subclause (1) of clause 26 sets out that dealings in second-hand vehicles are to be notified to the nearest licensing or registering authority. If this provision were taken to its logical conclusion any new motor vehicle which was sold would need to have the details concerning the vehicle printed on a card. It would then be the responsibility of the owner of the vehicle to hand the card to the dealer. The card should carry the details of each transaction involving the vehicle, and the onus should be placed on the owner, at the time, to pass the card on. The card should set out the date of the purchase of the vehicle, and the various changes of ownership. I think this is the way vehicles are handled in the United Kingdom.

Mr. Hartrey: Similar to the title to a piece of land?

Mr. A. A. LEWIS: That is right. I think that such a record card would be most helpful in any notification of a transaction.

I would like to know just how much detail will be required from a dealer regarding a transaction. Will the exact cash price and the trade-in value of the vehicle involved in the transaction be passed on to the authority?

I will now move on to subclause (2) of clause 27. Under no circumstances, in my opinion, should any unlicensed vehicle be driven by anybody on the roads. The Minister should examine this subclause further because it states that notwithstanding the provisions of any other Act, an unlicensed vehicle may be driven on a road by a person acting under the authority of subclause (1) of clause 27. The reference is to an inspector.

I consider that the previous owner would be the person most suited to drive a vehicle on the road while being tested, because he would know the vehicle. However, I do not believe that any inspector—I do not care how competent he may be—should be able to go into a yard and take an unlicensed vehicle onto the road.

Mr. Harman: Because a vehicle is unlicensed that does not mean it is uninsured.

Mr. A. A. LEWIS: Unfortunately it does, unless one has plates. I think the dealer plate system could be incorporated in this provision, making it necessary for the dealer to provide plates before the vehicle is driven; but to allow an unlicensed vehicle to be driven on the road by anybody at all seems to me to be a dangerous provision at best.

I move on to clause 30 (5), and I must disagree with the Leader of the Country Party on the definition of a spotter's fee.

To those of us who are in the trade, a spotter's fee is paid to a person for information about somebody who wants to buy a vehicle. If the Leader of the Country Party says the Leader of the Opposition wants a car, and the member for Bunbury and I race off and sell him a car, the Leader of the Country Party will receive a spotter's fee out of that deal.

Mr. Bickerton: And you put the spotter's fee onto the price.

Mr. A. A. LEWIS: I believe subclause (5) of clause 30 could cut out legitimate spotters for motor vehicle dealers, again mainly in country areas. Until the clause in relation to vehicles is cleaned up, it could refer to self-propelled vehicles, headers, and what-have-you.

The warranty conditions worry me, not so much because of what they are but because a utility bought in Bridgetown and driven for 5,000 kilometres on farm use and in the hills around Bridgetown would suffer far greater wear than a utility that was used in the city. Far more damage would be done in such conditions than in city conditions—and I am speaking about genuine buyers and not people who rip the guts out of a vehicle within a couple of days.

I think some protection should be provided for people who sell motorcars under those conditions. I am sure the Minister realises that the conditions would be vastly different, but the dealer's responsibility would be exactly the same whether he were in the city or in the country. I am not sure something could not be done about this because damage could be caused by the roughness of the tracks over which the vehicle is being handled. I am not speaking about negligent driving or wilful damage.

Mr. Harman interjected.

Mr. A. A. LEWIS: I was coming to that.

The SPEAKER: If the Minister wants his interjections to be recorded, he should raise his voice.

Mr. A. A. LEWIS: I move on to clause 42, which states—

> 42. For the purposes of this Act, any statement or representation made by an employee of a dealer or a person appearing to act on behalf of a dealer, including but not necessarily being a yard manager or salesman, in relation to the quality, description or history of a vehicle offered or displayed for sale by that dealer shall be deemed to be such a representation or statement of the dealer.

Again, the big dealer is okay because he has heaps of sales managers and what-have-you, but the small country dealer probably has a very efficient girl Friday who answers the phone and is related to people in the district. When someone makes an inquiry over the phone, she might say, "That was Uncle Bill's car and it has gone marvellously—never given a moment's trouble", and the dealer is responsible. Again I make the point that this is a big business deal and the small dealers will be in a lot of trouble if this provision is policed. I think the member for Merredin-Yilgarn wanted to say something.

Mr. Bertram: He did not say it loudly enough.

Mr. A. A. LEWIS: I do not think he understands the problem. He is too big a businessman. I believe this provision should be diluted in some way or other.

Having asked my questions, I now make a suggestion which I do not think the Minister will accept—I do not think he will accept anything I say because he probably does not understand the problems of running a business such as this. I believe every vehicle which is traded in should be inspected by a qualified mechanic at the expense of the person who wants to trade it in, and a list of defects should be made.

Mr. Hartrey: I would not object to that.

Mr. McIver: You could have this if your party would agree to police control of traffic, State-wide.

Mr. A. A. LEWIS: The member for Northam shows his total ignorance of the subject. It appears that in this Bill the big, bad eggs are the dealers, the yard managers, and the salesmen. From experience, I suggest the proportion of "shonky" salesmen would be about 3 per cent.

Mr. Bertram: How do you establish that figure?

Mr. A. A. LEWIS: I establish it on a number of years of experience, and the experience of many of my colleagues who have been in the business for a number of years. It is not a matter we take lightly. The honourable member may or may not know the situation is that if a reputable dealer sacks a salesman word goes out to the trade and he will not be employed by any good dealer.

Mr. Brown: Even if he goes bankrupt.

Mr. McIver: They would sell refrigerators to Eskimos.

Mr. A. A. LEWIS: What do we do with the member of the public who wants to trade in a vehicle, puts sawdust in the diff, and races in five minutes before closing time asking, "What will you give me for this?" Do not tell me this does not happen. The member for Bunbury will know that probably the worst offenders are the people who come in just as their holidays are starting, knowing they will not be coming back to the town next year.

The dealer should also be given some help. At the moment, it appears the whole onus is on the dealer and his staff. I believe in an inspection by a certified

mechanic. The board could certify one or two mechanics in every country town. If a man wants to trade in his car, he should get a list of the defects from a certified mechanic and produce it to every machinery or car dealer he sees.

Mr. McIver: Do you not realise that if you people supported the legislation for the police takeover of traffic you could have all this? It would be automatic.

Mr. Rushton: What rubbish! That is an idiotic statement.

The SPEAKER: Order! That is outside the scope of this Bill.

Mr. A. A. LEWIS: I hope the Minister will take some note of this suggestion because I honestly believe it is a rational method of tying down the trading in of motor vehicles. As much as I support the Bill I still feel there are loopholes through which one could drive a coach and pair.

Mr. Hartrey: What could you do if a vehicle had many defects? What effect would this have on the sale?

Mr. A. A. LEWIS: It would have the effect it should have; that the vehicle would be put off the road.

Mr. Hartrey: And that would be a very good thing; but the dealer would lose a sale.

Mr. A. A. LEWIS: Again the honourable member is assuming that all dealers are "shonky".

Mr. Hartrey: I am not.

Mr. A. R. Tonkin: No-one has ever assumed that.

Mr. A. A. LEWIS: The Bill does.

Mr. A. R. Tonkin: We have to legislate against dishonest dealers.

Mr. A. A. LEWIS: What about the business person who brings a car in and says it is in first-class condition? For example, let us say the member for Mirrabooka brings in a car which has a faulty differential; and he says it is in first-class order. What recourse would the dealer have? The dealer will sell it in good faith and will find himself in trouble.

The member of Mt. Hawthorn questioned me on the matter of percentages. I believe my estimate of the percentages is right. I feel the Government is legislating very harshly against an industry which for the most part is honest.

Mr. A. R. Tonkin: You campaign on that.

Mr. A. A. LEWIS: I am not campaigning on anything.

Mr. A. R. Tonkin: You made the statement.

Mr. O'Neil: That is why the Bill is here; it is a campaigning issue.

Mr. Rushton: It has taken three years to bring it forward.

The SPEAKER: Order!

Mr. A. A. LEWIS: I appeal to the Minister to give careful consideration to the aspect of having the car inspected before it is traded. I think this is both feasible and fair.

I believe the majority of people in the community—and particularly those in rural communities—feel that dealers are fair and reasonable. The country people feel the dealers must be fair because they have to live with them, and they always know the kind of deal they will get.

If the Minister is prepared to take a little notice of advice that is born of practical experience I think the Bill will probably help the industry.

**MR. SIBSON** (Bunbury) [3.43 p.m.]: I rise to support the Bill with some reservation. I am, however, a little concerned and worried as to whether the measure will really protect the people whom the Minister seeks to protect; that is, the percentage of people who for some reason or other—and this has been mentioned by earlier speakers—are unable to protect themselves.

The question of education was mentioned by the Deputy Leader of the Opposition. There does seem to be some need for education; but, at the same time, there are those who, in spite of the education they may receive, do not seem to learn.

I say this because how many times do we hear of people who have bought a vehicle from a "shonky" dealer and, even though it has been defective, they have gone back to the same dealer and bought other vehicles.

I am a little worried at the fact that the industry has accepted the Bill without offering much opposition at all. The industry seems to be quite happy with the legislation.

With all due respect to the Minister, I do not think he could have introduced the Bill without some faults. The trade feels that it can see a way around the legislation; and all that will be necessary will be for the bigger dealers to take over the smaller dealers and they will thus be in a position to deal with the public in a manner in which they think fit.

*Sitting suspended from 3.45 to 4.02 p.m.*

Mr. SIBSON: I would like to reiterate a few of the remarks I made prior to the tea suspension so that members may pick up the threads of my speech again. The feeling I have with this Bill is that the large used-car dealer can visualise the possibility of being able to control the legislation with advantage to himself and to the disadvantage of the smaller dealer and, in particular, to the disadvantage of the particular person the Bill seeks to

protect; namely, the one to whom we refer in the trade as the gullible person. In the trade he is the fellow we refer to as the "wood duck" because he enters a used-car yard with his wallet in his mouth and, unfortunately, he is the one who gets the cane.

I do not know how we can legislate to protect this fellow. In my 15 years' experience with thousands of motor vehicles I believe there is no way in the world to protect him if he does not want to be protected. I could not possibly count the number of these men I have protected whilst I was in the trade. When such a person has approached me to purchase a vehicle I have either talked him into buying a car he could afford or talked him out of buying a vehicle altogether because such a purchase was not within his means. This is the individual I am concerned about, because I do not think we can legislate to prevent his getting robbed.

As I said before, those engaged in the industry, in the main, appear to me to be only too ready to accept this Bill. Many of them say, "Yes, we will accept it. It is good. We do not want any amendments. There are a few problems, but let the Bill go through and we will sort out the problems afterwards." The sorting out that will be done is that the small used-car dealer will be the one who will suffer.

What will happen is that the large used-car dealer will appoint a public relations officer. At present when a purchaser of a used car returns to the yard it is customary for him to see the salesman or the sales manager. He may even see an executive of the firm. However, what will happen under this Bill is that he will be referred to a public relations man, or a "complaints" man. Such a person will be appointed to obviate the provision contained in subparagraph (ii) of clause 37 (2) (b), which reads—

> delayed or prevaricated in the carrying out of that obligation,

That means to quibble or to shuffle. It is in this particular area that the quibbling and the shuffling will be done.

Mr. Harman: What clause is that?

Mr. SIBSON: It is on page 33 of the Bill. Although the Bill is designed to prevent quibbling and shuffling, I believe it will actually protect the dealer and allow him to quibble and shuffle. I say this because I am referring to the big dealer who will appoint a public relations man on a salary of $10,000 or $12,000 a year, together with the provision of a motorcar and all the fringe benefits that go with such a job. I can see several men obtaining good positions out of this provision in the Bill, particularly those who have had experience in the used-car industry. Their job will be to do what the Bill says; that is, to quibble and to shuffle. I can see this being done under the warranty that is given with a used car, because the warranty contains the word "defects", and when we look at the definition of "defect" in the dictionary we find that it states—

> Lack of something essential to completeness; shortcoming, failing; blemish; amount by which thing falls short; desert, fail.

I think the key word in that definition of "defect" is "fail", because a test would be made of the vehicle that was returned to a yard to ascertain whether it had failed.

If a buyer returns to a used-car yard with a faulty motor that has not failed, I believe there would be no case to prove a breach of warranty, unless the case goes before a board. Here again the public relations man would have the job of ensuring that such a case did not go before the board. The purchaser of the used car would be told, "We will put it in the workshop and check it." What would be done then is that some heavy oil would be placed in the motor so that any fault may not be easily detected when it leaves the workshop. I am not saying that all big used-car dealers are dishonest; the point I am making is that the Bill will allow this situation to occur.

In the example I have just cited, the motor vehicle would be handed over to the buyer after it had left the workshop with some heavier oil in the motor to deaden some of the noises and he could be told, "We have checked the motor over and the tappets are a little noisy, but she is okay now." That buyer could then leave the used-car yard and drive the vehicle with a sick motor for quite a long time. I have a vehicle at my home at the moment which I would not drive from Parliament House to St. George's Terrace, but my son has been driving it for three or four months and he has every confidence in it.

To put a new motor in a vehicle today costs about $300 or $400. We could have a situation where a buyer returns to a used-car yard and after the vehicle has been in the workshop he could be told, "Yes, we have adjusted the clutch" or, "We have replaced the faulty headlight". A dealer would be quite prepared to effect these small repairs to a vehicle, but he would be loath to install a new gear box or a new differential in the vehicle. The owner drives the vehicle away and puts up with it for some little time and it can be said that the motor has not failed. Therefore, the Minister would be wise to look closely at the word "fail". As I have pointed out, the motor in the example I have cited has not failed. The member for Boulder-Dundas would agree that the word "defect" is the key word.

Mr. Hartrey: I think the word "defect" is sufficiently understood to cover a whole heap of faults.

Mr. SIBSON: The situation, as I see it, is that "defect" is the key word. Those are the problems that I can visualise occurring in this particular area.

I think the members on this side of the House would be more inclined to consider the requirements of the man in the street, because those engaged in the industry are well able to look after themselves and they would be the first to admit this. They have no problems in that regard. Those in the used-car business who cannot make the grade would have to go; that is the name of the game and it has been for a long time. Therefore, there is no problem to be faced by those engaged in the industry at present. We believe that we have to protect the smaller used-car dealers and, in particular, the country used-car dealers because they work and sell in a different environment. Further, we also have to protect the purchaser, especially the one who is extremely gullible.

I have no particular comment to make in regard to the constitution of the board, because no matter what board is established faults can always be found with it. I think the proposed board that will be set up under the provisions of this legislation will be loaded in favour of those engaged in the industry, but that will not be their fault.

The board will, of course, be responsible for licensing used-car dealers. I do not think that will make the position any different from what it is at present, except that regulations will have to be observed. For the first time we will see salesmen and yard managers being licensed. In the past we have always referred to them as sales managers; it appears that now they will be known as yard managers. I consider that this is a very sound move and I commend the Minister for making it. In fact, for many years I have said that this would be a wise move to make; that is, to license salesmen and yard managers. I consider that the standards set should be reasonably high because those who make the grade will not have to contend with the shyster salesmen. It is one thing to deal with a shyster used-car dealer, but it is a greater problem to deal with a shyster salesman or yard manager.

I was talking with one of the leading used-car dealers in Bunbury the other day, and although this may sound strange, in view of the fact that he is operating in more or less a small country town, this man is a member of the Australian board of a used-car dealers association and currently he is in Adelaide attending a conference held by that association. He has a very sound reputation in the used-car industry, and when we were discussing this legislation I said to him, "This will be a good thing. It will give the industry a chance to see that its policies are carried out." He immediately replied, "Yes. That is our biggest problem. We lay down a policy but then find it founders because a particular salesman follows a policy of his own or makes rash promises to gain a sale." Therefore, in my view, it is for this reason that the legislation represents a sound move.

If we can weed out the inferior salesmen from the industry there will be sufficient genuine salesmen and managers to ensure that the industry generally is cleaned up. The average fellow in the industry wants to make a living and he wants the industry clean because for one thing he does not want anyone ringing him at home if something has gone wrong. He wants to have a decent policy by which he can abide. Generally speaking this has been my experience. Consequently I believe that the provision is a good move.

The only problem I can foresee is in connection with the salesmen. I can envisage the day when the independent salesman will be no more. I believe that this Bill will be the thin edge of the wedge and will be the means by which salesmen will be roped into a union. Inevitably what will occur when a salesman gets into trouble is that some union advocate will breathe down his neck indicating that for a fee of perhaps $25, he will present the case before the board or court. I would be a little disappointed if this situation does arise because the selling industry is one which has been able to survive very well without the support of any union. I have been a member of a union.

Mr. Harman: They work under lousy conditions.

Mr. SIBSON: That is up to the individual. I have worked in the industry for many years and I know that if one does the right thing all is well.

Mr. Harman: It depends on the management.

Mr. SIBSON: That is true and the licensing provisions will help to alleviate the problem. However, I do see other problems which could arise. Salesmen have been able to stand on their own feet and undertake their own negotiations—

Mr. Hartrey: They have stood on everyone else's too.

Mr. SIBSON: —for what they consider they are worth. There is no question about the fact that if a person feels he is worth a little more than he is getting, and he submits a sensible case to his employer, such a case is rarely knocked back because the employer knows that if he loses the employee he must replace him. Consequently if the employee is worth any more the employer will pay it because the employee is of use to him to sell motorcars. So I will be very sorry if the day does come when these salesmen are forced to join a union, but I feel such a day will inevitably arrive.

As I have said I am in favour of the responsibility being placed on the salesmen because this will tend to weed out the riffraff from the industry. The dream of every successful motorcar salesman is to keep the riffraff out of the industry as I believe it would be the dream of those in any industry.

I would now like to deal with the warranty situation touched on by the member for Blackwood. I notice that commercial vehicles are not included in the South Australian legislation. I am a little concerned as to how the overall commercial vehicle situation will be policed. The term "commercial vehicle" covers a wide range of vehicles; it means anything used commercially and could include vehicles used privately because a utility is essentially a commercial vehicle as is a 30-ton semi-trailer. I can envisage some grave headaches and long and tedious court cases arising because the commercial vehicle industry is a completely different industry from that involving the motorcar.

The commercial vehicle industry relies on trust between operators and dealers. It is only the trust which has been built up over the years which has allowed those in the industry to be able to buy and sell and have their vehicles reconditioned at reasonable prices. It is this trust which has enabled owners to have repair work done after hours so that the commercial vehicles can be back on the road quickly. These are the aspects which I can envisage will create problems. When dealing with commercial vehicles we are dealing in hundreds and sometimes thousands of dollars—as much as $4,000 and even more. As a result I can envisage many long and unwieldy court cases occurring.

The Bill provides for a 100 per cent. warranty. I have worked all my life in the industry on a 50-50 warranty. This means that any repair work will be carried out on a 50-50 basis for a certain period or a certain mileage. In our case it is 1,000 miles or one month. This warranty has been used all over Australia for more than 20 years and has proved to be very successful in that it places the responsibility on both the purchaser and the seller.

Mr. Hartrey: Why should the buyer of any article anticipate the need for repairs in the very first month of the contract?

Mr. SIBSON: Members must bear in mind that we are dealing with a secondhand article, not a new one.

Mr. Hartrey: Sometimes it is a 15th hand article.

Mr. SIBSON: That is so. However, sometimes a vehicle which has had only one owner, or is secondhand, can be in a worse condition than a vehicle that has had 15 owners. Consequently there is no room for such an argument in this debate.

The advantage of the 50-50 warranty is that it places the responsibility on the purchaser to report only genuine complaints; and that is the purpose of the warranty. No dealer worth his salt would disagree with the 50-50 warranty. We must bear in mind that if a dealer wishes to remain in the industry—and this applies particularly in the country—he must keep his word. If he does not do so he is in a great deal of trouble. I think the same situation really applies in the city. It is only the fly-by-nights—those here today and gone tomorrow—who create the problems. Those who have been in the industry for many years cause no trouble. We have only to walk down the Terrace, along Albany Highway, or out towards Inglewood, to see the yards of those who have been in the industry for years and who are causing no problems. As I have said, the fly-by-nights are the trouble-makers, and I do not think the Bill will get rid of them.

With regard to the 50-50 warranty, if the motor fails and it is replaced with a new one which costs $300 the dealer and the purchaser each pay $150, and most people consider that is a good arrangement because they know they have a good reconditioned motor. They knew when they bought the vehicle that the motor in it was probably only 50 per cent. effective so that in most cases they do not argue about the 50-50 warranty.

Mr. Blaikie: Do you think that the 100 per cent. warranty will mean that there will be a large increase in the number of trivial complaints made?

Mr. SIBSON: Yes. Many unreasonable complaints will be made and these will take up time and cost money. Only one person will pay for them. Some people conclude work at three o'clock and they are quite happy to make a project of seeing just how far they can push a dealer. They do it now as a matter of fact so that when a 100 per cent. warranty applies they will push the dealer to the courthouse door almost and then slip from behind him.

Mr. Grayden: Will you not have trouble with a lot of young people who will take the vehicle out and do anything up to 3,000 miles over a weekend?

Mr. SIBSON: This is so. I was a young person myself once. These young folk get into a car on the Saturday morning and drive the vehicle away from the yard, but on Monday morning they are back again with the gearbox completely "kaput". In other words, the gear box is completely unserviceable.

Mr. Hartrey: That may not be the car's fault.

Mr. SIBSON: On the Monday morning the young fellow will come back with the vehicle and say it has been in the garage all weekend because he had to help his father in the garden; whereas, in fact, he has been up in the sandhills putting the car in reverse and going forwards, and doing all sorts of other foolish things.

We may laugh, but by providing a 100 per cent. guarantee we are not ensuring that the young folk accept their responsibilities in life. They know that they can get around the situation by putting up a story, and bringing witnesses to the dealer to say that the car has been in the garage for the weekend. Then the dealer has to do one of two things: He must either fix the vehicle or take the fellow to court.

Mr. W. A. Manning: And the other customers pay for it.

Mr. SIBSON: That is right. The public will pay, not the dealer. Then again the young fellow is quite happy and brash. He has smashed up the gearbox knowing that he is covered 100 per cent. This is what will create trouble for the dealers. The dealer must fix it. There is no question whatever about that.

Another aspect with regard to warranties is that I feel one of the problems in the industry concerns education. If we are to license salesmen perhaps we should establish some school or course which they can undertake to teach them to sell value for money. This is where most people get caught; they are not sold value for money. If a salesman is selling for $495 an article worth $495, there is no quibble. However, if he charges someone $600 for that $495 article, there is trouble.

Mr. Hartrey: How many hire-purchase contracts have you seen in which the price of an article worth $495 was not set down as $695?

Mr. SIBSON: Plenty of them.

Mr. Hartrey: I have seen many of the others, too.

Mr. SIBSON: The member for Boulder-Dundas would see only those people with problems. Those with no problems will not pay him money for nothing.

Mr. Hartrey: That is quite right.

Mr. SIBSON: The situation as I see it is that if the public could be taught to see value for money very few problems would arise. I know that in many cases now a car owner desires to get the best price he can for his old vehicle whether or not it is worth it. He wants to be able to tell his friends at the hotel that he obtained $300 for a vehicle which was worth nothing. This is the problem. If we could encourage the industry—and the salesmen particularly—to sell value for money, and we could get the public to realise this was what the industry was doing, we would be getting somewhere.

Mr. E. H. M. Lewis: He does not have to take the vehicle back to the dealer.

Mr. SIBSON: I think in the first instance he does. Dealing again with the warranty, before the work is done the dealer must be given an opportunity to quote. Here again the public relations officer would act. The car owner would have to bring the vehicle to the shop, and in most cases people will accept this as reasonable. Only in the case of the "shonky" dealer will trouble arise.

Nevertheless I think the dealer will get around that one. The only problem will be when a vehicle is taken from Perth to, say, Carnarvon. Negotiations would have to be carried out with a garage in that area.

Mr. E. H. M. Lewis: The Bill obliges the dealer to give an estimate, but it does not specify that he does the repairs.

Mr. SIBSON: This is quite true. He will get around it by virtue of the fact that he will have an opportunity to negotiate with the owner. If the Bill said that the owner could get it done anywhere, that would be different. However, the dealer has to be contacted by telephone, I presume by the board, and asked for a quote. The first thing the dealer will do is send a representative to negotiate with the person concerned, and following such negotiations, nine times out of 10 the owner will ring the board to indicate that the dealer has said he will do the right thing.

Mr. E. H. M. Lewis: The owner could get the dealer's estimate, take the car to the owner's friend for repairs, and charge any difference to the dealer.

Mr. SIBSON: The dealer is not so silly. In any case he still has an opportunity to give a quote. Consequently he must see the vehicle. Before he can give a quote he must get the vehicle into his garage because his foreman would not be expected to go all over the place to inspect vehicles. Consequently the vehicle in question must be driven or towed to the garage and that is where, in almost 100 per cent. of the cases, it will stay. Have no fear of that.

I shall now comment on a point mentioned by the member for Blackwood. It is something which needs to be looked at closely, because it is quite unreasonable, particularly in the case of country dealers. I am referring to the provision of a witness. Let us suppose that a country dealer employs a lass to answer the phone.

On occasions the girl may be alone in the office. Somebody could come in and say, "This is my uncle's car and it is a wonderful vehicle." The lass would not be aware that the motor was hanging out of the car. As far as she is concerned, it is a good motorcar.

I do not think any dealer has done anything sufficiently bad to warrant this kind of treatment. The trade realises this but, nonetheless, is quite happy to accept the legislation and sort out the problems as they arise, because motor dealers realise that they are half a head in front now.

I wish to comment on some of the points raised by the Leader of the Country Party. The honourable member referred to jacked deals. I wish to clear up a point. In the main, jacked deals are not used for the purpose of selling a motorcar; they are used for the purpose of financing a motorcar. Finance is the problem. The day a finance company will accept business on a dollar deposit and give loans on the basis of a person's ability to repay, the sooner we will do away with jacked deals. However, finance companies insist on one-quarter deposit and, consequently, this is how jacked deals come about.

Suppose a person comes in to buy a car priced at $1,000 and he has only $100. It is entered in the H.P.A. papers on the basis of $1,200 cost and $300 deposit. There is the same residue and the person is not robbed. In many cases the purchaser asks the dealer to do this.

Mr. Hartrey: Of course he does.

Mr. SIBSON: The purchaser actually asks whether it can be done. Basically I can see nothing very wrong with this. However, a better and cleaner practice for the industry and for everybody concerned would be the $1 deposit. A person should be lent money on the basis of his ability to repay.

The only time a deal is jacked is when a person wants $500 for something worth $200. The purchased one is loaded and the traded one is brought up. The person is not robbed. If a motorcar is worth $1,500 and a person has a trade-in car worth $100, a difference of $1,400 has to be found. The sales manager has to get this amount of $1,400. He does not care how the figures are arranged.

Mr. Hartrey: He is being induced to enter into a transaction which is contrary to the law.

Mr. SIBSON: I would say that 90 per cent. of the time the buyer is aware of it and, as I have said, he actually asks the dealer to do it.

Mr. Hartrey: In that case the buyer is stupid.

Mr. SIBSON: It does not harm him. It is a way of getting around a problem which comes about in our hire-purchase laws.

Mr. Hartrey: He is buying a lot of junk.

Mr. SIBSON: No harm is done if a motorcar is sold in an honest deal. The value of the car may be, say, $1,400 and the value of what the person is trading in could be absolutely nothing. Provided that person pays the $1,400, he has done no-one any harm.

Mr. McPharlin: It is an offence against the Hire-Purchase Act to do it.

Mr. SIBSON: The Leader of the Country Party has brought up a good point. It is an offence against the Hire-Purchase Act, but every member of this House and probably most people in Western Australia know that this goes on. I believe that this is what will happen with this measure. Everyone will say that, according to the law, something cannot be done. However, we will find that much will be done, nonetheless.

Mr. Hartrey: The courts will determine the case and will probably take the word of the man who says he had a jacked deal.

Mr. SIBSON: I do not quibble with that. The sooner jacked deals are no longer a part of the industry, the happier I will be. I wanted to clarify the point that the actual person who buys a car is not, in most cases, being robbed. Jacked deals are simply a manoeuvre to make something work legally.

Spotters have been mentioned. Once again I wish to clear up a point, because spotters are a vital and important part of the industry. I know that there are some undesirable spotters but, generally, in my experience undesirable spotters are undesirable from the industry's point of view and not from the public's point of view. In most cases spotters are either one of two people. He could be someone who has a friend who wants to buy a motorcar. The person is interested in receiving $20, but he has to maintain a happy relationship with his friend and, almost without exception, he is protective towards the person who is buying the motorcar. If something goes wrong, he is the person who is back on the telephone saying, "There is trouble with the motorcar you sold Jim. Before I give you another prospect will you fix this defect?" This works most effectively.

In the case of garages, it works in exactly the same way, irrespective of whether a person is running a service station at Augusta, Boyup Brook, or in the metropolitan area. The service station proprietor has a local clientele and in almost every case he has established contact with the

prospective buyer who is the person who comes into his garage for service, to buy petrol, tyres, batteries, and the like.

In no way in the world can the service station afford to jeopardise its reputation. The proprietor simply could not afford to take an easy $20. This is the fee. In some cases it is higher but the average and accepted fee is $20. No-one would jeopardise his business by accepting this fee, without being sure of his ground. If he did he would find that the service station would have to change hands in a few weeks, through the lack of business which would be the result.

In the main the spotter is there to earn his living. If, on the following day, a problem develops with the motorcar he is back on the line saying that the motorcar sold to a certain person the day before has problems. He invariably says, "I can fix them but it will cost a certain amount. What do you think?" This is the type of negotiation which goes on. I defend spotters and, probably, I will raise this matter later on because, in many cases, spotters actually sell the motorcars.

Where will spotters stand under this legislation? Will they be covered by the provisions and be able to take out a special or part-time license, or something of that nature? Spotters are a vital and important part of the motor vehicle industry.

I now come back to the question of warranty. This worries me greatly. Again, we must appreciate that many people are gullible. In *The West Australian* of the 14th November, 1973, there appeared the headline, "Government acts to protect car buyer." In the first column appears the following paragraph—

> If a person bought a car knowing of its defects the dealer was not responsible for remedying the faults in the future.

I am not well versed in reading Bills as yet and I have not had any legal experience. Consequently, I may not be on the right track. Perhaps the Minister will correct me if I am wrong. I understand that a certificate will have to be put on a motorcar which is ready for sale and on that certificate must be stated the year of manufacture, the age of the car, the year it was licensed, and various other facts such as the speedometer mileage, etc. The certificate is then to have listed on it any defects which are evident in the motorcar.

I think there is an extremely grey area here. Who will be the person present to judge the facts when the information is put on the certificate? Once again, the gullible person could be caught. Let me give an example. A person may come home on a Saturday morning. His wife could be on his back because they have to go from Bunbury to a wedding in Perth that afternoon and the car is not running well. In desperation he could decide to go to buy a car during a sale.

Mr. May: It would be cheaper to take a taxi!

Mr. SIBSON: Perhaps no defects whatsoever are mentioned. However, the dealer, or the salesman, could say, if it was seen that the fellow was easy to get along with, that there was a car to suit him.

The SPEAKER: The honourable member has five more minutes.

Mr. SIBSON: Consequently, the dealer says, "We will see what we can do." I hope members realise that I am quoting a case which could happen. The dealer could say, "You understand the motorcar which you have bought is not a new one but is secondhand. It is not 100 per cent. by any means, and you realise that after 50,000 miles, the motor, differential, and gearbox are not in the best condition." The fellow replies that he understands all that.

What is to stop the dealer from listing those defects on a certificate, signing it, and having the purchaser sign it? The certificate listing the defects is then handed to the buyer who starts to drive off to the wedding in Perth. The car blows out at Pinjarra. He tells his wife not to worry because he has 100 per cent. warranty. On Monday morning he goes back to the dealer, after paying the cost of a tow truck to get it back to Bunbury. The dealer then says that the buyer agreed, in accordance with the signed paper, that the motor, the differential, and the gearbox were faulty. How do we overcome this problem?

Mr. Harman: Catch a train.

Mr. SIBSON: A motor could cost $300; a gearbox, $190; and a differential, $200. The point is that, according to the law, the man has accepted the fact that there is no warranty whatsoever on those components. This is the point I am making. He has already signed a statement accepting the vehicle without any warranty on the motor, the differential, and the gearbox.

There appears to be no way out unless an officer of the board is there to breathe down the necks of the two people when the deal is done. This position should be looked at. I believe that the trade generally has already become aware of this.

In conclusion I shall give an instance of a large dealer in Perth who sold a motorcar to a woman last week. The lady drove to Carnarvon and, on the way, the motor started to boil. With the help of

good samaritans she kept on putting water into the radiator and persevered until she eventually arrived at Carnarvon. By then the motor was a complete failure; it was finished. Consequently the lady had a new motor put in to get back to Perth. When she arrived back she presented an account for $374 to the firm concerned. Under its warranty, the firm must help her quite considerably.

The sales manager pointed out to me that, under this measure, the firm would not have had to help her one bit, because she drove the motorcar—and this is so easy to prove—after it had contracted a fault. In other words, she drove the vehicle after the motor had started to boil.

I think the member for Boulder-Dundas would agree that under the provisions of the law the correct procedure would have been to load the vehicle onto a truck or have it towed into Carnarvon. The dealer would be given the opportunity to do something before a person takes any action. The dealer must be given the opportunity to put in a quote. There is no way in the world whereby that lady could have had help in that instance, under this measure.

Mr. May: Who would have paid for the towing?

Mr. SIBSON: Under the legislation as it exists at the moment, the dealer pays if the person does everything correctly. If the person does not do everything correctly, he pays. We must bear in mind that this is the type of thing one does in a jam. It is so tempting to keep on pouring in a bottle of water, to drive steadily, and to hope the head will not crack.

Mr. Thompson: I have had to put other stuff into the radiator at different times.

Mr. SIBSON: These are the grey areas. I believe that the measure will become law but I also believe that a great deal will need to be done, by way of amendment, in the future. This could be next year or at some later time and I am sure amendments will be made regardless of which political party is in Government. I am sure there will need to be a good deal of rethinking in terms of the measure to make it work within the industry and for the public. We must make it work within the industry—not only to help the industry but to protect the buyer. I still believe the buyer is the most susceptible person under this Bill. With those remarks, and with some reservations, I support the Bill.

Opposition members: Hear, hear!

The SPEAKER: The honourable member's time has expired.

Debate adjourned until a later stage of the sitting, on motion by Mr. Moiler.

*(Continued on page 5388)*

## CLOTHES AND FABRICS (LABELLING) BILL

*Third Reading*

**MR. HARMAN** (Maylands—Minister for consumer Protection) [4.46 p.m.]: I move—

That the Bill be now read a third time.

During the Committee debate of this measure I undertook to reply to the suggestion put forward by the Opposition that clause 6 (1) (b) should be deleted.

I stated my reason for opposing this amendment during the debate. Since that time I have sought advice on the matter, and I am still of the opinion that the paragraph dealing with the inspection of documents or things in any such premises or place which, in the opinion of the inspector, relates to such manufacture or selling, should remain in the Bill. I make this explanation to the Deputy Leader of the Opposition.

**MR. THOMPSON** (Darling Range) [4.47 p.m.]: I would like to comment on the remarks made by the Minister. The Opposition does not agree with the suggestion put forward. I hope that the opportunity will present itself for this to be reconsidered.

Question put and passed.

Bill read a third time and transmitted to the Council.

## QUESTIONS (34): ON NOTICE

1. *This question was postponed.*

2. DEVELOPMENT

*Zone Development Committees: Selection of Members*

Mr. BLAIKIE, to the Minister for Development and Decentralisation:

(1) Have the personnel for the reconstructed zone development committees in Western Australia been selected and, if so, would he advise criteria for selection of personnel?

(2) What are the restructured zone areas and the names of personnel for each area selected to date?

Mr. J. T. Tonkin (for Mr. TAYLOR) replied:

(1) Members have been appointed to four Zone Development Committees. Appointments in respect of the remaining three committees are currently under consideration.

Basically, the committees comprise up to 12 persons, representing as wide a field of zonal activities as

possible. Members are drawn from—

(a) Nominations from constituent local authorities.

(b) Nominations from selected organisations.

(c) Persons with special knowledge and experience in zonal activities.

(2) Kimberley, Central North, Lower North, South West, Albany, Central South and Eastern Goldfields-Esperance.

Kimberley: Messrs. W. L. Grandison, L. G. Hill, K. Kent, P. Haynes, K. R. Birch, J. de Pledge, B. Quilty, R. Wainwright, K. A. Male, P. L. Kimpton and R. W. Lawrence.

Central North: Messrs. H. J. Edwards, K. Jones, G. Ludkins, J. A. Haynes, M. White, P. Hardie, D. Stove, C. J. Wyatt, N. L. Smithson, P. J. Collins, and P. L. J. Carly.

Eastern Goldfields-Esperance: Messrs, H. A. Hammond, C. P. Daws, O. Stuart, J. C. MacPherson, S. J. Tonkin, G. E. Norwood, J. E. Manners, C. B. Shepherdson, E. J. Cox and A. H. Finlayson.

Central South: Messrs. H. H. Taylor, K. J. Haddleton, R. B. Mouritz, O. R. Kirwin, J. S. Hebiton, N. J. R. Rajander, E. O. Lange, G. Donnelly and W. R. Selmons.

3. CONSUMER PROTECTION

*Complaints: Used Car Sales*

Mr. SIBSON, to the Minister for Consumer Protection:

(1) What is the total number of consumer complaints received concerning used motor vehicles by consumer protection authorities—

(a) in 1971-72;

(b) in 1972-73?

(2) Does he know what was the number of vehicles transferred through the police traffic branch in 1971-72; if so, would he provide the figures?

Mr. HARMAN replied:

(1) The Consumer Protection Bureau is the only statutory consumer protection authority in Western Australia. The Consumer Protection Act was proclaimed on 11th August, 1972 and only unofficial statistics were kept until that date.

(a) 1971-72—approximately 30 complaints concerning both new and used motor vehicles.

(b) 1972-73—425 used vehicles complaints amounting to 33% of all complaints. From 1st July, 1973 to date, there have been 449 used car complaints.

(2) Motor vehicles transfers—financial year 1971-72—186,646.

4. LOCAL GOVERNMENT

*Regional Development Grants*

Mr. SIBSON, to the Minister representing the Minister for Local Government:

(1) Can moneys made available by the Commonwealth Government to local government in each region, under regional development grants, be subjected to the same legislative challenge as provided in the Western Australian local government legislation, e.g., a referendum called to challenge certain moneys being spent?

(2) (a) What is the composition of the administrative body, proposed to administer for the purpose of operating section 17 of the Grants Commission Act, 1973;

(b) what is the estimated cost of part (a) of (2)?

Mr. HARMAN replied:

(1) No.

(2) (a) The regional organisations proposed will be comprised of one nominee from each council in a region.

(b) This is not known.

5. ENVIRONMENTAL PROTECTION

*Industrial Effluent: Swan River*

Mr. BRYCE, to the Minister for Environmental Protection:

(1) What companies have been licensed or otherwise granted permission to deposit industrial effluent into the Swan River between the Causeway and the Caversham Bridge?

(2) In each instance, what is the nature and estimated volume of the effluent being deposited?

Mr. H. D. Evans (for Mr. DAVIES) replied:

(1) and (2)—

| Industrial permit holders 1973-74 from the Causeway to the Caversham bridge | Nature and volume of waste |
|---|---|
| Blackwood Hodge (Aust.) Pty. Ltd.,<br>547 Great Eastern Highway,<br>Redcliffe, W.A. 6104 | Effluent from engine cleaning area.<br>Not to exceed 200 gallons per day. |
| H. B. Brady Co. Pty. Ltd.,<br>Railway Parade,<br>Bayswater, W.A. 6053 | Water containing a percentage of salt and fine gypsum.<br>Not to exceed 3,200 gallons per day. |
| Cadbury Schweppes Pty. Ltd.,<br>41-49 Robinson Avenue,<br>Belmont, W.A. 6104 | Roof water, cooling water and final rinse water.<br>Not to exceed 24,000 gallons per day. |
| Carba Australia Pty. Ltd.,<br>243 Great Eastern Highway,<br>Belmont, W.A. 6104 | Cooling water.<br>Not to exceed 80,000 gallons per day. |
| Cresco Fertilisers (W.A.) Pty. Ltd.,<br>Railway Parade,<br>Bayswater, W.A. 6053 | Stormwater, excess cooling water and neutralized scrubber.<br>Not to exceed 20,000 gallons per hour. |
| Golden Mile Aerated Water Co. Ltd.,<br>King Street,<br>Bayswater, W.A. 6053 | Rinse, backwash and floor rinse waters.<br>Not to exceed 4,030 gallons per day. |
| Hayes Enterprises,<br>Raymond Avenue,<br>Bayswater, W.A. 6053 | Final rinse water.<br>Not to exceed 10,000 gallons per day. |
| Lanceco,<br>55 Great Eastern Highway,<br>Rivervale, W.A. 6103 | Water from steam cleaning plant.<br>Not to exceed 350 gallons per day. |
| Leyland W.A. Ltd.,<br>535 Great Eastern Highway,<br>Redcliffe, W.A. 6104 | Water from steam cleaning plant.<br>Not to exceed 360 gallons per day. |
| Sanitarium Health Food Company,<br>Clarkson Road,<br>Maylands, W.A. 6051 | Cooling water and treated trade waste.<br>Not to exceed 602,500 gallons per day. |
| Swan Portland Cement,<br>Burswood Road,<br>Rivervale, W.A. 6103 | Lime impregnated water after treatment.<br>Not to exceed 192,000 gallons per day. |
| State Electricity Commission (Gas),<br>Trafalgar Road,<br>East Perth, W.A. 6000 | Cooling water and boiler blowdown water.<br>Not to exceed 400 gallons per day. |
| State Electricity Commission (Power),<br>Summers Street,<br>East Perth, W.A. 6000 | Cooling water and rinse water from demineraliser.<br>Not to exceed 40 million gallons per day. |
| W.A. Government Railways<br>(Railcar Maintenance Depot),<br>Kensington Street,<br>East Perth, W.A. 6000 | Waste water from cleaning of railcars.<br>Not to exceed 4,000 gallons per day. |
| W.A. Government Railways,<br>(Forrestfield Locomotive Complex)<br>Forrestfield-Kewdale Complex,<br>Kewdale, W.A. 6106 | Drainage from petrol and oil interceptor traps.<br>Intermittent rates of discharge. |
| Wales Masonry,<br>14 Clavering Road,<br>Bayswater, W.A. 6053 | Treated effluent containing stone dust.<br>Not to exceed 200 gallons per hour. |

N.B. All the above effluents must be treated to meet a standard acceptable to the Swan River Conservation Board prior to discharge to the river.

6. SCHOOLS

*Metropolitan Area: Library Resource Centres*

Mr. BRYCE, to the Minister representing the Minister for Education:

Which primary schools in the metropolitan area will receive new and permanent library resource centres during 1974?

Mr. T. D. EVANS replied:

While a list of schools in the metropolitan area (which will receive new library resource centres during 1974) has been prepared, such a list could be subject to modification and alteration in the light of tender prices received.

In order to avoid possible disappointment, it is not felt desirable to publish such a list at this stage.

7. TEACHERS

*Bonds*

Mr. BRYCE, to the Minister representing the Minister for Education:

(1) How many teachers in Western Australia are currently serving under bond?

(2) How many former teachers (or trainees) are currently repaying bond money to the Education Department?

(3) How many former teachers (or trainees) were prosecuted under the Education Act during each of the years 1968 to 1973 inclusive to recover bond payments?

Mr. T. D. EVANS replied:

(1) The actual number currently serving under bond is not readily obtainable but from the numbers graduating from teachers' colleges and allowing for release from bond obligation due to waivers, settlement of damages, marriage and birth of child, there would be approximately 2,500.

(2) 811.

(3) Very few have been actually prosecuted (believed to be nil over the past two years) as arrangements to pay are usually negotiated by Crown Law Department before action proceeds to the court hearing stage.

8. LANDALL CONSTRUCTION COMPANY

*Sales Promotion*

Mr. BRYCE, to the Minister for Immigration:

(1) Was permission granted to Landalls to conduct a sales evening at Noalimba Centre on 29th August?

(2) If so, were other companies invited to participate?

Mr. HARMAN replied:

(1) No permission was given for a sales evening. Landalls and other firms have been given permission over a period to give a film evening or to provide a bus tour for migrants at Noalimba. It is made very clear to the companies concerned that no selling is allowed during these times. On the 29th August, a film evening was given by Landalls. The films were one from the "Carry On" series and a Landall's development film. The night supervisor was present to ensure that no selling took place. He reported that only 15 people attended. Literature was left but no attempt to direct sell.

(2) No approach was made by other companies to put on a similar evening. Some time ago RDC did put on an evening, but no recent approach has been made.

9. POLICE

*Advertising: Use of Rotating Flashing Lights*

Mr. O'NEIL, to the Minister representing the Minister for Police:

(1) Is he aware of the concern expressed by the Australian Jaycees for what they term as the improper use of emergency rotating flashing lights for advertising purposes?

(2) Is there any restriction on the use of these signals and, if so, what are the restrictions?

(3) If not, is it proposed to take action to limit the use of emergency type rotating flashing lights?

Mr. BICKERTON replied:

(1) Yes.

(2) Yes. Section 58 of the Traffic Act gives the Commissioner of Police authority to order the removal of, or alteration to, any light considered to cause a danger to traffic, and provides a penalty for non-compliance. Action is taken when a breach of the section becomes known.

(3) Answered by (2).

10. SEWERAGE

*Canning Vale Treatment Works*

Mr. BATEMAN, to the Minister for Water Supplies:

In view of the existing and extensive housing development taking place in Lynwood-Langford and Canning Vale, all of which is connected to deep sewerage mains and treated at the Canning Vale sewerage treatment works—

(1) Is it a fact the treatment works are overloaded?

(2) If "Yes" is it causing concern to departmental engineers?

(3) If "No" what population can the works treat with complete success?

(4) Are plans envisaged to upgrade the works?

(5) What is the anticipated life of the Canning Vale sewerage treatment works?

Mr. H. D. Evans (for Mr. JAMIESON) replied:

(1) No.

(2) Not applicable.

(3) At the present stage of development 20,000 people can be given a service and by duplicating the effluent side of the process this number will be increased to 40,000 which is the estimated population of the contributing area.

(4) The position is kept under review and the plant will be enlarged when the population growth demands.

(5) It is anticipated that the works will be retained.

11. *This question was postponed.*

12. SCHOOL BUS SERVICES

*Investigation*

Mr. BLAIKIE, to the Minister representing the Minister for Education:

(1) Has the committee investigating school bus services completed its inquiry?

(2) When will the report be available to members?

(3) If "No" to (1), would he give reasons for any delay?

Mr. T. D. EVANS replied:

(1) No.

(2) It is anticipated that the report will be available by the end of the year.

(3) There has been no delay. The committee is meeting frequently and regularly in order to examine all matters associated with school bus services.

13. DUNSBOROUGH SCHOOL

*Reticulation System*

Mr. BLAIKIE, to the Minister representing the Minister for Education:

(1) When will tenders be called for construction of reticulation system for the Dunsborough primary school?

(2) When is it expected that the works will be operational?

(3) Would the Minister give detail of cost of this project and any reason for delay?

Mr. T. D. EVANS replied:

(1) The Public Works Department has been requested to call tenders as soon as possible.

(2) No completion date can be given at present.

(3) (a) Until tenders have been received, it is not possible to itemise costs.

(b) The project has been under consideration in relationship to the many other similar requests.

14. QUESTIONS ON NOTICE

*Expression of Opinion*

Mr. O'NEIL, to the Speaker:

(1) In view of recent advice from the Chair to Members of the Parliament that questions should not contain expressions of opinion, would he agree that question 3, part 6, on notice on Wednesday, 21st November, 1973, contained an expression of opinion in that the questioner described a "situation" as being "extremely dangerous"?

(2) If this qualification of the "situation" is not an expression of the Member's opinion, what is it?

(3) Since the question clearly contains an expression of opinion, why was it not deemed inadmissible?

The SPEAKER replied:

(1) to (3) The question referred to was based upon the fact that a number of accidents had occurred in the area mentioned in his question.

In view of the nature of the question I would not class it as being inadmissible but the Member should have left the degree of danger for the authorities to decide.

15. JOHN FORREST NATIONAL PARK

*Restaurant: Closure and Toilets*

Mr. THOMPSON, to the Minister for Lands:

(1) Is he aware that the lessee of the John Forrest National Park tearooms/restaurant is to close the facility from tomorrow onwards because he is unable to keep staff, due to the unsatisfactory working conditions, principally the lack of adequate toilets?

(2) Is it a fact that, although some modifications are proposed to the present facility to correct breaches of health by-laws, a Factories and Shops order that separate toilets be provided for male and female employees in accordance with Shops and Warehouses (Health

and Safety) Regulations, is still being ignored and that no provision is made in the proposed works schedule to correct this breach of regulation?

(3) Will he state what action he will take to provide for the needs of the thousands of tourists who visit the Park after the tearooms/restaurant closes tomorrow?

Mr. H. D. EVANS replied:

I answered this question without notice yesterday as well as I was able. I suggested to the member for Darling Range that if he wanted more details he should put the question on the notice paper. I am happy to provide him with the additional information.

(1) I was informed yesterday afternoon per medium of a telegram phoned to my office that the John Forrest National Park premises would be closed for business as from 4.00 p.m. of that day.

(2) The lessee apparently has acted on his own initiative as there is no health order for the closure of the premises.

The premises are referred to in the lease as "tea/dining room" and for many years prior to the present lessee's tenancy the business was run by a married couple resident in the building. Light refreshments only were served and when necessary local help was recruited in the weekends. This system worked without complaints for 16 to 20 years.

The present lessee took over the lease on 1st June, 1971, with full knowledge of the existing conditions. Furthermore, the lease states specifically that the lessee shall be responsible to:

"Comply in all respects with the provisions of the Health Act, 1911; the Local Government Act, 1960; the Factories and Shops Act, 1963; and the Metropolitan Water Supply, Sewerage and Drainage Act, 1909 and every statutory modification or amendment thereof respectively for the time being in force in Western Australia and all rules, regulations and by-laws thereunder respectively affecting the premises and/or the owner or occupier thereof and/or the business carried on upon the premises."

The premises were painted and generally renovated just prior to the lessee's occupancy and over $2,000 was spent on refitting the switchboard and providing a powerline to take additional electrical equipment installed by the lessee (this was not a legal obligation on the Board). Besides this, other expenditure brought the total to over $4,000.

Following this, $250 was offered to the lessee for a new stove but the lessee requested a more expensive type and did not accept the offer.

On April 27, 1972, the lessee considered renovating the existing building not economical and presented a plan for a new building. The plan included a ninety nine year lease at a token rental of $100 per annum. The National Parks Board was to guarantee a loan from Mr. Black's bankers or find long term finance of $60,000. The National Parks Board was also to level the site and build a retaining wall.

On the 5th May, 1973, the lessee was advised as follows:

Lease: Your request for a lease for a period of ninety nine years is denied. The longest period in accordance with the Land Act would be twenty one years. Provision for a lease for a twenty one year period would require the calling of tenders for the project.

The National Parks Board is not in the position to guarantee any loans required nor would it agree to the expenditure of funds for site preparation.

Following the Board's refusal of the lessee's proposals for a new building, public tenders were called for the erection of new catering premises on the Park but no applications were received. The lessee was advised that any tender by him would be considered.

From about this time the lessee has made repeated references, through the press and television, to the National Parks Board's general management of the John Forrest National Park.

The Board had no knowledge of the lessee's intention to close the tearooms as for several weeks the Public Works

Department, the contractor, the lessee and his solicitor have been negotiating to reach agreement on working time for the renovations.

On 18th May, 1973, Public Works Department officers visited the premises together with the contractor and were advised by Mr. Black they were not to enter the restaurant between 9.30 a.m. and 3.00 p.m.

The Public Works Department stated it was impossible to obtain a reasonable quote under these circumstances.

Following further negotiations, the premises were inspected at 10.00 a.m., Thursday, 28th June, 1973.

On 17th July, 1973, the Public Works Department submitted a quote with an addendum of $5.50 per man per hour for loss of time as by the attitude of the lessee considerable time could be lost.

On 8th August, 1973, the Public Works Department requested that the work begin and was advised by telephone that the contractor would not start work until the 1st October as he now had other commitments.

However, the connection of a hot water system would take place before that date.

On 12th October, 1973, the contractor requested he be allowed to withdraw from the contract.

On 15th November, 1973, representatives from Public Works Department attended the National Parks Office and it was agreed that the Public Works Department arrange a meeting with the lessee and his solicitor to discuss when it would be possible for workmen to enter the building to effect repairs required by the Health Department.

Under the lease the lessee is required to keep the premises open for business for normal trading and the Board is investigating aspects of this requirement.

(3) Urgent steps will be taken to provide a new premises to cater for the public.

In the meantime investigations will be instigated to provide light refreshments, cool drinks, etc., for the public.

16. RAILWAY DEPOTS

*Manjimup, Pemberton, and Bridgetown: Employees*

Mr. A. A. LEWIS, to the Minister representing the Minister for Railways:

Further to my question 22 on Tuesday, 13th November, should the wood chip industry eventuate—

(a) what additional employees would be needed in Manjimup and in what categories;

(b) would these be moved to Manjimup from Bridgetown;

(c) how many additional employees would be needed in—

(i) Pemberton;

(ii) Bridgetown?

Mr. MAY replied:

(a) Apart from staff who may move should the Bridgetown depot be transferred to Manjimup, the following additional staff will be required at Manjimup if the wood chip industry eventuates—

2 drivers,

2 firemen,

2 guards.

(b) Not necessarily—they may move from Bridgetown or some other locality.

(c) (i) and (ii) Nil.

17. MUJA POWER STATION

*Tenders for Plant*

Mr. A. A. LEWIS, to the Minister for Electricity:

(1) Further to my question 25 on Wednesday, 14th November, have all tenders been let for major plant for Muja power station?

(2) If so, to whom have they been let; and what is the completion date for this plant?

(3) If not, when will tenders be let?

Mr. MAY replied:

(1) No.

(2) See (1) and the plant is scheduled to be in operation for the winter of 1980.

(3) Progressively over the next two to three years.

18 and 19. *These questions were postponed.*

20. TRAFFIC ACCIDENTS

*Kwinana Freeway: Light Standards*

Mr. NALDER, to the Minister for Works:

(1) Will he have a full inquiry into the reasons why there are so many accidents involving motor vehicles

and electric light standards where the Canning Highway joins the Freeway at Canning Bridge?

(2) Will he request the Commissioner for Main Roads to have an immediate survey made of the road leading from Canning Bridge onto the Freeway and take early action to improve the road and to erect warning notices to acquaint the travelling public of any hazard?

(3) Will he treat this as a matter of urgency so that the necessary improvements can take place before any further accidents should prove fatal?

Mr. H. D. Evans (for Mr. JAMIESON) replied:

(1) Since January 1972 there have been six reported accidents involving light standards in Kwinana Freeway from Canning Highway to Bickley Street. The cause of the accidents appears to be excessive speed. In view of the heavy volume of traffic using this section of road the above figure does not indicate a hazard requiring further inquiry.

(2) Some light poles previously located on the outside of the curve were relocated earlier this year by the State Electricity Commission in order to reduce the chance of collisions with poles by vehicles travelling at excessive speeds. This junction will be altered when the freeway is extended and the Canning Bridge interchange constructed. It is considered that any improvement to the characteristics of the curve in the meantime would only tend to encourage even greater speeds.

(3) Answered by (2).

21. STATE GENERAL ELECTION

*Date*

Mr. MENSAROS, to the Premier:

In view of the repeated announcements that the Senate election will not be held before April 1974, and in view of the fact that the time of the Royal Visit to Western Australia has been announced as being between 2nd and 8th February, will he now unconditionally and firmly state that the State general election will be held on or before 30th March, 1974, as he did so state (but subject to the Senate election date) in his letter dated 21st August, 1973 to the Leader of the Legislative Council?

Mr. J. T. TONKIN replied:

A prerequisite to the asking for an answer to be given "unconditionally and firmly" is that the question be based on a correct premise. The Member's question does not meet this requirement, as it is based on the assumption that the time of the Royal Visit to Western Australia will be between 2nd and 8th February when, in fact, it will not then take place.

22. MOTOR MECHANICS

*Registration*

Mr. MENSAROS, to the Premier:

(1) Is it a fact that the Government wishes to legislate to register and license motor mechanics?

(2) What other trades, if any, are envisaged to be brought under the scope of registration and licensing?

Mr. J. T. TONKIN replied:

(1) This matter is under consideration.

(2) Consideration of the question of registration is limited to motor mechanics.

23. TRAFFIC LIGHTS

*Floreat Electorate*

Mr. MENSAROS, to the Minister for Works:

Can he please list the traffic lights which have been erected within the Floreat electorate during the term of this Government?

Mr. H. D. Evans (for Mr. JAMIESON) replied:

There are two traffic signal installations in the Floreat Electorate, one of which, at Cambridge/Harborne Streets, has been provided during the term of the current Government.

24. *This question was postponed.*

25. POLICE STATION

*City Beach-Wembley Downs*

Mr. MENSAROS, to the Minister representing the Minister for Police:

Will he give consideration to establishing a police station in the City Beach-Wembley Downs area?

Mr. BICKERTON replied:

Yes, but the modern trend is towards the use of radio controlled mobile patrols operating from regional centres.

26. FRIENDLY SOCIETIES PHARMACIES

*Trade Unions: Contributions*

Mr. HUTCHINSON, to the Minister for Labour:

(1) Is it a fact that two unions in Fremantle have followed the example set by the Fire Brigades

Officers' Association and Union regarding compulsion on members to belong to a friendly society pharmacy?

(2) If so, what are the unions involved?

(3) Is it a fact that these moves are the precursor of wholesale union takeovers of friendly society pharmacies?

(4) Is he aware that the moves so far contravene the spirit and purposes of friendly society legislation?

(5) Will he use his good offices to do all in his power to obviate future moves which could destroy the concept of the friendly society movement?

Mr. HARMAN replied:

(1) The Fire Brigade Officers' and Firemen's Unions enrolled their members out of union dues as an extension of service by the union to their members. These unions provide many other services. Although each member is individually enrolled in the society, there is no compulsion on the member to accept the services.

I do not know if any other unions at Fremantle have followed the fire brigade example.

(2) Answered by (1).

(3) No.

(4) Not that I am aware.

(5) If I believed that the action of the unions would destroy the concept of the friendly society movement, I would investigate the matter. However, I do not believe this to be the case.

27. *This question was postponed until Wednesday, the 28th November.*

28. NOISE ABATEMENT

*Regulations*

Dr. DADOUR, to the Minister for Health:

When will the regulations for the excessive noise legislation be presented to Parliament?

Mr. H. D. Evans (for Mr. DAVIES) replied:

When suitable recommendations are received from the Noise and Vibration Control Council.

Draft recommendations are at an advanced stage.

29. MITCHELL FREEWAY

*Narrows Interchange Bridgework*

Dr. DADOUR, to the Minister for Works:

(1) Is the bridgework for the Narrows freeway being held up?

(2) If so, would he please give details?

Mr. H. D. Evans (for Mr. JAMIESON) replied:

(1) If the Member is referring to the Narrows Interchange of the Mitchell Freeway, the answer is "No".

(2) Answered by (1).

30. POLICE AND CITIZENS' FEDERATION

*Club Rooms: Grant*

Dr. DADOUR, to the Treasurer:

(1) Has a decision been made regarding an application made by the Police and Citizens' Federation in June 1972 for a grant of $60,000 to assist with the construction of new clubrooms in Fremantle, Subiaco, Kalgoorlie and Medina?

(2) If so, would he please give details?

(3) If not, why not?

Mr. J. T. TONKIN replied:

(1) to (3) The federation was advised in January, 1973 that its request for assistance would receive consideration when the 1973-74 Budget was being framed. The matter was reviewed accordingly, but it was not possible to provide funds for these projects in 1973-74.

31. FRIENDLY SOCIETIES PHARMACIES

*Increase in Number*

Dr. DADOUR, to the Minister for Health:

(1) Does he still intend to introduce legislation to increase the number of friendly society pharmacies in the present session of Parliament?

(2) If so, what is the proposed increase?

Mr. H. D. Evans (for Mr. DAVIES) replied:

(1) Yes.

(2) This will be announced after the Bill has been prepared.

32. DENTAL ACT

*Regulations*

Dr. DADOUR, to the Minister for Health:

When does he intend to table the regulations for the Dental Act, 1939-1972?

Mr. H. D. Evans (for Mr. DAVIES) replied:

The regulations made under the Dental Act, 1939-1972 and to be known as the "Dental Charges Committee Regulations" will be tabled within the next month.

33. EDUCATION

*Free Milk Scheme*

Mr. THOMPSON, to the Minister for Health:

(1) Has he seen a publication prepared by Mr. G. Loftus Hills, the former chief of the C.S.I.R.O. division of dairy research, in which the proposed modification of the free school milk scheme is questioned?

(2) Is it State Government policy to accept the contention of the Federal Government that the scheme should be modified to the extent that the majority of children will be denied this obvious aid to nutrition?

(3) Has there been any approach made by the Commonwealth Government on the matter; if so, will he outline the proposals by the central Government and enunciate the State Government's policy, with respect to those proposals?

Mr. H. D. Evans (for Mr. DAVIES) replied:

(1) and (2) No.

(3) A meeting of State and Australian Government representatives was held in Canberra on 28th September, 1973. Arising from that meeting the following Press statement was issued:

"A meeting of Australian Health Ministers in Canberra today noted that the Australian Government had decided that the school milk scheme be modified. However, the Australian Minister for Health, Dr. Everingham, after hearing the views of State Ministers, indicated his willingness to present the submissions and views of the States to his Cabinet for consideration.

The major considerations devolved on the health issues involved from the child's earliest years.

The question of milk substitute biscuits was discussed as a replacement for any part of the school milk scheme.

The submissions to be made by States would include ways and means of obviating any distress which might be occasioned to whole milk producers, processors, and vendors who could demonstrate hardship."

The Government has recently decided that no change should be made to the scheme and the Australian Government has been advised accordingly.

34. *This question was postponed.*

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## QUESTIONS (7): WITHOUT NOTICE

1. EDUCATION

*School Leaflet Urging Revolt*

Mr. THOMPSON, to the Minister representing the Minister for Education:

I wish to direct a question to the Minister representing the Minister for Education.

The SPEAKER: I trust the Minister has been given notice of the question.

Mr. THOMPSON: Yes, Mr. Speaker. My question is as follows—

(1) Did he see a report on page 3 of this morning's issue of *The West Australian* headed "School leaflet urges revolt" in which students are urged to " . . . strike back at the leeches in the school system by any means possible—printing fake announcements, disrupting exams and classes and insulting teachers"?

(2) What action has he taken in the matter?

(3) Will he call for a full report on the pamphlet from the Director-General of Education and table the report when the House meets next Tuesday?

Mr. T. D. EVANS replied:

I confirm that the honourable member gave adequate notice of the question to both the Minister for Education and myself. The Minister has provided the following answer—

(1) Yes.

(2) and (3) The matter has been referred for legal opinion. The Government regards this matter with considerable concern and will discuss developments with all appropriate authorities.

2. COAL RESERVES

*Collie*

Mr. JONES, to the Minister for Mines:

(1) Has the Minister seen the address of the Chairman of Western Collieries, as indicated in today's edition of *The West Australian* under the heading, "W. Collieries reserves up"?

(2) If so, is it a fact that the known reserves of coal at Collie have been substantially extended as a result of the recent exploration programmes carried out by Western Collieries Ltd. and by Western Collieries and Peabody Pty. Ltd.?

(3) Is the expansion of reserves a direct consequence of the policy of the present Government to encourage exploration and the granting of aproval for coal exploration in areas for which the coalmining leases are being sought?

(4) Are the coal reserves available at Collie now sufficient to support a substantial expansion of electricity generation and also to provide assured economical supplies of fuel for Alwest and/or other alumina refining operations?

(5) Has the expansion of the known reserves of coal at Collie made it possible to locate additional generating plant in this area; and having regard for the uncertainty of imported oil supplies will this contribute to the security of electricity supplies in Western Australia?

(6) Will the Minister assure the House that the present policy of encouraging exploration in the Collie coalfield will continue and that consideration will be given to the further development of this important fuel resource so that full advantage may be gained for the people of Western Australia in terms of economy and reliability of fuel supplies?

*Government members:* Hear, hear!

Mr. O'Neil: I do not think the Government can take credit for the coal that is there.

Mr. MAY replied:

I thank the honourable member for some notice of this question. The reply is as follows—

(1) Yes.

(2) The known reserves of coal at Collie have been substantially extended by the recent exploration programme carried out by Western Collieries Ltd. and Western Collieries & Peabody Pty. Ltd. As additional work is done in this area it becomes clear that Collie coal represents a substantial source of future energy supplies for Western Australia.

(3) The Government has actively encouraged the exploration for coal in the Collie area and is indeed gratified by the success of the recent Western-Peabody programme. It is only when the full extent of our resources are known that sound planning can be implemented and that fuels can be made available for industry, for electricity production, and for mineral processing in a manner which will achieve the greatest benefit for Western Australia. Consideration is being given to granting approval for further exploration programmes as the Government is anxious to establish the full extent of the reserves of the Collie coalfield.

(4) The extent of the reserves now known to exist at Collie is sufficient to support very large-scale production of electricity and to make adequate provision for industrial and mineral processing activities. The Alumina Refinery (Worsley) Agreement Bill is being considered by this Parliament. Provision has been made in the Bill for Alwest-BHP-Reynolds to obtain assured long-term supplies of coal from Collie. Reserves are sufficient also for other alumina refining operations and long-term policy objectives are being formulated to guide future development of the Collie coalfield.

(5) The decision to expand Muja power station by the construction of 2 x 200 MW electrical generating units is based on the additional knowledge of the Collie field which has been gained from the recent programme of exploration. Not only has the recent exploration made clearer that there is sufficient fuel for major new power station developments but has indicated that the methods by which coal can be won will ensure economical fuel supplies over a long period. The Government is concerned to secure maximum reliability for future electrical power production in this State and its future policy would be to ensure the maximum use of indigenous fuels, and in particular of Collie coal for the production of electricity. The wisdom of such a policy is clearly evident in the light of recent Middle East development.

(6) The Government's policy is to encourage exploration of the State's resources in every way. This policy will be continued, and in the case of Collie active consideration is now being given to the request by the Griffin Coal Mining Company for approval to carry out a

programme of exploration in another part of the Collie coalfield.

Economy and reliability of supplies of fuel and of electricity are of paramount importance if the full potential of Western Australia's industries is to be achieved.

3. LOCAL GOVERNMENT

*Outer Metropolitan Regional Group: Grants Commission*

Mr. THOMPSON, to the Minister representing the Minister for Local Government:

(1) Further to the replies he gave to questions asked on Tuesday, the 6th November and Wednesday, the 21st November regarding the groupings of local authorities into regions for the purposes of approach to the Commonwealth Grants Commission, will he—

(a) state the date on which he made comment on the delimitations of the regions to the Minister for Urban and Regional Development;

(b) advise whether he has notified the Federal Minister of final acceptance of the proposed regions;

(c) table all files relating to the negotiations between the Federal Minister and himself on this subject?

(2) Was the proportion of the 10 regions in the State arrived at as a result of deliberations of an interdepartmental committee and, if so, was he represented on that committee?

(3) Is it true that the 10 regions in Western Australia were established by relating the local authority areas to telephone charge districts?

(4) If "No" to (3), will he state what criteria was used in determining the proposed areas?

Mr. HARMAN replied:

I thank the honourable member for notice of this question. The answer is as follows—

(1) (a) The 21st November, 1973.

(b) Regions accepted for one year only.

(c) No, files are still in use.

(2) No.

(3) It is understood that this was one of the criteria.

(4) The Department of Urban and Regional Development suggested the regional groupings.

4. KANGAROOS

*Skins and Products: Ban on Export*

Mr. W. G. YOUNG, to the Minister for Fisheries and Fauna:

As the Federal Minister has rejected the request to remove the ban on the export of kangaroo skins or products on the grounds that—

no State had yet submitted full details of its programme as recommended in the working party's report and he would not recommend a lifting of the ban until the States met this recommendation

would the Minister immediately set out this State's case in the terms required so that the ban can be lifted?

Mr. BICKERTON replied:

Western Australia submitted full details of its programme, as recommended in the working party's report, in two submissions dated 11th July and the 12th September respectively. A copy of the submissions on this subject is tabled for the information of members. I am awaiting further communication from the Australian Government in regard to its acceptance of these submissions, and advice as to whether the ban will be lifted.

*The submissions were tabled (see paper No. 502).*

5. JOHN FORREST NATIONAL PARK

*Restaurant: Closure and Toilets*

Mr. THOMPSON, to the Minister for Lands:

Following on question 15 on today's notice paper—

(1) Is he aware that, whilst the Government spent $4,000, during the time Mr. Black operated the tearooms he spent $20,000 on upgrading facilities to the extent of providing new carpets, curtains, and replacing cockroach-ridden furniture with modern steel furniture?

(2) Is he aware that the schedule of works to be carried out at the tearooms and restaurant does not include work to correct the order which was issued by the Factories and Shops inspector, contained in paper No. 97 which was tabled in this House on the 4th April, 1973? I refer to the provision of toilets for the male and female staff.

Mr. H. D. EVANS replied:

(1) There was no obligation on the National Parks Board to expend the money which it did expend, neither was there any obligation on the part of the lessee to incur the expenditure to which the member for Darling Range made reference. The conditions of the lease and of the buildings, and those pertaining to the transaction were known at the time.

(2) The lease, as I pointed out in the answer, specifically obliges the lessee to undertake the responsibility that he implies is written into the lease document. As far as I understand, there is no order from the Public Health Department. The renovations requiring the Public Works Department to make contractual arrangements were in accordance with the Public Health Department requirements.

6. COAL DEPOSITS

*Kimberley and Dandaragan*

Mr. GRAYDEN, to the Minister for Mines:

In view of the situation relating to hydro-carbon fuels, has the Government taken any action to prove the known coal deposits in the Kimberley and Dandaragan areas? If not, why not?

Mr. MAY replied:

I have not had any notice of this question. If the honourable member has read the recent Press report he will have seen the Minister for Mines called applications to undertake exploration in the areas he mentioned. The Mines Department is very mindful of the use of coal as an indigenous fuel, and every effort is being made to encourage the companies to explore for coal in Western Australia.

7 EMPLOYERS FEDERATION

*Foremen and Supervisors: Training Schools*

Mr. JONES, to the Minister for Labour:

(1) Has the Government given financial assistance to schools or in any other way for foremen and supervisors or the Employers Federation?

(2) If the answer to (1) is "Yes", will he advise—

(a) How many schools or other organised meetings were held in years 1972 and 1973?

(b) What finance has been involved in the operations?

(c) What qualifications are required by the Employers Federation for instructors?

(d) Who are the education officers presently employed in this capacity?

(e) Are the instructors or education officers given specific instructions on how to educate foremen or supervisors?

(f) Do they have the ability and knowledge to instruct in industrial relations?

Mr. HARMAN replied:

(1) Yes.

(2) The following information has been provided by the Western Australian Employers Federation (Inc.)—

(a) 1972-73—8 courses.
1973-74—4 courses.
Courses are of 12 weeks' duration for 2 hours per week.

(b) 1971-72—Nil.
1972-73—$5,885.

(c) The course leaders are qualified by extensive practical experience in personnel management, supervision and industrial relations. They hold academic qualifications in personnel management and supervision.

(d) The course leaders are—
Mr. A. W. Campbell F.I.P.M.A. A.F.A.I.M., Cert. Supervision P.T.C.
Mr. M. F. Hotchkin F.I.P.M. and A.F.A.I.M. and Cert. Functional Management (Personnel) P.T.C.

(e) No.

(f) Yes.

## MOTOR VEHICLE DEALERS BILL

*Second Reading*

Debate resumed from an earlier stage of the sitting.

**MR. BRYCE** (Ascot) [5.27 p.m.]: I would like to make a couple of points briefly. First of all, I would like to congratulate the Government in general and the Minister in particular for the introduction of this Bill which I feel is highly relevant and very important.

I think I can correctly hazard a guess in saying that all of us as individual members have, from time to time, been embroiled in a constituency problem relating to motor vehicle dealers; therefore I think it is fair to say we would all conclude that a Bill such as the one before us is necessary at this time.

The need for the Bill has already been very clearly illustrated in the 1973 report recently put out by the Consumer Affairs Council, in which the council clearly indicated that of all the complaints which were lodged and subsequently investigated, 43 per cent. related to the motor vehicle industry.

I think the Minister for Labour, in reply to a question asked by the member for Bunbury earlier today, indicated that 33 per cent. of all complaints received by the Consumer Protection Bureau related to used-car transactions; and, of course, the other 10 per cent. of the 43 per cent. involved new vehicles.

I do believe there is ample evidence, in the form of the experience of the Consumer Protection Bureau and the investigations that have been carried out by the Consumer Affairs Council, to show that this form of legislation is very necessary.

*Point of Order*

Mr. RUSHTON: On a point of order, obviously the member for Ascot is reading his speech, just as I was accused of reading mine.

The ACTING SPEAKER (Mr. A. R. Tonkin): The member for Dale will not refer to what he was accused of doing the other day.

Mr. RUSHTON: I wonder why there is discrimination between one member and another.

The ACTING SPEAKER: Order! If there are any more comments such as that I will have to name the member. There is no discrimination. This is the first time a point of order has been taken. I have not had a chance to give a ruling on it yet the member for Dale states there is discrimination.

That is completely uncalled for. I will observe the member for Ascot carefully and if he is reading his speech I will order him to discontinue doing so. I do not expect to receive comments such as those from any member. I call on the member for Ascot.

*Debate Resumed*

Mr. BRYCE: I am rather surprised that the member for Dale is not a little more mature.

The ACTING SPEAKER: Order! We will get on with the Bill.

Mr. BRYCE: I will be only too happy to do that. I was about to refer to the comments made by the Deputy Leader of the Opposition when he commenced his remarks in the Chamber as the first speaker to the Bill this afternoon. In particular, the Deputy Leader of the Opposition referred to the alarming lack of consumer education in our community. He expressed his view and I readily agree with him that there is an alarming lack of consumer education in our school system.

This Bill now before us is one of six measures on the notice paper which are currently part of the Government's programme to protect consumers following legislation brought down almost two years ago to this very day. I refer to the Consumer Protection Bill.

The comments made by the Deputy Leader of the Opposition relating to the lack of consumer education interested me greatly because I was involved, in my former capacity as an educator, in a conference held some years ago in an attempt to draft a consumer education programme for schools. I am sure the Deputy Leader of the Opposition, and other members in the Chamber, will be interested to learn that this particular area of education is very new, and the drafting of a suitable and effective course or programme in consumer education is not a very easy task.

One of the immediate difficulties which confronted us was the considerable lack of suitable teaching materials. Members will readily appreciate that during their school days there would have been no form of literature or text material whatever which related to consumer education. So far as teachers are concerned there is a dearth of material and very little else at their disposal when it comes to instructing on this subject.

Mr. Hartrey: There is also a tremendous lack of knowledge on the part of the average school teacher in the secondary schools.

Mr. BRYCE: I take the point made by the member for Boulder-Dundas and I agree with what he has said. One of the most difficult things to do in any education system is to introduce a new field of knowledge; because at any given point in an attempt to introduce into the education system a new body of knowledge there is a lack of experienced and trained teachers to impart that knowledge. As I said earlier, I was, myself, involved in a conference some years ago in an attempt to draft the substance of a course in consumer education.

I fully appreciate the difficulties involved. I consider that if all members, after listening to the remarks of the Deputy Leader of the Opposition and the remarks of the Leader of the Country Party—when they deplored the lack of consumer education in this State and in the country generally—were to read the current report of the Consumer Affairs Council for 1973 they would readily appreciate that significant advances are already being made in this very important field.

I would like to draw attention to the four specific points which are made in the body of the report and in so doing I might look down at my notes for the first time since the member for Dale raised his point of order! The first point concerns the Education Department consultations which have been held between representatives of

the Consumer Affairs Council and the Curriculum Branch of the Education Department. The Superintendent of Curriculum (Mr. Louden) has indicated that his department has been working for some time on the development of an effective programme in consumer education. The report reveals that from 1974 consumer education will be part of a compulsory subject in social studies for all secondary school students.

Mr. E. H. M. Lewis: The drafting was initiated three or four years ago.

Mr. BRYCE: That is right; the drafting of the programme policy. I should take this opportunity to point out to members who criticised the Government's textbook scheme, and the methods employed in recent years—particularly the last couple of years—that some textbooks produced for secondary schools would have been otherwise unattainable. One of the interesting things about drafting a new course for consumer education, to educate students, is to be readily aware of the two fields which are highlighted by the free textbook scheme. Firstly, if we were to rely on traditional sources of textbooks and we were not to employ the Curriculum Research Branch to develop our own text materials, we would probably have to wait for many years before we made any very effective contribution to the question of consumer education.

If I can refer back to the report, Mr. Acting Speaker, the second important point relates to the efforts of the Consumer Affairs Council in producing a number of information bulletins. To my knowledge the very first bulletin produced by the council was entitled "Used Car Transactions". It was produced early in the life of the council because used-car transactions became one of its biggest problems so far as consumer affairs were concerned. As a result of the volume of complaints the bureau drafted a very effective information bulletin warning people of the pitfalls to be wary of when undertaking dealings to purchase used cars in particular.

The bulletins are not confined to used-car transactions solely. I understand another has been published regarding the purchasing of carpets for homes. I understand a further bulletin is under preparation referring to the dangers of particular types of cloth used for children's nightwear.

A considerable amount of work has already been done on the production of TV and radio spot programming, and into the ways and means of using this form of media for educating the public generally on the question of consumer affairs.

The fourth point I want to mention is that a great deal of energy has been spent by the members of the Consumer Affairs Council and by the staff of the bureau in giving lectures. Lectures and talks have been given to many community organisations during the last 12 months. I think that 136 organisations in all have been addressed.

My purpose in raising this series of points has been to draw to the attention of members the relevance of the remarks made by the Deputy Leader of the Opposition and the Leader of the Country Party when they bewailed the lack of consumer education in this country.

We should congratulate the Consumer Affairs Bureau and the council for the part they have already played in developing and encouraging this branch of education.

I indicated that my remarks would be brief and this is the principal point to which I wished to refer. I believe that individual members of Parliament have a wealth of evidence at their fingertips based on the problems of their constituents. Also a great deal of evidence has been given to us by the investigations undertaken by the Consumer Affairs Council and by the records of the bureau. We can have no doubt, on the basis of all this evidence, that the measure is necessary at this time. I support the Bill.

MR. HARMAN (Maylands—Minister for Consumer Protection) [5.41 p.m.]: I would like to thank the members who have contributed to the debate for their support of the measure. It is also pleasing to note that this is one of the few Bills, which I have presented to the House, in connection with which no amendments have been placed on the notice paper.

Mr. O'Neil: Not yet!

Mr. HARMAN: For this reason, I must congratulate all those concerned in the preparation of the measure, because it meets the wishes of the people associated with the industry. A great deal of work has been put into this piece of legislation over a period of time. It was said to me the other day—and, in fact, pointed out in the Press—that this is a good Bill. I really believe it is a good Bill and will go a long way towards raising the standards and ethics of trading in the new and used-car industry in Western Australia.

It is not my intention in replying to the second reading to cover all the points that have been raised by members. In fact, I thought to myself that it is typical of my luck to bring to the Parliament a Bill dealing with the selling side of the industry only to find that two, or possibly three, members in the Chamber have had extensive experience with the industry prior to their election to Parliament. That is just my luck!

Mr. W. G. Young: You would not want to put anything over us, would you?

Mr. HARMAN: I am very grateful for their remarks and, particularly, for the remarks made by the member for Bunbury. Some of the jargon he was using obviously had its origin in his former association with used vehicles.

A measure of this nature is really a pioneering venture into a new form of consumer protection. It is desirable that all the points which have been raised should be looked at carefully and a proper reply given to them. In the Committee stage I will give specific answers to the points which have been raised.

The Deputy Leader of the Opposition quite rightly referred to the need for education in consumer protection. As has been pointed out by the member for Ascot, plans are afoot to attend to these matters at the various levels in schools, as well as through the media, through talks, etc. I personally have recently been corresponding with the Federal Minister in connection with another avenue to get over the message to consumers that they should beware and on guard when it comes to purchasing. The old axiom of *caveat emptor*—"let the buyer beware"—may have applied, as I said this morning when introducing the second reading of another Bill, in the old village days but now the position is different. As a result of the sophistication of traders and business people, together with techniques which have been developed in recent years, it has become necessary for the consumers to be protected by legislation.

Mr. E. H. M. Lewis: That applied in the horse and buggy days; but then we couldn't pack the horse's differential with saw dust!

Mr. HARMAN: This is the reason for the number of consumer protection measures before Parliament at the moment. The remarks of the Royal Automobile Club will be taken into account. The point made about having the model number displayed will be considered and, if it is appropriate, it will be covered under the regulations when they come to be prescribed. The annual inspection of vehicles comes within the portfolio of another ministerial colleague and probably he will have something to say about this.

The Leader of the Country Party referred to his experience as Chairman of the Honorary Royal Commission which inquired into hire-purchase and other agreements. He referred to the problems which have confronted people as a result of purchasing secondhand vehicles, and so on, under the Hire-Purchase Act. The honourable member also referred to the practice which has developed in the industry of having people sign blank hire-purchase forms. Of course, this is an offence under the Hire-Purchase Act. We also deal with it specifically in this measure. One of the difficulties is to prove that the form was signed as a blank form only, and that the particulars were not on the form at the time of signing. Nevertheless, the fact that this matter is highlighted in this measure may, in itself, act as a deterrent.

It is not the intention of the legislation to force little dealers out of the industry. In fact, right throughout the history of our party we have always stood by the side of the small operators and the small dealers. I can only lean on the experience of South Australia. I can only say that the experience of South Australia does not give any basis to the fears expressed by the member for Blackwood and the member for Bunbury in respect of small dealers going out of the industry.

Mr. O'Neil: The experience of South Australia, as yet, is somewhat brief.

Mr. HARMAN: It is true the legislation has been in operation for only two years, or thereabouts. The measure before us is not a panacea to cover every aspect of the car-selling industry, but it is certainly an attempt to bring the industry to a stage where most matters can be covered.

I would be the first to admit that there are some grey areas in the measure. As has been said in debate, with this type of pioneering legislation it will doubtless be necessary in time to come to add further provisions to the measure to protect consumers further if the industry finds a way to get around the provisions in the legislation which we are now debating. This must be expected, and I accept it.

The experience of South Australia also has not shown that the legislation has caused a rise in the price of vehicles. Members will recall that three or four days ago an article appeared in the Press indicating that it would mean a rise of up to $200 on a secondhand car purchased in Western Australia. We have had this matter checked. I have been told by the South Australian Attorney-General that there has been no appreciable rise in the price of cars in South Australia.

Mr. Sibson: There has been no depreciation either.

Mr. HARMAN: The legislation in South Australia has not had that effect.

Mr. Rushton: There must be some reaction.

Mr. HARMAN: There has been no appreciable rise. There have been rises of approximately $40 on a car but, of course, other factors, too, bring about an increase in the price of cars. These factors would have a bearing on any increases in Western Australia, South Australia, and in all the other States.

The member for Bunbury suggested that the legislation was designed so that the licensed salesmen would be forced into joining a union. That was not the intention when the Bill was drafted but if it does occur I am not one who will criticise that aspect. Some of the people in these types of selling industries do not have the protection of awards and agreements which

are made for workers, and I have had personal experience of several cases where people have been dismissed for reasons which perhaps could have been appealed against, and where people have not received holiday pay. There is no-one from whom such people can seek justice when an employer makes a decision which is not in their favour. If this Bill results in those people having some sort of protection, as most other workers do, I will not be critical of it.

Again I thank the members who spoke, and I assure the member for Blackwood and the member for Bunbury, in particular, that in the Committee stage I will be able to supply specific answers to the questions that have been raised.

Question put and passed.

Bill read a second time.

*In Committee*

The Deputy Chairman of Committees (Mr. A. R. Tonkin) in the Chair; Mr. Harman (Minister for Consumer Protection) in charge of the Bill.

Clause 1: Short title—

*Progress*

Progress reported and leave given to sit again, on motion by Mr. J. T. Tonkin (Premier).

## IRON ORE (CLEVELAND-CLIFFS) AGREEMENT ACT AMENDMENT BILL

*Returned*

Bill returned from the Council without amendment.

## ADJOURNMENT OF THE HOUSE

**MR. J. T. TONKIN** (Melville—Premier) [5.54 p.m.]: Before moving the adjournment I want to remind members that as from Thursday of next week it is intended to sit after tea, as agreed. I move—

That the House do now adjourn.

Question put and passed.

*House adjourned at 5.55 p.m.*

# Legislative Council

Tuesday, the 27th November, 1973

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

## QUESTIONS (3): WITHOUT NOTICE

1. CLOSING DAYS OF SESSION: SECOND PART

*Target Date*

The Hon. A. F. GRIFFITH, to the Leader of the House:

I would like to direct a question without notice to the Leader of the House—a question which, in view of his statement of last week, I think he would expect me to ask. Last week the Leader of the House said he would make a statement to the House today indicating the Government's intention of completing the session, and the proposed sitting days and hours up to that date. Has the Leader of the House anything to tell us?

The Hon. J. DOLAN replied:

I thank the Leader of the Opposition for his question because it gives me an opportunity to state the position. We have decided that on Wednesday of next week we will sit at 2.30 p.m. This is the only change that will be made for the present; we will play the rest by ear. Should a further change be desirable I will immediately let the House know.

The Hon. A. F. Griffith: You have not given us a prospective finishing date.

The Hon. J. DOLAN: I honestly do not know, so I cannot tell the honourable member.

2. LEGISLATIVE COUNCIL

*Unauthorised Use of the Term "M.L.C."*

The Hon. N. McNEILL, to the Leader of the House:

Will the Leader of the House refer to an extract from the newspaper the *Sunday Independent* of the 25th November, 1973, a copy of which I have supplied to him, and in particular to a letter to the Editor which I would like to read, and which is signed by a person described as "M.L.C. Lower West"? The letter is as follows—

Welcome Exchange

I welcome the recent statements by the Prime Minister, Mr. Whitlam, when he said he would encourage the exchange of Public Servants with the employees of private firms.

If Mr. Whitlam was referring to the senior 10-15 men of each department, I hope he will ensure that those selected are paid by their respective departments or be current subscribers to the Freedom from Hunger Campaign.

E. V. CORTIS, MLC,
Lower West.

My question is—

(1) Does the Minister have any knowledge of this person and does he know of his political affiliations if any?