

BILL—GAS UNDERTAKINGS ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. R. C. MATTISKE (Metropolitan) [5.50]: When introducing the measure, Mr. Lavery explained very clearly the necessity for its provisions, and there is no need for me to cover that ground again. Accordingly I have much pleasure in supporting the second reading of the Bill.

I would like, however, to take advantage of this unique opportunity given me by Mr. Lavery to pay tribute to two men of very broad vision and fearless approach to a matter of great importance to this State. I refer, of course, to the member for Fremantle in another place and to Mr. Lavery, for their great courage in introducing a measure to increase interest rates, and that by a monopoly! I have pleasure in supporting the Bill.

The Chief Secretary: It just shows you the stuff that Labour men are made of.

HON. F. R. H. LAVERY (West—in reply) [5.52]: I would like to thank members for the reception they have given the Bill. I will now reply to a question asked by Sir Charles Latham last night. He wanted to know how the State Electricity Commission comes to have anything to do with the Fremantle Gas Co. If Sir Charles would read the interpretation of the term "Commission" contained in Section 2 of the Act he will find that it reads as follows:—

"Commission" means the State Electricity Commission of Western Australia established by the State Electricity Commission Act, 1945.

I would also draw Sir Charles's attention to Section 4 of the Act which states—

(1) The basic price for gas supplied by a gas undertaker shall be such sum per gas unit as is from time to time determined by the Commission in accordance with the provisions contained in Section 5 of this Act.

It will be seen from a reading of Section 5 that the whole matter is tied up with the State Electricity Commission. I thank members for supporting the second reading of the Bill.

Question put and passed.

Bill read a second time.

In Committee.

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

House adjourned at 5.55 p.m.

Legislative Assembly

Thursday, 20th September, 1956.

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The DEPUTY SPEAKER (Mr. Moir) took the Chair at 2.15 p.m., and read prayers.

QUESTIONS.

PRESSED BRICKS.

Use on Pingelly Hospital.

Mr. W. A. MANNING asked the Minister for Works:

(1) Is he aware that despite long transport costs, State pressed bricks have been specified for all walls in the Pingelly hospital?

(2) Would such action comply with the Government's declared policy of decentralisation?

(3) Would an alteration to the contract be considered on evidence of availability of suitable bricks from district works?

The MINISTER replied:

(1) No.

(2) Answered by No. (1).

(3) If a good quality brick suitable for internal use can be provided from district works, the department will be prepared to approve of this on internal work if the building contractor can obtain sufficient first quality pressed bricks for face work without purchasing pressed bricks for the whole work from which to select.

RAILWAYS.

(a) Goods through Trans Dock, Kalgoorlie.

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

(1) What was the volume of goods traffic which passed through the trans dock at Kalgoorlie in August, en route to Western Australia?

(2) What was the volume of goods which passed through the trans dock for the same period en route to the Eastern States?

(3) What quantity of petrol was railed to Kalgoorlie for the month of August?

The MINISTER FOR TRANSPORT replied:

(1) 4,450 tons.

(2) 3,210 tons.

(3) 408 tons.

(b) Act Controlling Subways.

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

What Act controls subways where trains, diesel or steam, pass overhead, and will he quote the section concerned?

The MINISTER FOR TRANSPORT replied:

Public Works Act, No. 47 of 1902-1945.
Section 103, Subsection (2).

Government Railways Act, No. 23 of 1904-55.

Part 3—Sections 15 and 16 and Subsection (13) of Section 23.

Part 7—Section 70.

JURORS.

Completion of Lists.

Mr. OLDFIELD asked the Minister for Justice:

In view of the answers given to my question on the 13th September, 1956, to the effect that only 6,000 names appear on the jury lists (metropolitan), will he take steps to either—

(a) enrol all names or as many as is practicable of all those liable, or

(b) amend the existing legislation to ensure that all citizens share equally this responsibility?

The MINISTER replied:

(a) Yes, steps will be taken to enrol as many names as is practicable of those liable for service.

(b) Answered by (a).

SHIPPING.

Use of Albany as Primary Port.

Mr. HALL asked the Minister representing the Minister for Supply and Shipping:

As the Suez dispute is tending to cause vessels trading to Western Australia from Europe to proceed in greater numbers round the Cape, and as the daily cost of these ships reflects in freight charges, will he discuss with shipping companies the advisability of using Albany as a primary port and thus saving one or more days' sail?

The MINISTER FOR NATIVE WELFARE replied:

Yes.

HEALTH.

Polio Immunisation in Denmark and Plantagenet Districts.

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

(1) Have arrangements been made for children in the Denmark and Plantagenet Road Districts to have the benefit of immunisation against poliomyelitis in the current calendar year?

(2) If so, about what time is it anticipated that these children will be immunised?

(3) Is he aware that the Denmark Parents and Citizens' Association is seriously concerned if immunisation is not to take place during this year on account of the fact that such substantial numbers of tourists from every part of the State visit the area during the summer months, and does he not think that it is desirable that some better arrangements should be made in these areas, and will he take action accordingly?

The MINISTER replied:

(1) No.

(2) When schools reopen after the Christmas vacation.

(3) Special consideration has been given to the larger tourist resorts but because of the limited supply of vaccine, it is impossible, in the current calendar year, to meet demands from all districts desiring priority immunisation.

The campaign is progressing very satisfactorily and by Christmas it is estimated that approximately one half of the 190,000 children in the State will have received their first two injections.

WATER SUPPLIES.*Quantities Pumped to Murchison Towns.*

Mr. O'BRIEN asked the Minister for Water Supplies:

What quantity of water was pumped by the Water Supply Department and what was the cost of pumping it to the following towns:—

Meekatharra;
Cue;
Mt. Magnet;
Leonora;
Gwalia?

The MINISTER replied:

Year ended the 30th June, 1956—

Meekatharra—
16,170,000 gallons
4s. 2d. per 1,000 gallons.

Cue—
12,918,000 gallons.
5s. 3d. per 1,000 gallons.

Mt. Magnet—
7,408,000 gallons.
1s. 6d. per 1,000 gallons.

Leonora-Gwalia (one undertaking)—
36,272,000 gallons.
5s. 1d. per 1,000 gallons.

INDECENT LITERATURE.*Legislation to Control Distribution and Sale.*

Mr. MARSHALL asked the Minister representing the Chief Secretary:

What progress has been made with regard to the introduction of legislation to control the distribution and sale of indecent literature?

The MINISTER FOR WORKS replied:

This matter is under consideration and it is expected that a Bill will be introduced at an early date.

BRIDGES.*Cost of Winnijup Bridge.*

Mr. HEARMAN asked the Minister for Works:

What was the total cost of the Winnijup bridge over the Blackwood River?

The MINISTER replied:

The cost was £10,940.

PUBLIC WORKS.*Amount of Deferred Payments.*

Hon. Sir ROSS McLARTY asked the Premier:

(1) What amount of deferred payments on public works are to be met up to the 31st July next?

(2) Are further deferments being made?

(3) If so, to what extent?

(4) Is it proposed to increase the interest rate?

The PREMIER replied:

(1) Bills of exchange for deferred payments on public works yet to be met are—
£

(a) Due on the 30th September, 1956 25,970

(b) Due to the 30th November, 1956 1,825

£27,795

(2), (3) and (4) No.

MORTGAGEES' RIGHTS AND PURCHASERS' RELIEF.*Introduction of Protective Legislation.*

Mr. JAMIESON asked the Premier:

In view of the fact that many new Australians have contracted to purchase homes under heavy weekly repayments, and now find they are unable to meet those obligations due to unemployment and in view of the fact that many household appliances being bought under hire purchase agreements are now in danger of being repossessed due to the hirer becoming unemployed, will he give consideration to re-enacting similar protection to that contained in the Mortgagees' Rights Restriction Act and the Tenants, Purchasers and Mortgagors' Relief Act of 1930-1931 as an emergency measure?

The PREMIER replied:

Yes.

ELECTRICITY SUPPLIES.*Estimated Percentage Increased Demand.*

Hon. D. BRAND asked the Minister for Works:

What is the estimated percentage increased demand for electric current for the year 1956-57 in—

(a) the metropolitan area;

(b) Under the South-West scheme?

The MINISTER replied:

(a) Ten per cent.

(b) Five decimal six per cent.

COPPER.*Transport and Export from Ravensthorpe.*

Mr. COURT asked the Minister for Transport:

(1) Has the Transport Board visited Albany and districts in relation to the transport and export of copper ore from Ravensthorpe?

(2) If so, has any decision been made?

The MINISTER replied:

(1) The board visited Ravensthorpe last week for this purpose.

(2) The export outlet for the ore depends on negotiations being undertaken by the mining company regarding availability of shipping space but the Transport Board has decided to authorise road transport from Ravensthorpe to either Albany or Esperance, whichever is selected by the company.

GOVERNMENT TENDER BOARD.

(a) *Details of Tender No. 1100/56.*

Mr. COURT asked the Minister for Works:

(1) With reference to his answer to my question without notice on the 18th September, 1956, dealing with Tender Board tender No. 1100/56, does this mean that in future where a Government instrumentality is tendering, such instrumentality will be permitted to revise its tender after the closure of tenders?

(2) Were all tenderers given the same opportunity to revise tenders in this particular case?

(3) Is not the method used in this particular case an unfair use of Government influence to the detriment of other tenderers, and is it not unfair competition?

The MINISTER replied:

- (1) Tender was not revised.
- (2) Answered by No. (1).
- (3) No.

(b) *State Engineering Works Tender.*

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

I would like to ask the Minister a question arising out of the reply to No. 14 on today's notice paper. If the tender was not revised, how was it that the State Engineering Works got the job at a price different from the original tender?

The Minister for Works: It did not.

Mr. COURT: Is that consistent with the Minister's original advice in answer to a question asked in this House when he gave reasons why the tender of the State Engineering Works, which was higher than that of an outside tenderer, should have been accepted because of an adjustment of £7,000 made by the Government?

The MINISTER replied:

The answer is consistent with the original statement.

HARBOURS.

Construction at Black Rock, Derby.

Hon. D. BRAND asked the Minister for Works:

(1) When was the Federal Government first approached for financial assistance to construct a deep water harbour at Black Rock, Derby?

(2) At what stage of the planning of this work by the State Government was the request made?

(3) What other changes of a major nature in this area were intended by the Government if the deep seaport proceeded?

The MINISTER replied:

- (1) On the 8th January, 1951.
- (2) (a) Hydrographic surveys by H.M.A.S. "Lachlan" had been completed in 1947.
- (b) Sites for the townsite, meat works and aerodrome had been selected and surveyed by Public Works Department engineers.
- (c) Estimates of the cost had been prepared.
- (3) (a) The transfer of the Derby township to the new site.
- (b) The transfer of the Broome meat works to the site.

CHRISTMAS HOLIDAYS.

Dates for Western Australia.

Mr. HEAL (without notice) asked the Minister for Labour:

In view of the fact that the Commonwealth has announced Tuesday, the 25th December, Wednesday, the 26th December, Monday the 31st December, and Tuesday, the 1st January, as holidays for Christmas and the New Year, will he indicate to the House the holidays to be granted to the people of Western Australia over Christmas and the New Year?

The MINISTER replied:

I would not like to indicate the dates at this stage because those for the Public Service may be different from those given under various awards and agreements. If the hon. member will either put this on the notice paper or give me some indication as to the particular section of industry to which he refers, I will have the matter examined and give him an answer as soon as possible.

GOVERNMENT EXPENDITURE.

Committee Investigating Economy Methods.

Hon. Sir ROSS McLARTY (without notice) asked the Premier:

In the "Sunday Times" of the 9th September, 1956, the Premier is reported as having said that a committee was examining ways and means of economising in Government expenditure and that it would report to him when the investigations were complete. Would he be prepared to indicate the personnel of the committee and would he also be prepared to lay the report on the Table of the House?

The PREMIER replied:

The personnel of the committee is the Public Service Commissioner, the Under Secretary to the Premier's Department, and the Under Secretary for Works. I am not in a position to indicate whether the Government would be prepared to lay the report on the Table of the House because the report has not yet been received by the Government. In fact, it has not yet been completed and accordingly the Government has no knowledge at this stage what the report will finally contain.

**BILL—MUNICIPALITY OF
FREMANTLE ACT
AMENDMENT.**

Read a third time and transmitted to the Council.

**BILL—PROFITEERING AND UNFAIR
TRADING PREVENTION.**

Second Reading.

Debate resumed from the 18th September.

MR. JOHNSON (Leederville) [2.30]: The debate on this Bill is, like those on many others, a riddle of which we will not know the answer until we reach the end of it. There is one question in connection with it that I would like to put before the House. That is why the Bill is like the Old Testament. The answer is that it deals with the "laws and the profits." That is one of the brightest things that came to my notice during the discussion on the Bill. At least, it has a little bit of humour.

One of the other riddles connected with the Bill is how anyone can oppose its objectives. Most Bills are introduced in such a manner that in order to know precisely what is the intention of the Government, it is necessary to listen to, and examine, the entire speech of the Minister in charge. This Bill has the objectives stated and they are (a) to prevent unfair profit-making, (b) to prevent unfair methods of trading, (c) to prevent unfair methods of trade competition, (d) to authorise information being obtained in relation to the matters mentioned under those headings and (e) to enable anything necessary or incidental to the above matters to be done.

It is beyond me how anyone can object to or oppose those objectives. It is interesting to note the people who are objecting to those objectives and the backgrounds from which they come. As Shakespeare said a long time ago, "Conscience doth make cowards of us all." I have been to a great deal of trouble to examine the case against the Bill as proposed by the deputation which waited on the Premier on Monday. The case they submitted was laid on the Table of the House at my request and is available to all members. It is worthy of study.

I also went to considerable trouble to listen to the very lengthy speech made by the member for Nedlands, representing as he does in this House the St. George's Terrace interests. I have taken both a written and a mental note of what he said and went to some trouble to check that my recollections were right. But the riddle still holds as to how and why these persons can oppose those objectives. An examination of both those sources of information indicates that they are all taking evasive action in regard to the objective. They are applying the technique of failing to talk about the objective in the hope that their opposition to it will be disguised under the camouflage of their attack on detail, and they are taking the method of hoping that whilst talking about other things people will overlook the main objective.

At the outset, I want to reiterate, as is printed in the Bill, that the whole of the attack contained in it is on unfair profits, unfair methods of trading, unfair methods of competition. The deputation, in pointing out what is regarded as the ill effects indicated in the Bill said, firstly, it would have a depressive effect on enterprise which lives by the profit motive. That last portion of the sentence is the authoritative part—"which lives by the profit motive." This is about a Bill which deals not with profit but with unfair profit.

It is apparent not only from that sentence, but from the whole document, that this group of people believes that any profit which can be obtained is a fair profit, and that it is impossible to obtain unfair profits, because in the thinking of the group, they do not exist. It is very interesting to note who were the parties to this "anti anti-profiteering Bill" deputation. The leader was a namesake of mine but spelt differently and is no relation.

Mr. Cornell: That is unfortunate for you.

Mr. JOHNSON: It may be unfortunate for my pocket, but for my personal pride I am fortunate. The deputation consisted of representatives of the Joint Prices Advisory Committee. Precisely who they are I do not know. Others in the deputation included—

Joint Prices Advisory Committee;
W.A. Employers' Federation (Inc.);
W.A. Chamber of Manufactures
(Inc.); Perth Chamber of Commerce
(Inc.); Retail Traders' Association of
W.A. (Inc.); Associated Sawmillers &
Timber Merchants' of W.A.; Liquor
Trades Council of W.A.; W.A. Road
Transport Association; Oil Industry—
W.A.; Dental Association of W.A.
(Inc.); Pharmaceutical Guild of
W.A.; Retail Grocers' & Storekeepers'
Association of W.A.; Wholesale Soft-
goods & Clothing Manufacturers of

W.A.; Wholesale Wine & Spirits Merchants' Association of W.A.; Amalgamated Hardware & Kindred Associations of W.A.; Printing & Allied Trades Employers' Association of W.A.; Wholesale Automotive Supplies & Parts Association; Chamber of Automotive Industries (Inc.); Wholesale Druggists and Manufacturing Chemists W.A.; Fremantle Chamber of Commerce; Wholesale Grocers' & Druggists' Association of W.A.; Secretary, W.A. Chamber of Manufactures (Inc.); Secretary, Perth Chamber of Commerce (Inc.).

It sounds a most representative body until we stop to think. Although that group of employing interests is a large and representative one, it represents only a very small proportion of the people of this State, and completely fails to represent the whole of the consuming interests. There is no suggestion that the consumers of Western Australia are opposed to the Bill; there is certainly no suggestion that they are opposed to the objectives. Contact with the people who are the consumers will indicate that they are whole-heartedly in support of the objectives of the Bill, and the comment they are inclined to make is, "It is years too late. It should have been done years ago."

Mr. Court: Are they in support of the method?

Mr. JOHNSON: On that there can be some difference of opinion. The method is something with which we can deal in greater detail during the Committee stage. But the method is not the objective, and it is the objective which, in particular, we are supposed to discuss at the second reading stage, and which the member for Nedlands managed very carefully not to discuss for about two hours.

Mr. Court: I did not avoid it at all. I dealt with it in detail.

Mr. JOHNSON: Every time a query was put to him he dodged it.

Mr. Court: Read the speech again.

Mr. JOHNSON: I can now that it is reduced to print. That was one of the things that impressed me. On every occasion when there was the slightest sign of difficulty in an interjection, there was no answer to it. The answer was always, "I shall deal with it later," but later did not come at all.

Mr. Court: I find that I did deal with the case and with all those things.

[*Mr. Heal took the Chair.*]

Mr. JOHNSON: I deny that. To neither of my two principal interjections was there a reply.

Mr. Court: I think you are wrong. You should wait until you have read my speech again.

Mr. JOHNSON: I was reminded that the comment I once made before was that the member for Nedlands talks, and talks, and talks—rot.

Mr. Court: I did remind you of it.

Mr. Ross Hutchinson: And what about yourself.

Mr. JOHNSON: My opinion has not changed.

Mr. Court: Are you going to give us some ideas of what you consider to be unfair?

Mr. JOHNSON: I will go into that later. So far as I am concerned, I will go into it later and won't dodge the question. Leonard Doyle, in his very commendable book, "The Economics of Private Enterprise", has a few words to say about the theory with which we are dealing and the objectives thereof. In chapter 4, he deals with the subject of "Behaviour of Employment Demand Incentive to Avoid Pure Competition". Members opposite should notice that point "Incentive to Avoid Pure Competition", because we are dealing with a Bill that handles just that same point—improper competition. The quotation reads—

The obvious objection of business firms to pure competition is that it very often provides little profit.

The chief attraction of pure and perfect competition is for the consumer and not the firm.

I draw attention to the fact that the deputation did not represent consumers but represented employers. The chief attraction to pure competition is by consumers and not by the firms, and it is interesting to note those who are opposing this Bill. Again I quote—

It is possible, however, that the lowest level of cost obtainable with the volume possible under pure competition may be much higher than the costs attainable under large-scale operation.

That is one of the reasons which leads to the monopolistic type of competition. It is one of the reasons for the formation of very large companies with large productive capacities. It is a natural growth, one which must be understood, one which should not be regarded as being unnatural but should be guarded against and guided in the public interest. We cannot expect the whole of the public of Western Australia to suffer as the commercial arena on which there is the absolutely uncontrolled law of the jungle.

In the final chapter of his book, when dealing with his conclusions, Mr. Doyle has this to say—

Over the past 50 years or more, business firms have succeeded in developing a number of devices designed both to enhance and perpetuate profits. The

art of product differentiation, particularly through the devices of advertising and sales promotion, is a most effective means for securing profits for a firm and for making it difficult for new competitors to enter the market.

That comment is worth teaming up with Bernard Shaw's statement that, "All meetings of business men and conspiracies against the public."

Mr. Doyle concludes with a quotation I have used before and it is the culmination of his book, the whole of which aims at pointing out how, in his opinion, the sole future of the business economy lies in private enterprise. This is not a book written by a socialist; it is a book by one of the thinkers of private enterprise, and his final conclusion is—

Profit in a capitalistic society serves a dual role: it is necessary to retain invested capital in a particular employment, and it is needed to attract resources to an industry. Businessmen are prone to confuse the two functions of profit and to expect the same return to continue in perpetuity as a reward for keeping capital employed that was required to expand production. The long-term job of private enterprise is to reduce the rate of "pure" profit to zero, for then "equilibrium" will have been reached and dissatisfaction will have disappeared from the land. It is said that a good manager is one who works himself out of a job. A good industry is one in which pure profit has been eliminated and the return is just sufficient to maintain investment.

It is to be expected that continued large profits will be viewed with suspicion in an enterprise economy, for such profits, if long continued, will be regarded as evidence of monopolistic exploitation. If private enterprise looks to profits as incentive to progress, it must be vigilant to see that continued profits are the result of continued progress and not of a favoured position from which toll is levied. If profit is the yeast of capitalism, it is well to remember that the ultimate goal is bread and not just more yeast.

I want to emphasise the point that the maintenance of profit rates is not entirely desirable. Once a trade is fully established, its profit rate should fall. It is only when production rates fall that we should worry. Both the member for Netherlands and the member for Vasse complained of firms whose annual reports indicated that, despite an increase in turnover, less profit had been made. That is normally a healthy sign and no cause for panic. In medical terms, it would show, "that the patient is more likely to die of old age rather than die of the current fever."

This Bill which deals with the current situation, the background against which this legislation is introduced, indicates that there has been a great deal of carelessness in the thinking of businessmen. They have fallen into the trap which Doyle explains in his book, of believing it necessary that profit rates should be maintained at the same standard and that there should be no falling in the profit rate. In dealing with the matter of what is an improper profit, it would be worth looking at that final quotation and noting that the maintenance of a high profit rate is in itself a source of suspicion.

I feel that that twinge of conscience which shows in these bitter outcries by those opposed to the Bill, comes from their subconscious knowledge that they have offended against that tenet of ordinary straight-forward thinking; that is, they have kept their profit rates up by artificial means. It is against that tendency that the Bill is directed. It is directed against unfair or improper methods of making profits and improper methods of trading and competing.

Mr. Ross Hutchinson: Will this help avert unemployment?

Mr. JOHNSON: Not by itself, no. I do not think it is particularly intended to prevent unemployment. The intention of the measure is to aid in balancing economy and in a better-balanced economy, unemployment is less likely to occur. But the Bill is certainly not a direct attack on the unemployment problem.

Mr. Ross Hutchinson: You say it would improve the economic problem?

Mr. JOHNSON: I think so. It would help to balance it considerably.

Mr. Ross Hutchinson: I think you are wrong.

Mr. JOHNSON: On that interjection we could agree to cease at the word "think." The whole intention of the Bill is to try to get rid of the unhealthy pockets which exist in our trading world. It is noticeable that in both the documents, which I have examined in detail, there is a tacit admission that unhealthy pockets do occur in our economy; that there are places where the profits are obtained by unfair means; that there are traders who take unfair advantage of their competitors; that there are traders who take unfair advantage of the retailer whom they supply in the wholesale field; that there are people who take advantage of other situations.

In other words, as long as trade is conducted by human beings, there will be people who are below average just as there are those above average, and there will always be the bad penny. This applies to all sections of the community without excepting trade. The protestations by those spokesmen of commercial life that there are no villains in their world is completely wrong. We know there are; there must be.

One needs very little knowledge of human nature to realise that that is so. It is only to control these people—the ones who are below average in trading morality—that the Bill is aimed.

I think it will be clear to all that I approve of the objectives of the measure. That approval is against a background of similar legislation in the important trading nations of the world. There is the Sherman Act in the United States of America, which is 60 years old. It has been amended many times, but it is one of the basic Acts of the commercial legislation of that nation. There is also the common law dealing with the restraint of trade in Great Britain. This, recently, was capped with statute legislation that comes into effect next month, I believe. It is certain that there is need for some form of control of the occasional villain in the commercial world.

Mr. I. W. Manning: What about taxation? Does not that control high profits?

Mr. JOHNSON: I do not think that interjection has the slightest bearing on the subject under discussion. It is completely irrelevant, and I do not intend to answer it. I will deal with it, possibly in some other discussion on another occasion, but it is ultra vires this discussion. My saying that I approve of the objectives of this Bill does not indicate that I am in favour of every word and every full-stop contained in it. That is a separate question. I am fully in favour of the objectives of it. On the notice paper various members of the Country Party have given notice of amendments and I fancy that by the pattern of those amendments—not necessarily the detail of them—there is quite an opportunity of improving the measure as it now stands.

For my part, I feel that the idea contained in the amendment standing in the name of the member for Katanning of an advisory council has some real value. But I do not approve of the suggested personnel of the council. It is an unbalanced group. It deals far too strongly with representatives of commerce and far too weakly with representatives of that far more important body, the consumers. But the general idea is a sound one. The body I would like to see acting in an advisory capacity is the Arbitration Court—either the present Conciliation Commissioner or another conciliation commissioner specially appointed to deal with the duties under this Bill when it becomes an Act, and subject to the court in the same manner as the present Conciliation Commissioner is. He would be a suitable person to have the authority that it is suggested should be placed in this council.

It may be queried: Why do I make that particular suggestion? Before dealing with it, I would like to refer to some extent to the proposed amendments standing in the name of the member for

Narrogin. These amendments define or attempt to define "unfair profit"; "unfair trading methods"; "unfair methods of trade competition." I do not think it is as useful to attempt a close definition of the meaning of these words as it is to have a common law definition given out of the experience of the appropriate persons dealing with it against the appropriate background; and the Arbitration Court is the appropriate background. It has had years of experience of dealing with the economic matters of Western Australia.

Mr. Court: But you are not prepared to let the court fix the basic wage at its own discretion.

Mr. JOHNSON: That does not appear to be a very relevant interjection, either.

Mr. Court: It is. It is the very thing that you have been talking about here, that the Arbitration Court should not be entrusted with that but that Parliament should accept the responsibility.

Mr. JOHNSON: That is just the point. I feel that the Arbitration Court has some very real powers which it should administer. There are powers, however, which some people would like to put on to the Arbitration Court and which are the responsibility of Parliament. That is just the point with which I am dealing at the moment. The Arbitration Court has some real economic background; it deals with things that occur in our economy inside the framework which Parliament very properly lays down for it. But it has the detail work which should not be Parliament's job; the duty of Parliament is to decide the policy.

So we have a body already established, with a background and which knows the interplay of the various detailed factors. It knows how prices affect the cost of living and it knows just where costs enter, and where they do not enter, into the cost of living. It has knowledge of the wage factor in industry and it has knowledge of the actual practice of most industries. In the records of the Arbitration Court there are cases dealing at length with every industry that is likely to come within the ambit of this particular legislation.

I would very much like to see the powers which are projected in this amendment relating to a commission given into the hands of those experienced persons whom we already have available. They could sit in a judicial capacity and it would be their job to deal with what is fair and what is unfair. I think against that background it would not be difficult to build up a court standard of what is or what is not fair. The court has its standards in relation to economics and what is a fair standard of living. Therefore, it has the other side of the penny very closely in its grasp—what is a fair standard of profit. Its experience of what

is a fair day's work; its experience of all those other factors, and those which are proposed in this Bill will, in nearly every case, be of the opposite side of the same penny.

It is preferable, I think, to have the power of defining what is unfair in the hands of people who are already dealing with that type of problem and who have established a library of cases dealing with the other aspect of the same problem. I would very much like the Government to consider the drafting of amendments along the general lines of those which are already on the notice paper, and to which I have referred, to put the power into the hands of those trained persons.

Mr. Court: You do admit that the Bill in its present form is undesirable.

Mr. JOHNSON: No.

Mr. Court: As to method?

Mr. JOHNSON: Could I say less than perfect. "Undesirable" would be far too strong a word. But I do not think it is perfect and I am suggesting a method which, in my opinion—I shall not say "humble opinion" because it is not terrifically humble, as the hon. member is well aware—would be an improvement. I think that is one of the reasons for having back-bench members, particularly when we have not an Opposition which is prepared to do that useful work. But giving general approval to some of the pattern of these amendments does not mean that I agree with all of them. One which I will say right here and now that I disagree with entirely, completely and finally, is the suggestion that people should be represented by members of the legal profession before any of these inquiries. That, I think, is completely wrong.

If they require representation before this type of inquiry, it should be an accountant and not a legal eagle. The whole of the form of this inquiry is accounting and there should be no dispute as to fact. The point at issue, following the definition of the facts on which both the trader and the commissioner should be able to agree without a great deal of dispute, is whether the result which it is agreed has been achieved is or is not moral or desirable; whether it is fair or whether it is not fair. But there should never be any query as to what are the facts in these inquiries. So I can be relied upon to oppose as whole-heartedly as I can, the employment of members of the legal profession to attempt to cloud what should be perfectly clear figure issues.

Another proposed amendment which will not draw my whole-hearted support is that intending to give this particular legislation 12 months life only. It is not my opinion that a commission as proposed can do much useful work in 12 months.

Mr. Nalder: It could be brought before Parliament again.

Mr. JOHNSON: While I agree that it is probable that experience will show amendments are required, it is far better, in a Bill of this nature, to give to the people concerned the knowledge that it is intended to be permanent legislation even if it has to be amended later. People who are appointed as officers to carry out these inquiries and all the things necessary under this legislation, and who will take their wages as a result of the work they are required to do, will need to have some feeling of security otherwise the type of employee who will be available will be a very poor one.

Those who would take a job with a life of only 12 months, are not the type wanted for this work. We require the best available men; those who are prepared to be completely impartial and who intend to make the work a career. In saying that I oppose the suggestion for a very short life for this legislation does not mean that I am opposing future amendments. I say that future amendments may be necessary; I think experience will show that.

Another amendment that I can foresee being proposed is one to preclude professional service from coming under the control of services. The definition of "professional service" is very wide. It includes those professions which appear in the list of persons who comprised the deputation regarding which I spoke earlier. I consider that there are professions which should be the subject of inquiry. For instance, there is room for inquiry into the legal profession.

Mr. Nalder: Do not members of the legal profession make set charges?

Mr. Court: Their charges are subject to the taxing master.

Mr. JOHNSON: They are subject to the taxing master in certain cases, but not in every case. If it is a case that does not come before the court, I do not think the taxing master has any authority to interfere. I know, from my banking experience, that members of the legal profession make charges for the preparation of legal documents such as mortgages, bills of sale, etc., which are completely unreasonable and yet, at other times, their charges are extremely reasonable and no complaint can be made regarding them. I am not suggesting that the whole of the legal profession are a mob of sharks, but most of them are.

Mr. Court: What do you class as a profession? I understand that there are only three; law, medicine and one other.

Mr. JOHNSON: Banking is the second oldest. Then there are others, of course, such as journalism, teaching, dental and so on. In my opinion, it is wrong to exclude all of the professions. Whilst I know that the intention to exclude a bona fide sale at a public auction is meant

to ensure that primary producers will be excluded from the Act, I feel that that is unnecessary because the normal trade practice of dealing with the market as it is in relation to primary products, is one that does not lend itself to a great deal of unfair trading on the part of farmers, at least. However, if a group of farmers were to get together to affect artificially the price at the sale of any particular product at any particular time, they should not have protection under this Act. If they did combine themselves together to take such action, they would be in much the same position as those who are referred to under the Industrial Arbitration Act, namely, that when two, three or more people get together to discuss a strike, they are committing an offence.

Mr. Nalder: I think you will go far and wide before you find farmers—

Mr. JOHNSON: Capable of sticking together?

Mr. Hearman: What is the position in regard to placing a reserve on a particular article?

Mr. JOHNSON: What exactly does the hon. member mean?

Mr. Hearman: Would you regard that as being an unfair practice?

Mr. JOHNSON: The only instance of where the placing of a reserve on a sale would be regarded as being unfair practice would be when all the people attending a sale or group of sales agreed on a particular reserve and thus artificially jacked up the price, but usually, the practice of placing a reserve on the sale of any article is quite normal.

Mr. Hearman: It would not necessarily jack the market up.

Mr. JOHNSON: If it is not regarded as being a conspiracy to jack up the market, it would be perfectly normal to place a reserve on an article at any sale. The only way that such an act could come under the definition provided in this legislation is when it could be proved that there was a conspiracy. That then would come under the heading of interfering with trade. If there were no conspiracy—and it would have to be shown that there was some tendency towards a conspiracy—there is practically no chance of a person coming under fire. Experience has also shown that it is not easy to get sufficient farmers to enter into a conspiracy against the public and to maintain it for any great length of time.

The ACTING SPEAKER: Order! The hon. member's time has expired.

Mr. O'Brien: I move—

That the hon. member's time be extended.

Motion put and passed.

Mr. JOHNSON: I thank the hon. member and the House for extending my time. However, I have dealt with all the points I wished to make.

Mr. Hearman: It would be very difficult to discuss the price of an article at a meeting without classing it as being a conspiracy. If at a meeting the members discussed the question of a case of fruit being priced at 25s., would that be a conspiracy?

Mr. JOHNSON: The question of fact would have to be proved in the proper manner. I do not think that is something that we, as a Parliament, can decide in detail or in general principle.

Mr. Hearman: Would you object to that?

Mr. JOHNSON: I have said that, in most cases, it would be quite reasonable. However, there could be circumstances that would prove it to be to the contrary. For example, let us say, as the hon. member suggests, that the price should be 30s. and that it was agreed upon between a group of people that the article should not be sold for anything less than £5, I think that would be unreasonable. However, if 30s. was regarded as being a reasonable price, no one could object. That is the form of doubt that should be left for decision under common law. The Arbitration Court deals with other aspects of the same sort of problem and it has made practical decisions based on the background of each particular case. That is where this legislation can be most useful. I trust that that alleviates any doubt in the mind of the member for Blackwood on that possibility.

It would appear to me that this whole legislation has an excellent objective and by making only minor amendments in regard to details and not to matters of principle, we could pass a very helpful piece of legislation, particularly for the consumers in Western Australia, but, in some degree, for the commercial people also, because if they have a decent background already established, they will have no doubt when it comes to judging what is a fair thing. They will have their standards established and it will be easy for them to know where they are going and whether they are doing what is fair and just. I commend the Bill to the House.

MR. LAPHAM (North Perth) [3.20]: I do not intend to occupy much of the time of the House, but I feel I should indicate to members that I support the measure. I find it difficult to understand the opposition to the second reading of the Bill, because what it actually intends to do is to endeavour to prevent profiteering and unfair trading. For the life of me, I cannot see why anyone should disagree with that. Most of the opposition I have heard to the Bill is based on complete supposition; there is nothing very factual about

it. The supposition was originally based on ignorance, and in some cases on complete bias. Politics have also been introduced into this question, and that is most unfortunate.

Mr. I. W. Manning: From both sides of the House, of course.

Mr. LAPHAM: By his interjection the hon. member indicates that politics have been brought in by the Opposition benches, though I do not admit that that has been the case from this side of the House. Let us examine the purpose of the Bill. As members know, it is to prevent profiteering, and I think everyone will agree that that is a most admirable objective. The Title of the Bill itself is indicative of what it seeks to carry out. If members reflect for a moment, I feel sure they will recall instances of where unfair trading has occurred.

I think everybody in the House should agree with the objects of the Bill; they are most laudable and, as a consequence, there should be no disagreement on that. Has profiteering any good features? Can profiteering in any way assist industry in this State? Of course it cannot. As a matter of fact, profiteering and unfair trading practices ultimately destroy industry.

The Premier: Hear, hear!

Mr. LAPHAM: We all know that. The Premier has indicated to the House, and through the Press to the public, what this anti-profiteering Bill means. I would like to quote from "The West Australian" of the 18th September, a statement by the Premier. It is as follows:—

The anti-profiteering Bill had been drawn in its present form to apply only to individual firms or traders because the Government was keen to get at only those who might be guilty, not to harass firms which were treating the public fairly.

That is a factual and clear statement.

Mr. O'Brien: It is a very fair statement.

Mr. LAPHAM: It is indeed, and I feel it should have the support of the House. The Premier wants only to get at those who are profiteering and adopting unfair trading practices; he has no intention of harassing those who are trading in a normal manner.

Hon. Sir Ross McLarty: Under this Bill, both the innocent and the guilty will be harassed.

Mr. LAPHAM: It is apparent that the Leader of the Opposition has been reading the leading articles in "The West Australian" which carried large headlines indicating the creation of a business dictator, and he seems to be convinced that that is to be so. I assure the hon. member that that is not to be the case. This business dictator referred to would not, even with his extreme powers, have any more power than the Commissioner of Taxation has today.

Hon. Sir Ross McLarty: You admit the powers are extreme.

Mr. LAPHAM: I do not. I said that even with his extreme powers provided in the Bill, he will have no greater power than that given to the Commissioner of Taxation.

Mr. Hearman: The Commissioner of Taxation has no right to search without a warrant.

Mr. LAPHAM: There would be no difficulty at all if it were necessary for the Commissioner of Taxation to obtain a warrant.

Mr. Hearman: Then what is the objection to providing that the commissioner in this Bill should obtain a warrant.

Mr. LAPHAM: I am dealing with the broad principles of the measure, but if there are certain aspects which the hon. member feels may infringe on public conscience, amendments could quite easily be moved at the Committee stage. The Premier has indicated what the purpose of the measure is, and has admitted that it may not be an ideal Bill, and that if anyone wanted to amend it he would have the opportunity to do so. When replying to Mr. Johnston on the 18th September. The Premier had this to say—

The Government has no intention of withdrawing the Bill, but it would, however, be prepared to consider any suggested amendments to the measure.

Surely that indicates a reasonable attitude, and it shows that the Premier realises that the Bill may be imperfect in some way—though I am not suggesting it is. But if someone did find an imperfection in the measure, it could then be rectified.

Mr. O'Brien: The Premier said he would accept reasonable amendments.

Mr. LAPHAM: I would like to point out that "The West Australian," which has whipped up all the opposition to this Bill, made the following statement on the 18th September:—

Private enterprise finds the principles of the anti-profiteering Bill contrary to basic tenets of Australian freedom and contrary to the economic interests of Western Australia.

It will be a poor state of affairs for Western Australia when its economic interests are tied up with unfair practices and profiteering. If "The West Australian" feels it is necessary and desirable to have unfair practices and profiteering, then I must disagree with it entirely.

As I said before, the Taxation Department has ample powers. It could investigate all business accounts and could even go to the extent of investigating one's private bank account. It is able to investigate customers' accounts and does almost anything it pleases. Yet here we

find objection is raised to the powers that are to be given to the commissioner under the provisions of this profiteering Bill to enable him to do a little investigating himself!

[The Deputy Speaker resumed the Chair.]

Mr. Court: Don't you think it is bad enough having to face up to demands of the Commissioner of Taxation? He is pretty exacting, you know.

Mr. LAPHAM: If he is exacting, I feel we should expect the commissioner to be appointed under the provisions of the profiteering and unfair practices law to also be exacting. I think we should give the commissioner referred to in this Bill similar powers to those vested in the Commissioner of Taxation.

Hon. Sir Ross McLarty: The commissioner under this Bill will soon be able to do his own convicting.

Mr. LAPHAM: The deputation to the Premier led by Mr. Johnston had this to say in "The West Australian" of the 18th September:—

We feel that the ultimate objective of both your Government and private enterprise is identical, namely, the maximum development and prosperity of our State.

So far Mr. Johnston is quite on the ball. His statement continues—

The difference between us lies only in our approaches to the objective.

Now we are coming to it. Mr. Johnston goes on to say—

We appreciate that in wartime, controls on the liberty of the subject and on the freedom of trade are probably justified because of the conditions which necessarily arise, such as the shortage of goods and manpower and necessity to divert funds to the prosecution of the war.

Let us analyse that for a moment. In effect, Mr. Johnston has said that he does not want any of the freedoms of the individual interfered with.

I think members will realise that that will be something on which I would agree with Mr. Johnston. I think there has been far too much interference with the civil liberties of individuals, not only in this Chamber, but in all other legislative Chambers in Australia. But I think it is wrong to impose a lot of restrictions on the civil rights of the individual while granting other individuals the right to trade in certain avenues. For instance, I am referring to the Potato Marketing Board under which some growers are given the right to grow potatoes and others are not.

Mr. Hearman: Everyone can grow them.

Mr. LAPHAM: Once people are granted the right to do certain things but are restricted in other ways, such as the method of marketing their goods, then they are up in arms. I feel that the whole principle of interfering with the civil liberties of the community is entirely wrong. There has been far too much of that. There are reasons for these things, but we cannot allow extremes to occur.

When making his statement, Mr. Johnston indicated that he feels we are interfering with civil liberties. I disagree entirely with that. He goes on to say that the shortages of goods, manpower and funds prevent free competition in the true sense of the word, and some form of control may be necessary. He is indicating that in wartime, when there are shortages, controls may be necessary. That is a reasonable view to take. He says further that none of those conditions apply today, and that the conditions bear no resemblance to those existing at times of war.

Last night I referred to the supply of steel and I refer to it again. Ever since 1940 there has been a shortage in Western Australia and it has not been overtaken as yet.

Mr. Nalder: What is the reason—shipping?

Mr. LAPHAM: There are numerous reasons.

Hon. Sir Ross McLarty: It is not brought about by design.

Mr. LAPHAM: To be quite candid, I do not know. I am not prepared to comment on that aspect. I know there are quite a lot of unfair practices over the supply of steel. The position is that steel is short and certain distributors are quite prepared to utilise that circumstance by endeavouring to increase the price of Broken Hill Proprietary steel, which is the finest in Australia and is much sought after.

Hon. Sir Ross McLarty: And the cheapest.

Mr. LAPHAM: The cheapest and the best in Australia. I give credit where credit is due.

Hon. Sir Ross McLarty: Is this one of the companies the Premier has in mind?

Mr. LAPHAM: The position is that distributors can purchase this steel from B.H.P. in 50-ton lots, and that is the reason why the small individual has kept out of the field. It is purchased in that quantity for about £2,500. There is a fairly decent percentage of profit to be made on that steel in normal circumstances.

Mr. Nalder: Has not B.H.P. its own depot in this State?

Mr. LAPHAM: No. It has its own office here but there are others who do the distribution. Anyone can purchase steel from

B.H.P. if he is prepared to purchase in 50-ton lots or over. This amount is far too much to be lying in a yard in a small engineering shop.

Hon. Sir Ross McLarty: Is it not the same price in all capital cities?

Mr. LAPHAM: I cannot answer that. The point I make is that some of the distributing firms are not prepared to accept the normal trade percentage for distribution. If one were to ring them to ask for steel of a certain size, the answer would be, "No, we have nothing in the way of Australian steel. We have some imported steel at about £90 per ton. We can do a little of that for you." That is £90 against £46 for B.H.P. steel. Or perhaps one would be told, "Wait a minute. I did buy some B.H.P. steel through some Government salvage yard. I can let you have that at £65 per ton."

What can one do in the circumstances when one is left high and dry? Those distributors adopt a take it or leave it attitude. Such instances occur every day. As a consequence, one pays £65 per ton for the steel, but when it reaches the yard it is found to be marked as B.H.P. steel. That definitely is an unfair practice, and that is the type of thing at which the Bill aims.

Mr. Ross Hutchinson: Do all distributors adopt such an attitude?

Mr. LAPHAM: No, only a few, not a great number.

Mr. Court: Is B.H.P. a party to the proposition you put forward?

Mr. LAPHAM: No. That company is playing the game.

Mr. Court: It does not distinguish between a small man as long as he buys the required minimum?

Mr. LAPHAM: No. I myself can go to B.H.P. and buy 50 tons or over from the firm. If the hon. member can accommodate me for a small amount, I shall give him the order.

Mr. Court: If I did, I would be in conflict with the member for Leederville in that I was overcharging.

Mr. LAPHAM: Only a few of the distributors adopt these unfair practices. They would not take a great deal of stamping out. After all, Western Australia is small industrially. If we were to have this Bill as a legal enactment, there would be a certain safeguard for our future activities. I feel there is no need for anyone to consider that the commissioner would worry about trifling complaints made to him in regard to unfair practices. Admittedly, there are cranks who make statements, but, of course, the commissioner will be a trained man and it would not take him long to ascertain what was and what was not a fair complaint.

"The West Australian" said that one of the objections which could be taken against the Bill is the unfair and adverse publicity given to any trader being examined. I cannot understand that at all. How can the public know who is being examined? There is no adverse publicity at all. The commissioner looks at the books of a trader and makes his examination. If the Taxation Department were to go through the accounts of any member here in regard to taxation assessment, I would not know about the matter, and neither would "The West Australian". The same thing applies to the people referred to in the Bill.

Mr. Court: It is amazing how the information leaks out.

Mr. LAPHAM: It goes on every day. Perhaps the accountancy profession might know of an investigation, but other people would not. Such action is indicative to the accountancy profession that something is going on, but to the ordinary public it makes no difference at all. If the Taxation Department were to go through the books of a firm like Cox Bros., I would not know anything about it.

Mr. Court: But a lot of people do find out all the same.

Mr. Ross Hutchinson: Secrets have even leaked out of the party room.

Mr. LAPHAM: I am aware of that. We can understand secrets leaking out of party rooms. Some of them leaked out because someone did not want that type of legislation to be passed. There is some reason. The fact that the Taxation Department or the commissioner goes through the books of certain business firms will not reflect on them. There should never be any public reaction. It is ridiculous to mention that as a ground of objection to the Bill.

Mr. Roberts: The people referred to will not bear the tag "I am a convicted person".

Mr. LAPHAM: No. The commissioner would make an investigation in the normal way. Most people would not know who was making the investigation. They might think that the firm concerned had changed its auditors.

"The West Australian" also stated that the Government would have the right to search premises and to inspect and impound documents and required no warrant to be issued by a magistrate or a justice. Well, does the Taxation Department require a warrant? It may have the power by obtaining a warrant, but I am not sure of the procedure. If a warrant were required, it would not take more than five minutes for the Taxation Department to get one. Another objection raised by the newspaper was that such powers seem foreign to our ideas of justice and fair play. I would point out that these powers have been in force here for years. In what respect are they foreign to our ideas of justice and fair play?

Everyone agrees that we must have a Taxation Department. We hear plenty in this Chamber about finance, but without the Taxation Department we would have none.

Mr. I. W. Manning: If there were no profits, there would be no finance either.

Mr. LAPHAM: Then "The West Australian" goes on to say that there is no definition of "unfair trading."

Hon. Sir Ross McLarty: Now you are becoming interesting.

Mr. LAPHAM: I know it is hard to define in certain circumstances. However, if the Bill is passed and subsequently members are familiar with what are fair practices and what are not fair practices, they could alter the Act if they thought it was being handled by the commissioner in a wrong way.

Mr. Nalder: Not for 12 months.

Hon. Sir Ross McLarty: What is your definition of "unfair trading?"

Mr. LAPHAM: The commissioner would know. I believe in the profit motive and I am satisfied it stirs people along. I do not believe it should go to extremes but there should be a middle-course policy. I would stop profiteering and unfair practices but would allow profits.

Mr. Wild: Would you agree with the Deputy Premier that B.H.P. makes an unfair profit.

Mr. LAPHAM: I have never gone into that question as I do not understand the balance-sheets. Therefore, I am not prepared to comment on B.H.P.

The Minister for Works: Would you like my information again?

Mr. Roberts: We cannot define unfair profits but the commissioner will have to. Who will he be?

Mr. Ross Hutchinson: Is it true that the Government is inviting out Heinrich Himmler to be the commissioner?

Mr. LAPHAM: I do not know about that. It is necessary to appoint a commissioner who is not an ordinary individual. This person will be a man who has shown plenty of business ability and I think there should be no doubt that he would be acceptable to most of the business interests in this city.

The points I have just mentioned were reasons suggested by the deputation to the Premier for withdrawing the Bill and I do not think there is any merit in any of them. If the deputation of business men cannot go along and present to the Premier something which is really tangible, factual and worth-while, they are putting up a poor case. I feel that the Profiteering and Unfair Trading Prevention Bill is very necessary, and I entirely

agree with its principles. I find it difficult to understand why there is any opposition to the second reading of the measure.

Hon. Sir Ross McLarty: Before you sit down, tell us about fining a man £500, putting him in gaol and making him advertise the fact to the whole world.

Mr. LAPHAM: The Leader of the Opposition feels that an individual who has been caught profiteering and engaging in unfair trading practices should not be fined as much as £500 and apparently should not have to advertise the fact in his shop window. That is his attitude towards unfair trading practices. I hope sincerely that that never has to come about, but when we have such a penalty in an Act, it is in itself a deterrent.

Hon. Sir Ross McLarty: Why not such a penalty in other Acts against which serious crimes are committed?

Sitting suspended from 3.45 to 4.7 p.m.

MR. POTTER (Subiaco) [4.7]: I wish to associate myself with the principles contained in this Bill. These principles are not new in our modern complex economic life and while the Premier, in introducing the Bill, pointed out, quite forcibly I thought, that it will not overcome the whole of our economic difficulties, it will at the same time, I am quite sure, alleviate many of them. It is one step forward in the management of our economic system. I know that we are here only for the purpose of making the laws and that the economy of the country can go hang. But I repeat what I said previously—that our complex modern economic life is such that we must have laws to deal with economic problems from time to time.

For my part, I am a believer in a managed economy. I feel that the concept of allowing our economy to take care of itself or, in other words, to resort to a dog eat dog condition of society, no longer exists. If we do entertain that point of view and put it into practice, the time will come when we will find our economy in a chaotic condition, economically, and particularly does that apply to this State. Therefore, I ask all opponents of the Bill to reconcile themselves to the fact that we are living in difficult times. With our industrial life modern technology, scientific advances, the tendency, in some cases, towards monopoly and unfair practices in quite a number of instances, it is imperative for our Governments to introduce some type of legislation that will control various aspects of our economy.

I know that in the Press fears have been expressed respecting the powers to be granted to the commissioner. I largely

discount those fears. I point out to members of the Opposition that no commissioner is going to exceed the bounds of propriety because he would have a career to consider. Likewise, the Minister who would be administering the Act would also have a career to consider. Therefore, it is unreasonable to assume that this commissioner would exceed the bounds of propriety in exercising his authority. It is of no use people trying to create a bogey man when it is known that none will exist. The commissioner would not have any wider power than he had under previous legislation. He must be clothed with fairly wide powers to administer this legislation and must have authority flexible enough to control our economy as a whole.

Many of our laws and regulations have too much rigidity. We do not always consider the local aspect. When the Minister has to consider what comes within the confines of this legislation, what is fair trading in some instances and what is unfair trading in other instances, he has only to keep in mind what is normal business practice. The commissioner should be a man who is capable of handling the situation and he should be one well versed in normal, fair and moral business practices.

A great deal of opposition to the Bill is unwarranted because I defy anybody to bring in something rigid that will enable one to point to any given instance in any particular business. The affairs of each business are so diverse that the commissioner must have extremely wide powers. Therefore, I repeat the words of the Minister for Labour, namely, that honest traders will have nothing to fear from an honest Government. One of the main principles we have to bear in mind is that we have to maintain the purchasing power of the people. If we can do that, all will be well for the trader, the producer and the consumer.

When this Bill was introduced, the Premier referred to price control in South Australia and he also pointed out—that this was in reply to the Opposition—that price control in South Australia had not militated against the introduction of foreign capital into that State. In fact, South Australia is rapidly becoming highly industrialised. That is because in that State, various controls have been imposed in an effort to stabilise its economy. In my opinion, stabilised economy invites the investment of money and does not retard it. The general feeling among people today is one of insecurity.

Mr. Court: Do you agree, then, that the people of South Australia should not enjoy basic wage adjustments?

Mr. POTTER: Some time ago I was a member of a deputation that waited on the then Minister for Prices to present a case on behalf of the trade union movement. This was at a time when the Opposition was in office. At that deputation we said that if the Minister could

control prices, we would control wages. That is the proposition we submitted to the Minister. There is a tendency, as soon as prices rise for wages to rise.

Mr. Court: Prices have not stayed down in South Australia.

Mr. POTTER: I realise that they have not, to a degree, but at the same time they have not got out of hand. This Bill refers not only to prices but also to rents and services of any kind. We have to make an endeavour to more or less manage our economy so that we can stabilise industry, economy and so on. Therefore, I condemn the tendency of the Press and many other people to prejudge legislation before it has been thoroughly discussed by Parliament and before it is put into practice. We are living in rapidly changing times. It is very hard to say, from day to day, what will occur. We are merely trying to legislate for the present. There is hardly any precedence to guide us. The member for North Perth referred to steel, but there are also many other matters. With this legislation we are trying to promote the sale of our local products.

Also, I feel that, at times, unfair practices are indulged in by traders from the Eastern States who operate on the Western Australian market and whose activities largely retard the growth of a number of industries within our own State. By virtue of the powers to be vested in the commissioner, the Bill could perhaps overcome quite a number of these unfair practices that are resorted to from time to time. At the moment I would merely mention the matter of steel.

There is also another point, namely, that because prices rise, wages follow in an endeavour to catch up. There is a vicious circle and our production costs go up, as a result of which we are largely placing ourselves, or have done so, outside the world's markets. It is natural in some cases that we would. We must have an internal economy as opposed to an external economy, which is our overseas markets, otherwise our people, the public, and our consumers would not be able to live and, consequently, our traders would not exist.

At the same time production costs can go too high and can place us well and truly outside world markets. There can also be some inflationary concept, and, by virtue of legislation similar to this, we are able to a great degree to offset that, and control the economy of the State. I also feel that in the matter of production costs, our farmers and primary producers are most vulnerable. Because of that I consider this legislation should meet with great support from the community—and they would support it if they only stopped to think along the lines of our modern economic world, and what we are trying to do.

I would point out again that this Bill is not new. Similar legislation is being introduced in America, Britain and New Zealand. There is an endeavour to reconcile our economic life with the needs and demands of the community, and therefore while I know that legislation of this nature will necessarily merit a good deal of criticism, thought must be given to the principles contained in the measure. Their purpose is to benefit not only the producer and the consumer but the State as a whole. Accordingly, I commend the Bill to the House.

MR. HEARMAN (Blackwood) [4.25]: I rise to oppose this Bill because I think there are not only some bad principles involved, but because the very introduction of the measure has already had a bad effect. If the Government were well advised—and it seems extremely unlikely that it is well advised—it would make the best of a bad job and withdraw the Bill here and now.

In introducing any legislation, the first essential, I believe, is to demonstrate the need for it, and that is one thing that the speakers on the Government side, and the Premier himself in particular, have completely failed to do. If we consider the balance sheets of two of the biggest retail businesses in Perth, which were published recently, we will find that one of them, namely, Foy & Gibsons, which is advertised as universal providers dealing with practically every form of commodity, paid in dividends an amount equal to 2 per cent. of its turnover. In the case of Boans Ltd. I understand that the amount was 1.8 per cent.

I suggest it is practically impossible to run a business of that nature on any smaller margin than that which I have mentioned. If those two firms, which deal in such a wide range of commodities, are maintaining so narrow a margin, then I suggest there is no very great evidence of profiteering at all; otherwise, surely firms of that nature would be able to produce figures which would be more convincing to support the contention that profiteering is common.

In his speech, the Premier himself would appear to have some doubt as to the extent of profiteering, because when asked by interjection if he had any particular people in mind, his reply was "Yes, we have particular groups and particular industries in mind, but I do not think it would be a reasonable proposition to mention them publicly at this stage because that would be giving them an unfavourable advertisement which, on closer examination by experts, might be found not to have been justified." I would like to repeat the last portion of the Premier's statement that "they might be found not to have been justified." A most convincing argument! He does not know, and he is not prepared to say, which of the firms he has in mind

are profiteering; he would not even mention them on the floor of the House because he is so unsure of his ground, and on his own admission he might be wrong.

The Premier: No, he was trying to be scrupulously fair, which is something you cannot understand.

Mr. HEARMAN: I like that for a bit of hypocrisy from the Premier! Only a few days ago we had him on the floor of the House, under parliamentary privilege, defending a man whom the highest court in the State found guilty!

The Premier: Speak to the Bill, if you are able to do so.

Mr. HEARMAN: The Premier has never had the slightest scruple in attacking anybody on the floor of the House. This sudden newfound scruple on his part is refreshing, and we would welcome it, if we felt it was sincere. But there is a lack of sincerity about it.

Several members interjected.

Hon. Sir Ross McLarty: How they all bark when you attack him!

Mr. HEARMAN: From various statements that have emanated from the Premier, it is obvious that there are certain companies in Perth that he does not like, and which he and his supporters attack in season and out—West Australian Newspapers is one that comes readily to mind. Would the Premier deny that?

The Premier: Your leader attacked "The West Australian" newspaper recently.

Mr. HEARMAN: I am not concerned with what my leader did.

Hon. Sir Ross McLarty: I do not think it upset the paper very much.

Mr. HEARMAN: The Premier never fails to attack "The West Australian" at every chance he gets. He has accused it of having done some wicked things, and has said that its practices are most unfair. Is the Premier prepared to say that that newspaper is one company he has in mind for treatment?

The Premier: I am prepared to say that I am friendly with the management on occasions.

Mr. HEARMAN: Now the Premier is changing his ground again. He is not measuring up to the question I am putting to him. He is avoiding the whole point and will not say it is "The West Australian" that is suspect. He has attacked its business and journalistic ethics on many occasions, and this is not good enough. The Premier does not seem convinced by his own argument. I do not know whether the Premier has set a good example.

I feel the whole approach by the Premier is an unwise one because I believe if he did feel the business community could make a contribution to the State's economy

and stability, it is only reasonable and commonsense that an approach should be made to that section of the community for assistance. Rather than that, the Government waves a big stick and says, "If we find you are not doing what you should be, we are going to push you around." That is not the best way to get co-operation from the business community and at this stage of our economic life it is desirable that all sections should pull together.

Mr. Lapham: Do you believe in profiteering?

Mr. HEARMAN: We should appreciate the other person's point of view and make a common effort rather than advance legislation of this kind, which is about the last thing to effect that objective, particularly in view of the fact that there has been an offer from the business community which has been spurned.

The Minister for Lands: You talk in ignorance!

Mr. HEARMAN: The need for this Bill has not been established and I do not think any speakers on the Government side of the House have so far suggested that if we pass the Bill as drafted, it will make any great contribution towards stabilising our economy and stopping inflation. I feel the Government would have been on much sounder ground if it had approached the business community and the citizens of Western Australia in order to cope with the inflation. I believe that had the Premier introduced his Budget earlier, showing what the Government was committed to do, it would have had a greater stabilising effect than legislation of this nature.

Mr. Lapham: The Budget and this legislation are not related in any way.

Mr. HEARMAN: If the Bill is to make any contribution towards overcoming the inflationary spiral they could be related, and I think an early presentation of the Budget—an economy spending Budget—would have had a stabilising effect. Some of the excess profits which have occurred in the past have been as a result of contracts let by the Government.

Mr. Lapham: Why do you think the public put the Labour Government into power?

Mr. HEARMAN: It has been on my mind ever since why they did.

Mr. Lapham: You do not think the same way as they do.

Mr. HEARMAN: I do not think the difference in votes was so great. The member for North Perth must realise that quite a few people have changed their minds since the election.

Mr. Lapham: The very introduction of this Bill gives a fair indication as to what the public thinks of this Government.

Mr. HEARMAN: Before I was interrupted—

Hon. Sir Ross McLarty: Very rudely interrupted.

Mr. HEARMAN: — I mentioned that some of the contracts let by the Government were the worst of the lot. So far as the State Housing Commission was concerned on one occasion, there was an approach by the builders' guild to get the prices down and also in regard to the deferred payment system. There are tremendous margins there. If the Government will not enter into negotiations but leaves the way open for increased profits, surely it is unreasonable to suggest that other people should be punished, and severely so, for doing much the same thing.

Personally, I feel that if there is an economic crisis confronting the State—and I believe the State finances are by no means in the condition we would wish them to be—there is a need for leadership from the Government. Such leadership would obtain a greater effort from all sections of the community and I believe it would be a genuine and united effort. This would be more conducive to beneficial results than the constant endeavour by the Government to divide the community against itself. I suggest that this legislation, by its very nature, is directed at one particular section of the community. I believe that when we are confronted with a crisis, there is a greater demand for leadership than at any other time and I see nothing in the activities of the Government or in this Bill that gives any indication of the Government realising the need for that type of leadership.

The community will not get behind the Government when endeavours are being made to divide it, and I think the whole approach to the question of inflation and to this Bill is a partisan one. We only have to consider legislation introduced during this session such as the Arbitration Act Amendment Bill and Bills of that nature to realise that the Government has no real desire to unite the community in order to make an extra effort which will protect the standard of living. Rather is the Government going back to the distant days of class warfare and putting the blame on every person who does not support it politically. It is indicative of the barrenness of Government thinking that this type of legislation should be brought down at this time. The Premier himself has extreme reservations as to whether there is, in fact, any profiteering of consequence going on at all.

The Premier: The Premier has no such reservations.

Mr. HEARMAN: I quoted from the Premier's speech and if that is not an extremely qualified statement, I would like to know what it is.

The Premier: The Premier refuses to prejudge any case.

Mr. HEARMAN: That the Premier is not concerned with having the facts before him, is something of which we had an example last week. He disagreed with the Supreme Court and the High Court of Australia.

Mr. DEPUTY SPEAKER: Order! The hon. member must keep to the Bill.

Mr. HEARMAN: I am sorry. The question of how to deal with a firm that we think is not playing the game is one that we have dealt with before. Some years ago we had an instance in this House of a certain member thinking that the firm of Snowden & Willson was not playing the game, and he moved a motion for the appointment of a Royal Commission to inquire into its activities. The House adopted the motion. Certain people, including the present Minister for Transport, opposed it, but nevertheless a Royal Commission was set up and, as a result of its findings, certain legislation was brought down. That is a much fairer method of dealing with the matter of unfair trading practices and improper dealings on the part of a firm, than the present proposed procedure. It also indicates that there can be a wide divergence of opinion as to what is a fair practice and what is not.

Mr. Lapham: Do you want a select committee into every firm in the State?

Mr. HEARMAN: I do not think it is that widespread; and the Premier will not name anyone. On the occasion to which I was referring, there was a divergence of opinion as to whether the firm in question had committed any offence or had indulged in unfair practices. One of the people who championed that firm on that occasion was no less a person than the present Minister for Transport. At that time a member, who was a member of the Liberal Party in those days, actually brought the matter forward and the principal opposition came from members of the Labour Party. Reference to Hansard will show that that is so.

It is reasonable to suggest that members on this side of the House are in agreement with the idea of unfair business practices being curbed. In point of fact, since I have been here I think we have taken more effective steps to deal with that side of the question than have members sitting behind the Government. In my opinion, the means previously adopted in dealing with groups of businesses, or particular businesses, have been most effective and very fair. If the Government feels that any particular firm or group of firms are not playing the game, there is a precedent for a method by which they may be dealt with, which fully conforms to the accepted standards of British justice.

The Minister for Lands: What steps have you taken?

Mr. HEARMAN: I supported a move for an investigation into the activities of the particular firm I have already mentioned.

The Minister for Lands: You have done nothing over the last few weeks to assist in the stabilisation of the economy of this State.

Hon. Sir Ross McLarty: If you had listened to the advice he gave you about potatoes, you would not be in the mess you are in now.

Mr. HEARMAN: That is perfectly true.

The Minister for Lands: It will be the day when you introduce anything worthwhile in regard to stabilising the economy.

Mr. HEARMAN: The Minister had better have a talk with his next-door neighbour, the Minister for Transport. If he had listened to the Minister last week, he would have heard him say that I had made some constructive suggestions.

Mr. Heal: You must jag one now and then.

Mr. HEARMAN: I feel that the atmosphere created by the introduction of the Bill is most undesirable. It has brought about unrest and uncertainty. It has pointed blame in all sorts of directions where, in the words of the Premier, it may not be properly directed. I certainly think it has had an unsettling effect on any firm considering setting up business in this State and on the question of attracting new industries, a matter to which the Premier is always giving lip service, but he does not appear to do anything very effective towards getting new industries here.

The Premier: You had better have a talk to your next-door neighbour.

Mr. HEARMAN: He is quite a nice chap too. He might know more of what he is talking about than does the Premier. There are many things that the Government could do other than introduce legislation of this nature in an endeavour to put the economy on a sounder footing. It would be idle to suggest that the costs generally of Government instrumentalities such as the railways, harbours and such undertakings do not have a deleterious effect on the State and place manufacturers here at a considerable disadvantage by comparison with those in the Eastern States. If at this stage we are to arrest the bogey of inflation, we would be much better advised to look into these costs rather than play around with legislation of this nature.

The Bill, I feel, is purely propaganda brought down in order to play up to the Government supporters. It is something in the nature of a gratuitous insult to many of them, because the question of Government costs is one that must be concerning a great number of them. They must be well aware that our own manufacturers in this State are having

considerable difficulty in meeting competition from the Eastern States. If the Government wants to stabilise the economy here, it should give first priority of attention to that matter. I understand that local manufacturers in Perth are not competing successfully with their Eastern States competitors in the Kalgoorlie and Albany areas largely because of freight rates. I cannot see how the Bill is going to assist that position very much.

The Minister for Works: How is it going to affect them?

Mr. HEARMAN: I do not think it will affect them at all.

The Minister for Works: What are you growling about?

Mr. HEARMAN: I am pointing out that the Bill will not be effective in improving the State's economy. There are many other steps that the Government could take rather than bring down legislation of this sort. At Fremantle we have the most expensive port in Australia. That is another thing that may possibly provide some protection to local manufacturers.

Hon. J. B. Seeman: You are about as truthful in that as you are in other things.

Mr. HEARMAN: That means I must be pretty near the mark. I do not think this measure will have any beneficial effect on the State, and if it is going to have a bad effect—and I think it already has had that—it must obviously still further aggravate the present position. For that reason I say that the Government would be well advised to withdraw the Bill. I feel it should not have been introduced, but as it has been, the best thing the Government can do is to withdraw it. I know the Government did not listen to the advice I gave on potato marketing. Had it taken my advice, it might have been much happier today in regard to that particular matter.

On the question of what is an unfair practice and what is an unfair profit, it seems to me that the definition in the Bill is hopeless. It simply says that an unfair profit is an unfair profit, as it were. In the past when we have brought down legislation by which we have endeavoured to curb malpractices—such as legislation dealing with rents—we have given the people who have had to sit in judgment on these matters, some indication of what Parliament thought. We had a schedule of rents and such like provisions. It was some guide to the court.

In this particular case, no effort has been made to determine what is a fair profit or to give the commissioner any guidance to determine what is a fair profit. We are to rely entirely upon the judgment of the commissioner, and that means that the decisions made on the question of what is a fair or an unfair profit will vary from

time to time according to the commissioner who is in office. That is a most unsatisfactory state of affairs.

No Government should introduce legislation which requires implementation without involving the principle that there shall be some degree of responsibility placed on the Government to define exactly what it means when it says that something is a fair or an unfair practice. I doubt very much, even if he be the most capable commissioner, whether a man can be regarded as being a complete authority on what is a fair profit in the very wide range of our industries in this State. In my opinion, if he is able to do that, he is going to be a very knowledgeable man.

For instance, who is there to say what is a fair profit on the sale of articles in a secondhand shop? Some articles may sell at a loss, but other articles would be sold most probably at a fantastic profit. Notwithstanding that, the article may still be sold very cheaply. I think that a person even with the wisdom of Solomon would have the greatest difficulty in determining what is a fair profit.

The Potato Marketing Board has indicated what a fair price for potatoes should be and it has also indicated, in broad terms, that there will be a rise in the price of potatoes when the next crop is placed on the market. That is a board that has tried hard to determine what is a fair price, but its members represent so many divergent interests that it has made a mistake on occasions and one of its mistakes has led to the state of affairs that exists in this State today in regard to potatoes. That shows that this is an extremely knotty problem, even when dealing with potatoes, when it comes to the question of determining what is a fair price to the grower.

There is such a wide divergence of opinion that the board has not been able to satisfy the grower and in order to placate the potato growers it has more or less indicated that it will do better next time and that the growers will not lose anything if they are loyal to the board. That indicates that, even with the best will in the world, it is extremely difficult to determine what is a fair thing, even when dealing with one commodity.

How we are going to find someone who will determine what is a fair price to be charged in every industry throughout the State—both primary and secondary—I do not know. Is he going to say to the retail trader: "This is a fair price and this is an unfair one. This is a sound practice and this is an unsound practice." It would be completely impossible to do that and if that is admitted, the Bill gets away to a bad start if for no other reason than that the question of what is a fair profit is one that the Government has not been able to determine or fix in any way. That in itself is bad.

Another difficulty that I can see looming up is that if the commissioner is appointed, he is going to be plagued with tiddley-winke complaints and if he does not investigate them he will lay himself open to the charge that he is not carrying out his duties in a satisfactory manner. On the other hand, if he does follow up all these complaints, he is going to need a terrific army of inspectors, and I think it will be found that most of the complaints will be concerning matters which are extremely trivial.

To emphasise this point I will quote some letters which have been published in this morning's issue of "The West Australian." The first one reads—

Three Examples of Profits.

F. Singleton, Glendalough: May I give three examples to show why traders, etc., are against the Profits Bill.

My employers manufacture an article which can be purchased by employees for £7 10s. In shops the price is £12 10s., a rise of £5.

At Mt. Hawthorn I saw a wireless set priced at £24 3s. or 23 guineas. A few doors away the same set was priced at 24 guineas.

Yesterday my wife inquired the price of a small drawing book. In one shop the price is 2s. 9d.; in another shop the same book is 2s. 4d. Both these shops are in central Hay-st. and are not multiple stores.

I do not know that any of the instances quoted there necessarily prove that the trader has made an exaggerated profit. If a manufacturer likes to give his employees a cut on an article when he sells direct to them—and a great many manufacturers do—I see no particular objection to that practice.

However, it seems to me that, merely because a retailer has added his profit on to the cost of the article after it was sold to him, such action cannot be regarded as being unfair. Yet, if such a complaint was submitted to the commissioner and was not investigated, the person making the complaint—in this case, F. Singleton—would allege that the commissioner was not following up the complaint and therefore that his appointment was of no value.

In regard to the complaint about the price of the wireless set, that merely shows that if one cares to shop at various establishments, one can buy in the best market. Therefore, I cannot see anything wrong with that. As regards the price of the drawing book varying from 2s. 4d. to 2s. 9d., there again there may be quite a logical explanation. Nevertheless, under this legislation, if such complaints were received, these explanations would have to be made; otherwise the people making the complaints would not be satisfied.

Another letter in the same issue of "The West Australian" sets out a complaint about the thickness of some bolts that were purchased. Anyone who has bought coach bolts realises that there are such things as rolling threads, which means that that part of the bolt above the thread is slightly undersized. That has been a practice that has been followed for many years and anyone who buys bolts of that nature and then complains about them, is just a babe in the wood. However, perhaps the commissioner would not have to consider complaints such as that. Nonetheless, if we had a commissioner he would have to follow up such a complaint if it were lodged, even if it were only a matter of conveying to the persons making it what the true story was and, if this were done, it would result in a tremendous amount of futile correspondence in that department alone.

There is another letter published in this morning's issue of "The West Australian" in which the writer complains about the price of milk charged by a milkman in one of the suburbs in the hills. However, the price is fixed by the Milk Board and in that case the milkman was completely within his rights. In view of the difficulty of defining what is a fair profit, I think the obstacles that will confront the commissioner will be very great. If the Bill becomes law, it will create a great deal of dissatisfaction not only among tradespeople but also among consumers who will feel, rightly or wrongly, that they have been charged too much for a certain article purely because they are not in possession of all the facts and, as a result, they are going to say that the commissioner is not doing his job satisfactorily.

The Minister for Health: Are you in favour of price control or control of services to the worker?

Mr. HEARMAN: I do not think price control enters into this.

The Minister for Health: I am talking about the Arbitration Court.

Mr. HEARMAN: We are not discussing wages now. We have accepted the Australian system of fixing wages which is, in my opinion, quite different. If the proposition is to try to put it under the court's jurisdiction, then the Minister might be able to relate it.

The Minister for Health: Would you be in favour of that?

Mr. HEARMAN: That is not the point under discussion. It is only a red herring drawn by the Minister. If that were the Government's proposition, we could discuss it along those lines. The Minister seems to think that this matter should go to the court in any event and that a person should be declared although he had no appeal. It is no use saying that he could

break the regulation and be restrained. There is no question whether he should be declared or not in the court. The Minister knows that fairly well. One could say that this legislation put forward by the Government, of which the Minister is a member, does not stop people from taking this question to court. The whole idea of the Bill seems to be to give the trader no form of representation or redress whatever.

The Minister for Health: Would you support the Bill if we agreed to that?

Mr. HEARMAN: That is not in the Bill. It is not what the Government believes. I do not know if the Minister is suggesting that he does not believe in it either and the whole thing should go to court. I do not know if there has been a split in Cabinet.

The Minister for Health: I thought you might compromise.

Mr. HEARMAN: If the Minister does not believe in taking this to court, how far do we get? There is another matter which indicates that the Bill is breaking entirely new ground and no reason has been advanced in justification for it; that is the question of putting a notice outside shops and making the shop keepers show on their letterheads that they have been convicted. This treatment savours very much of the worst features under the Nazi regime in Germany when Jews had to put notices at their shop fronts showing that they were Jews, and they were compelled to wear lapel badges indicating they were Jews. That was apparently held to be a crime in Germany in those days, and the same idea seems to be finding favour with the Government here.

After all, a trader might receive a nominal conviction for a minor breach, but that would still leave him open to this sort of prejudice. I cannot understand why a person guilty of a small breach in making an unfair profit should be labelled, while another who passes a valueless cheque or floats a bogus company can go about in society without wearing a badge and no effort is made to label him as a convicted person.

Mr. Potter: Such a person has to go to gaol.

Mr. HEARMAN: That does not matter. Firms can be convicted of these offences but only the principal will go to gaol. The firm is not expected to label itself. This matter goes back to the dim and dismal age of the ducking chair and stocks. I was wondering how much further into the dim past it is intended to go.

There are other factors besides unfair trade practices which contribute to our economic difficulties. I submit that the Government could very well look into some of those aspects. I have referred to rail freights, but other freights have also gone up. Since 1949 the rail freights in Australia have risen 98 per cent.; aircraft

freights by 30 per cent; shipping freight by 150 per cent. All these increased charges are pinching the consumer and the worker. If the Government were to tackle those matters realistically, it might have some justification for bringing down such a Bill.

Mr. O'Brien: An attempt was made three years ago, but it was refused.

Mr. HEARMAN: The rise of 150 per cent. in shipping freight would be brought about, and this cannot be denied, by the part played by the maritime union. Such matters are important to the community. It is the intention of the Government to reduce the penalties under the Arbitration Act. I feel before bringing in legislation of this nature the Government would be in a very much stronger moral position—whether its position is morally strong or not might not worry the Government—if it had shown some relish and willingness to tackle the problems I have outlined, all of which have a bearing on this matter and all of which manifest themselves in the price which the consumer has to pay.

Mr. O'Brien: You did not worry about what the consumer had to pay for potatoes.

Mr. HEARMAN: The choice which the consumer had was whether he had any potatoes. He does not have to pay the price, but he cannot now even if he wanted to. I feel that if the Government desires to get the people behind it on a measure such as this, it should make an effort to put its own house in order and show that it is not merely trying to browbeat a section of the community which, in the words of the Premier, he is not sure is guilty of unfair practices, nor does he know the extent of the breaches, nor can he prove that anybody has been guilty of unfair practices. He is not nearly so sure of his ground as was the Minister for Agriculture when introducing the potato Bill. The Minister for Agriculture was able to say that some people broke the law because he knew about it. He was justified and had the courage to say that in the House.

We have not had that forthrightness from the Premier in this case. That is the first essential the Government should face up to. I say again that the Government ought to put its house in order, to economise in its expenditure, to reduce its Budget and to give a lead to the community on the problems that are confronting the community, rather than to play with legislation of this nature. I oppose the second reading, and, in my opinion, the Bill would be better withdrawn.

MR. EVANS (Kalgoorlie) [5.9]: I feel morally bound by the commandment which says, "Thou shalt not steal," to support the second reading of this Bill. I can assure members that I shall not be long. However, I support the measure which will prevent undue profit-taking, unfair methods of trading and unfair trade competition.

As a sideline, I would like to draw attention to the fact that there are manifold controls placed on what the worker has to sell, that is his labour; but businessmen, manufacturers, wholesalers and retailers apparently are allowed to go free and make whatever profit they like, willy-nilly.

Of course, I am not suggesting that all profit is unfair. The member for North Perth has given evidence of one case where unfair profits were made in the sale of steel. I feel sure that would answer the challenge raised by the member for Blackwood that the Government had failed to demonstrate the need for this legislation. I feel quite certain that the member for North Perth very appropriately demonstrated the need for this legislation.

I would like to give another example of the crying need for the Bill by quoting an article in the "Countryman" dated the 19th April, 1956, by F. E. York, former officer of the Prices Branch. He deals with the grocery pricing system which he regards as being unfair not only to consumers but also to shopkeepers in the country. The article reads as follows:—

Prices fixed and published by the Retail Grocers' Association are excessive, even in the metropolitan area, and the principle on which prices in country towns are computed is a scandal.

Metropolitan traders are favoured at the expense of country traders and consumers.

Country traders are subject to the worst possible form of price control, operated in the metropolitan area by the Wholesale Grocers' Association in co-operation with the Retail Grocers' Association.

I do not infer that wholesale merchants are making, or have made, excessive profits but that their price system is unfair and creates wholesale prices which are disastrous to the country shopkeeper.

Consequently prices in the country are unreasonable and increase the cost of living.

One Price.

There is one wholesale price whether goods are for city or country. This is the landed cost at Fremantle, PLUS the cost of canvassing for orders within, and outside the metropolitan area, PLUS the cost of free delivery within a radius of 20 miles from the Perth Town Hall, PLUS provision for bad debts—PLUS a profit on them all.

It can well be understood that these services create an enormous overhead which is included in the cost of the goods to the retailer. As there is only one price, the country trader is loaded with a portion of this heavy expense and profit.

The major portion of goods which go to the country are railed direct from Fremantle.

The country trader then has to pay actual transportation charges from Fremantle to his store in addition to charges Fremantle-to-Perth, already included in his prices.

The wholesalers meet each week and pass on new prices to the Retail Grocers' Association, which then adds profit margins which provide for the cost of canvassing for orders and their delivery. There appears to be no limit to the delivery distance. I have seen Victoria Park delivery vans at Scarborough and Perth delivery vans at Rockingham.

The country consumer has to carry a portion of this expense plus a profit. I would suggest that the system for the computation of grocery prices is one worthy of an inquiry. I would say that the method strongly suggests that there are very grave examples of unfair trading practices being adopted.

Mr. Roberts: I suggest that you learn more about it.

Mr. EVANS: I suggest to the member for Bunbury that there is still room in the cage for him with the member Blackwood. I want to reiterate the statement made by my colleague to the effect that this Bill will provide protection not only for the consumers but for every businessman. Last week-end I made a point of canvassing every small shopkeeper in Kalgoorlie and there are 43 of them. I even contacted the corner shop selling pressed beef and other commodities; and I did not find one who was opposed to this Bill. I throw that assertion in the faces of the members of the Opposition. I have here a collection of invoices that these small shopkeepers received from wholesalers; and if members had any opportunity to peruse them they would do a back somersault, and would not have to think twice before discerning some of the reasons why some of these small shopkeepers are on the headline.

Hon. Sir Ross McLarty: The Premier would like you to read them, I am sure.

Mr. EVANS: The hon. member should remain silent. There is not one spark of genius within him, but there seems to be a lot of ignition trouble.

Mr. Roberts: Are you rock'n roll'n?

Mr. EVANS: Profits seem to be sacrosanct to members of the Opposition. They must not be attacked, even though the making of unfair profit causes undue suffering to people, particularly those on the basic wage and, to an even greater extent, to those on fixed incomes, like pensioners.

Mr. Roberts: What are you going to do this week-end—build that cage?

Mr. EVANS: Many of these pensioners have been pitied by people with the political complexion that the members of the

Opposition seem so proud to wear. I suggest that members of the Liberal Party pity the plumage but forget the dying bird. People on fixed incomes—those drawing superannuation and mine workers' relief pensions, and so on—are affected by high prices and have to try to budget their incomes to suit those prices. They have their ends just about to meet when along comes someone who keeps those ends farther apart.

I hesitate to include the Country Party members in this, because I have more respect for them, but the Liberal Party members seem to worship money. I suggest that if they had a conversation with money they would not believe it if they were told the things that it used to buy. Members of the Opposition are all silent. They are all ears, possibly with nothing in between. They are suffering from dogma in their worship of profits. They forget the workers until election time, when they seek to woo their votes. G. K. Chesterton once remarked that dogma was not the absence of thought—I cannot accuse the Liberal Party members of being non-thinkers—but that it was the end of thought. I would like to conclude—

Mr. Roberts: Thank goodness!

Mr. EVANS:—by giving my impression of two speeches made from the Opposition side. One was delivered last night or the night before by the member for Nedlands and the other was delivered this afternoon by the member for Blackwood. Both those members suggested the Bill was something odious, something to be frightened of, something that delved back into the past. They became historical—and, I suggest, at times hysterical. The member for Nedlands said that if the Bill were passed, honest people would shiver in their shoes as well as the dishonest ones.

He reminded me of a story I heard and with which I would like to associate the hon. member. The story is told about the Gap in Sydney, but I would like to apply it to a very tall building in Perth, say, the Royal Perth Hospital. The member for Nedlands is on the top of the building and is pondering this question, being worried over the future of the people in St. George's Terrace whom he represents. He is terribly worried, when along comes another man and asks him what is wrong. The member for Nedlands tells him that he is going to jump from the building and the other chap says, "Sit down and be calm. Let us talk it all over." So they both sit down for a few moments.

There is a very interested observer nearby and all of a sudden, as the member for Nedlands tells the newcomer all his worries and what a bad thing this Bill will be for the people, the observer sees them both jump off the building! Anybody who was very gullible would be very impressed with the story told by the member for Nedlands. He reminded me of a modern-day Jeremiah. He has associated himself with the almighty Press and nothing

scares people so much as adverse publicity. The Press—the lord and master of the Opposition—is for ever coming to their aid and whipping them up. But despite the influence and power of the Press, I conclude by declaring that if I think a thing is worth fighting for, I will fight for it, no matter what the penalty; and truth and justice will always prevail.

On motion by Mr. Nalder, debate adjourned.

BILLS (2)—RETURNED.

- 1, Plant Diseases Act Amendment.
- 2, Albany Lot 184 (Validation of Title).
Without amendment.

BILL—ENTERTAINMENT TAX ACT AMENDMENT.

Second Reading.

Debate resumed from the 18th September.

HON. SIR ROSS McLARTY (Murray) [5.24]: Mr. Deputy Speaker—

The Minister for Lands: Watch your spark! Watch that ignition of yours!

Hon. Sir ROSS McLARTY: I did not hear the Minister, I can only assume it was some stupid remark characteristic of him.

The Minister for Transport: Assumption incorrect!

Hon. Sir ROSS McLARTY: I support the Bill and I have no doubt that it will be agreed to. It is well known that live shows in Perth are having a pretty lean time; that the cost of producing them has been increasing. Consequently the exemption of up to 10s. will be a practical help. At the same time, it is not likely to cause the Treasurer any embarrassment. It costs more to produce a live show in Western Australia than in other States because of the cost involved in transport. There have recently been incurred increased costs for orchestras, and there have been rises in other directions.

It has been pointed out that live shows have to meet increased competition from non-taxable shows, and I think that that is a tendency that is likely to increase. I do not know what amount of tax is obtained in respect of live shows, but I do not think it would be very substantial, and I hope it will not be long before the whole of this tax will be abolished. In my policy speech dealing with the entertainments tax, I said that we would reduce the tax on all admission charges, especially those in the range of 3s. and below, and relief would be given to flesh-and-blood shows, particularly where it was shown that encouragement was given to the employment of local talent. The motion-picture people, I understand, have approached the Premier and asked that the amusement tax on admission charges

