

at least in general principle, this House should readily be able to agree to it. I move—

That the Bill be now read a second time.

On motion by Mr. May, debate adjourned.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. D. R. McLarty—Murray) [10.51]: I move—

That the House at its rising adjourn till Tuesday, the 16th October.

Question put and passed.

House adjourned at 10.52 p.m.

Legislative Council

Thursday, 11th October, 1951.

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

BILL—MAIN ROADS ACT (FUNDS APPROPRIATION).

Second Reading.

Debate resumed from the 9th October.

HON. G. FRASER (West) [4.35]: I moved the adjournment of the debate, but unfortunately have not had time to study the Bill. I shall vote for the second reading in the hope of being given an opportunity to examine the provisions of the measure before it leaves the Committee stage. Probably there is nothing in the Bill to which exception can be taken.

Question put and passed.

Bill read a second time.

In Committee.

Hon. A. L. Loton in the Chair; the Minister for Transport in charge of the Bill.

Clause 1—agreed to.

Clause 2—Act to be read in conjunction with Main Roads Act:

Hon. G. FRASER: Will the Minister agree to report progress in order to give me and other members an opportunity to study more closely the provisions of the Bill? At first glance, it seems to be merely an annual measure, but I should feel more satisfied if I had time to examine it before the Committee stage is proceeded with.

The Minister for Transport: I offer no objection.

Progress reported.

BILL—LAW REFORM (COMMON EMPLOYMENT).

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland) [4.38] in moving the second reading said: The object of this Bill is the abolition of the doctrine of common employment. I am informed that this is a doctrine against which many judges have inveighed, and its abrogation from the laws of Western Australia is strongly recommended by Mr. Justice Wolff, who has taken a very keen interest in law reform. It is a general rule of the common law that a master is liable for the acts, neglects and defaults of his servants in the course of their service, but under the doctrine of common employment, that liability is modified where the person injured by the servant is himself a servant of the same master.

The rule of common employment is that a master is not liable to his servant for injury received from any ordinary risk of or incidental to the service, including acts or defaults of any other person employed in the same service. The doctrine is that while a stranger can hold a master liable for the negligence of a servant, a fellow servant cannot do so because he has, of his own free will entered the master's service and has accepted the risks thereof. It is important to note the ambit of the rule. It is not limited to injuries from fellow servants, but extends also to other risks of service not caused by fellow servants, so that in reality the term "common employment" is a misnomer. The doctrine is a modern development in the English law, and has its origin in the conditions arising from the rapid growth of industrialism in England in the 19th century.

In the year 1837 a decision of the British Court of Exchequer held that the master was not liable in a case where a butcher boy was injured when the van in which he was travelling collapsed as a result of negligence in overloading. This established

what has become known as the doctrine of common employment. The next case to come before an English court occurred in 1850 when one of the judges stated the principle of common employment as follows:—

They (the servant causing and the servant suffering the injury) have both engaged in a common service, the duties of which impose a certain risk on both of them, and in case of negligence on the part of the other, the injured party knows that the negligence was that of his fellow servant and not of his master. He knew when he was engaged in the service that he was exposed to the risk of injury, not only from his own want of skill and care but also from the want of it on the part of his fellow servants, and he must be supposed to have contracted on the terms that as between himself and his master he would run this risk.

In 1877 a committee of the House of Commons was appointed to consider the law on this subject. A Bill providing for the total abolition of the doctrine of common employment was referred to that committee, which reported that while it was unable to recommend abolition of the doctrine, it recommended that the existing law should be so far altered as to make the employer responsible for the acts of him who was designated as a vice-master. As a result of this recommendation an Act was passed in England known as the Employers' Liability Act. Western Australia followed suit in 1894 by passing an Act with a similar title. Prior to the passing of that Act a workman could recover, if injured in his employment, only when he could prove that the employer had personally been guilty of negligence which led to his injury.

In the case of large employers it was almost, and in the case of incorporations totally, impossible to prove that the employer was responsible for negligence, even though another employee had been culpably negligent. After the Act had been passed a workman was prima facie entitled to recover where the employer had delegated his duty or powers of superintendence to other persons, and such other persons had caused the injury by negligence in performing the duties and powers delegated to them. But the doctrine of common employment in Western Australia, except insofar as it is abrogated by the Employers' Liability Act, still remains. As I said earlier, the doctrine had its origin in the conditions brought about by the very great growth of industrialism in England during the last century, when some efforts were made to obtain immunity from liability when employees were injured. No such doctrine appears to exist in the law of any other country in Europe, and in 1948 it was totally abolished in England by a law reform Act.

The doctrine was abrogated in Tasmania in 1943, and in South Australia in 1944, and I understand that it has been abolished in Queensland and New South Wales. At the same times, these States repealed their Employers' Liability Acts which, with the abrogation of the doctrine, became unnecessary. The passing of this Bill will give an employee the same rights and claims against his employer as a stranger would have, and he will not be in any way affected by the defence which was formerly available, namely, that the accident arose out of the negligence of a fellow employee. The Bill provides also for the repeal of the Employers' Liability Act, which, if this measure be passed, will have no application. I move—

That the Bill be now read a second time.

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

BILL—TRUSTEES ACT AMENDMENT.

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland) [4.45] in moving the second reading said: The proposal in this small Bill is to give trustees in Western Australia the authority to invest trust funds in any security which is guaranteed by the Parliaments of the United Kingdom, New Zealand, the Commonwealth of Australia and any Australian State. The principal Act provides at present that trustees may invest in any of the parliamentary stocks, public funds and Government securities of the United Kingdom, the Commonwealth and the Australasian States. Apart from this, all trust funds must be invested within the State, this including investments in semi-governmental securities.

The Bill had its genesis in a suggestion made by the Premier of Queensland at a Premiers' Conference in August, 1949, that approval be given to interstate investments in semi-governmental securities, such as those issued in debentures or charged on the funds or property of any municipality or road board or other authorities, such as, for instance, the Sydney Tramway Trust. This proposal was referred by the Premiers' Conference to a meeting of departmental officers, the majority of whom considered that the suggestions were meritorious. An objection was raised by the Victorian representative who felt that the proposal might result in an increase of the borrowing rate for semi-governmental bodies in his State.

Other States, however, did not agree and legislation similar to this Bill has already been passed in Tasmania, Queensland and New South Wales. The matter has been considered by the Under Treasurer, who has advised that there should be no objection to trustees in Western Australia having the power to invest in securities, the

repayment of which and the payment of interest on which, are guaranteed by the appropriate Government. I move—

That the Bill be now read a second time.

On motion by Hon. H. K. Watson, debate adjourned.

BILL—REAL PROPERTY (FOREIGN GOVERNMENTS).

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland) [4.48] in moving the second reading said: It is proposed in this Bill to give authority for foreign Governments to own and dispose of property in Western Australia, with the proviso that, in the case of each Government, the total area held in the State shall be restricted to five acres, unless Parliament approves otherwise. The introduction of the Bill was brought about by a request dated the 3rd May, 1951, from the American Vice-Consul in this State, that the United States Government be permitted to acquire a title to property in Bellevue Terrace, West Perth, that it had purchased some five years ago as a residence for the Consul. As the Western Australian Transfer of Land Act does not permit of land being registered under the title of a government of a foreign nation, the property is held on its behalf in the name of an official of the Commonwealth Government.

The Western Australian Government had no objection to the United States' request, but thought it advisable to seek the confirmation of the Commonwealth Government. To this end a letter was despatched on the 23rd of May last to the Prime Minister asking whether his Government held any objection to legislation being introduced in this State to give effect to the American proposals, such legislation to be based on that passed last year for the same purpose in the South Australian Parliament. On the 12th July, 1951, a reply was received intimating that the Commonwealth Government agreed to this action.

The Solicitor General and the Commissioner of Titles have advised that this Bill should adequately meet the situation. They agree that as the measure refers only to the acquisition and disposal of land in Western Australia by foreign governments, and has no general application to dealings under the existing land laws, it is better framed as a special Act than as an amendment to present legislation. All appropriate safeguards are taken in the Bill, including a provision that the acquisition of any land in the State by a foreign government must be assented to by the responsible Western Australian Minister of the Crown.

In foreign countries where Australia maintains embassies, the Commonwealth Government owns buildings and land. The restriction that a foreign government should not own more than five acres, without the sanction of Parliament, was inserted in another place, it being stated in support of the proposal that this would prevent a foreign government, with possibly ulterior designs, acquiring a large area in the State. The Minister in charge of the Bill agreed to the amendment although it is thought that the situation envisaged by its proposer is hardly likely to occur. The acquisition by a foreign government of premises for the use of a consul renders it liable to the payment of the appropriate rates and taxes, and the observance of health by-laws, etc. It is only ambassadors and Ministers of foreign countries whose diplomatic immunity renders them not liable for the payment of taxes, etc. I move—

That the Bill be now read a second time.

On motion by Hon. E. H. Gray, debate adjourned.

BILL—INSPECTION OF MACHINERY ACT AMENDMENT.

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland) [4.52] in moving the second reading said: The main proposal in the Bill is to exempt from the provisions of Section 53 of the Act the small modern machine known as the fork lift truck, which is being used throughout the State in ever-increasing numbers. These trucks have, as standard equipment, a detachable jib which, when fitted, converts the fork lift into a small jib crane. Under the provisions of Section 53 a driver of a crane is required to hold a crane driver's certificate of competency. To obtain this certificate the applicant has to pass an examination set by a board of examiners appointed under the Act, and to pay fees amounting to £2 12s. 6d., these being examination fee £1, health certificate 12s. 6d. and certificate £1.

The Inspection of Machinery Branch, which comes within my jurisdiction as Minister for Mines, states that there is no reason whatsoever for fork-lift drivers to obtain a crane driver's certificate as the fork-lift truck is in no way a crane, having none of the motions of luffing, slewing or lifting to a considerable height or radius, that are included in the activities of a crane. On odd occasions only the jib is attached for a special lift, such as raising awkward bundles, coils of barbed wire, etc. Even then the hoisting is done by the fork lift as the jib merely rises with it. All fork-lift trucks must be registered with the Police Traffic Office, as road vehicles, and carry the necessary identification plate. The drivers must, therefore, have a current traffic driving licence. A competent fork-lift driver can be produced

from a capable truck driver in a matter of hours, whereas a certificated crane driver is required to have six months' experience on a crane. On the Fremantle wharf 90 of these machines are in operation and this number will be ultimately increased to 130. In addition, they are used for various purposes in many other parts of the State.

The other small amendment in the Bill refers to Section 34 of the Act which, among other things, provides that when the owner of a boiler completes repairs to the boiler he must furnish a full report to the district inspector of machinery, of the work effected. Subsection (3) of this section exempts the owner from submitting the report when the repairs have been ordered by the machinery inspector. This exemption has been in the Act, at least since it was consolidated in 1921, and the Inspection of Machinery Branch does not know the reason why it was inserted. It points out that when a report is not received it is necessary for an inspector to make a special trip to ensure that his instructions have been complied with.

In the case of simple repairs, the inspector, on receiving the owner's report that the work had been done, would inspect the repairs on his annual visit or when in the vicinity. In the case of more complicated repairs he would inspect them as soon as he possibly could, but the receipt of a report would prevent him from the possible inconvenience of making a hurried visit to an isolated area. I move—

That the Bill be now read a second time.

On motion by Hon. E. M. Davies, debate adjourned.

BILL—METROPOLITAN WATER SUPPLY, SEWERAGE AND DRAINAGE ACT AMENDMENT.

Second Reading.

Debate resumed from 9th October.

THE MINISTER FOR TRANSPORT
(Hon. C. H. Simpson—Midland—in reply)
[4.57]: Several questions were raised during the speeches on the Bill, and I would like to reply to them. I was, perhaps, a little surprised to hear the criticism expressed by some members in respect to the provisions in the Bill, particularly as I had stressed in my introductory speech that the maximum and minimum rates allowable under the Act had remained unaltered since 1921. I pointed out, too, that if the Bill were passed there would not be an immediate increase in rates. I explained that the rates to be charged during a financial year were struck in the preceding March, and were not necessarily the maximum permitted under the Act. The amount decided was that estimated to be sufficient to meet expenditure for the year. I sub-

mitted detailed particulars of the tremendous rises that have occurred since 1938-39 in capital and maintenance costs and referred to the fact that, in some cases, the insufficient maxima permitted under the Act had resulted in substantial losses being made.

In regard to sewerage, members will recollect I advised them that a loss of £46,144 was shown for the year 1950-51 when the rate was 1s. 4d. in the £. For 1951-52, the rate is fixed at the present maximum allowed by the Act, of 1s. 6d. in the £, and at this figure it is anticipated that the loss for 1951-52 will be £20,000. By increasing the maximum sewerage rate of 2s. in the £, as is provided in the Bill, it does not mean that such a rate will be levied. At present, had it been possible to charge a sewerage rate of 1s. 7½d. in the £, sufficient revenue would have been obtained to meet annual charges.

With the present high costs of labour and materials, the extension of sewerage to new areas shows a large annual loss, and returns less than 3 per cent. on capital expenditure, and in many cases less than 1 per cent. So far as water and stormwater drainage is concerned it is not thought that it will be necessary to increase ratings for some time.

Several members asked that they be provided with certain information and I will do my best to oblige them. Should they desire further particulars I will be only too pleased to endeavour to obtain them. Mr. Fraser was rather concerned in regard to some of the proposed increases, particularly those relating to the minima that may be charged. He stated that he desired to be informed of the figures relating to each individual item. He may remember that when introducing the Bill I stated that each 1d. increase in the £ on the assessed annual value would return for—

	£
Water Rate	16,164
Sewerage Rate	13,278
Stormwater Drainage Rate	9,118

The increases proposed in the Bill to the minimum rates would result in an increase of revenue from water of £5,000, sewerage £4,000 and stormwater drainage £500. Mr. Fraser appeared to feel that increased minimum charges would react harshly on owners of some vacant land. I do not think however, that minimum annual rates of £1 for water, £1 for sewerage and 5s. for stormwater drainage can be described as exorbitant. There is no doubt that the provision of these facilities in the area increases the value of vacant land. The hon. member will agree, I feel, that there is a large demand for suburban building blocks, and lots that were considered of little value some years ago, are now bringing comparatively high prices.

He may be interested also, to hear the following figures which relate to the financial year ended the 30th June, 1952—

Water.		Total	
	£	£	
Operating expenses	228,442		
Interest and Sinking Fund	243,807	472,249	
Income		488,395	
	Surplus	16,146	
Sewerage.		Total	
	£	£	
Operating expenses	111,388		
Interest and Sinking Fund	177,244	288,632	
Income		242,488	
	Deficit	46,144	
Stormwater Drainage.			
Operating expenses	7,737		
Interest and Sinking Fund	29,457	37,194	
Income		46,110	
	Surplus	8,916	
These figures combined reveal—			
	£	£	
Operating expenses	347,568		
Interest and Sinking Fund	450,508	798,076	
Income		776,995	
	Deficit	21,081	

In regard to water, the present maximum rate that can be levied under the Act is 2s. in the £. The rate fixed for the year 1951-52 is 1s. 6d. in the £, and it is not proposed to increase this rate in the £ unless such a course becomes necessary, as it will be observed that at this figure a surplus of £16,146 was experienced last year. The main object in increasing the minimum rate from 10s. to 1£ is to assist owners to erect homes on land which requires an extension of the system. With the present high costs, in the majority of cases where extensions of the main are necessary to serve the new home, the revenue from rates is not sufficient to meet the annual charges, and the applicant for water is called upon to pay the annual deficiency in addition to the rate. By increasing the minimum rate the majority of the new extensions would be payable, and no additional payment necessary. The provision of a permanent water supply passing a block increases considerably the value of the land, and it is considered that the owner should contribute a reasonable share towards the cost of providing the facility.

During his remarks, Mr. Davies asked for information as to the relative capital costs of the various stormwater drainage schemes in the metropolitan area, and

expressed the opinion that the capital cost of the scheme at Fremantle should have been liquidated years ago. I have to inform him that stormwater drainage is not divided into separate districts, but that the whole stormwater drainage in the metropolitan area is treated as one district, the total capital expenditure at the 30th June, 1951, being £708,511. The maximum rate that can be levied at present is 5d. in the £, and the rate is assessed at the maximum. The Bill provides for an increase in the maximum that can be levied to 6d. in the £. At the present rate of 5d. in the £, this branch is payable, and it is not proposed to increase the rate in the £ unless such a course becomes necessary.

It is anticipated that large capital expenditure will be incurred in the near future to drain low-lying areas at very heavy cost and, when these works are carried out, it may become necessary to increase the rate in the £ by 1d. in order that the income will meet the annual expenditure. Until such works are carried out, no increase is proposed, but the department desires to be in a position to levy the higher rate should it become necessary to do so. Sir Charles Latham stated that he was unable to reconcile the financial information I gave when introducing the Bill with that shown in the annual report of the department. He mentioned that the gross profit of the department was £455,861 and in view of this he thought the House was entitled to further information. The figures given by the hon. member were only partially correct.

Hon. Sir Charles Latham: I did not allow for interest.

The MINISTER FOR TRANSPORT: I will come to that. The gross profit for the year 1950-51 was £455,861, but from this had to be deducted interest and sinking fund charges amounting to £421,192. This left a net profit for the year of £34,669. The large increases in the basic wage, together with wage margins, the necessity to use imported material in order to give services, and heavy expenditure on renewals, has caused a serious deterioration for the current financial year 1951-52. As I have already mentioned when discussing Mr. Fraser's remarks, the revenue estimate for 1951-52 is—

	£
Operating Expenses	347,568
Interest and Sinking Fund	450,508
	798,076
Income	776,995
	21,081

I hope that my explanations have been satisfactory to members and that they will accord the Bill a speedy passage.

Question put and passed.

Bill read a second time.

In Committee.

Hon. H. S. W. Parker in the Chair; the Minister for Transport in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Section 94 amended:

Hon. G. FRASER: I want to thank the Minister for having endeavoured to supply information asked for by various members. He has given many more figures than he mentioned previously.

The Minister for Transport: I gave quite a few then.

Hon. G. FRASER: I know, but not all the figures were given when the Bill was introduced. I am still not quite satisfied, because the Minister did not give the figures I actually wanted. We should be given some information about the increased revenue that will be derived under the amendments set out in the Bill, because I want to make some comparison.

The Minister for Transport: I gave that in some cases.

Hon. G. FRASER: But not in all. Over the past two or three years the department has received extra revenue because of revaluations of property, and I want to know the actual revenue received by the department under these various items.

The Minister for Transport: Would you like to report progress so that further figures can be obtained.

Hon. G. FRASER: No, I do not think that is necessary.

The Minister for Transport: I think they would be given to you if you asked for them.

Hon. G. FRASER: The department must have received a considerable increase in revenue over the last two or three years because of the revaluation of property. In some cases the valuations have been increased enormously, and that is why I was rather surprised at the increase of certain rates as set out in the Bill. I realise there have been amazing increases in costs in recent years, but I did not think that it would have been necessary to increase rates to the figures suggested in the Bill. There was one other matter in regard to new mains, and it was hoped that with additional revenue the individual would be relieved from certain charges that he now has to pay.

The Minister for Transport: The new home owner?

Hon. G. FRASER: Yes, but the Minister did not give any information regarding what would be the minimum or maximum amount.

The Minister for Transport: I think it would vary from district to district.

Hon. G. FRASER: That is the point and I would like to have more information about it. It would not be fair to charge an individual in one district for the in-

stallation and the cost of laying the pipes for, say, two chains, while in another district the department bears the cost of, say, 10 chains. If possible I would like some information on the department's idea in that regard. The figures given this afternoon did not afford much information other than that it was hoped to relieve some of the extra payments.

The Minister for Transport: I was under the impression that it would be pooled and if necessary there would be a sort of pro rata payment, but I am not certain on the point.

Hon. G. FRASER: I do not want the Minister to commit himself. In some places the department would not extend the main for 15 chains, not even if the person was willing to pay the extra charges. Admittedly the shortage of piping had something to do with that, but in other places where the distance was probably five chains, the person receiving the benefit had to pay so much over and above the normal annual contribution for water rates. That amount was lessened as new people came in and were linked up to that extension of the main. Those are the only point I want to raise on the clause.

Hon. Sir CHARLES LATHAM: In my hurry the other evening I did not press the point about the interest and sinking fund, but I notice that a profit is still being shown. This Bill, of course, means additional revenue and I am concerned about the charges we are putting on to the people affected. One of the reasons has been mentioned by Mr. Fraser and appreciable collections are being made because of increased values. In some cases those increases are considerable. In this instance we are increasing costs up to 25 per cent., which is fairly high. Where the Government is resuming big areas of land the charges will not be so high because the values are being kept down far below normal. My idea is that the Government should take every step possible to try to avoid increases in costs so that we can make a start and try to stop this inflationary trend. It should take a lead in that respect.

I know the position is difficult when materials have to be imported. I believe steps are being taken by the Government to use imported materials rather than wait for local materials to come into supply in order to give the owner a chance but, if it does not take steps to ensure that it gets value for the money expended, it cannot expect to arrest the inflationary trend. I want the Government to take cognisance of the fact that it is asking for a 25 per cent. increase, which is rather high when it is considered that land values on which the rates are fixed have greatly increased. In Nedlands, for example, values have nearly doubled. I did not want intentionally to give the impression that the department was making a huge profit.

Hon. E. M. DAVIES: I thank the Minister for his courtesy in making the figures available, but I was disappointed to know that the Government still intended to group all stormwater drainage systems under one district. I would like to know from the Minister whether it is intended to maintain the increased rate to cover interest and sinking fund charges in perpetuity. In my district, the stormwater drains have been down for a number of years and must have been paid for long ago, yet some years ago the Minister mentioned that these payments must continue for as long as possible. I ask him if I am to take it from his remarks that my electors have to continue to pay the interest and sinking fund charges on the capital cost of this scheme.

Are the profits from such an undertaking to be used as an offset against the cost of stormwater drainage, say, in Subiaco, which cost in the vicinity of £100,000? Such districts should stand on their own feet and not be lumped together so that one district contributes towards the cost of stormwater drainage in another district. These are separate systems, and I fail to understand why the districts are grouped.

The MINISTER FOR TRANSPORT: In answer to Mr. Davies, I would say that the provision dealing with the increase in rating on stormwater drainage is to cover areas which sooner or later have to be served in order to make land available for housing.

Hon. E. M. Davies: Does that apply in the Fremantle district?

The MINISTER FOR TRANSPORT: The difficulty is to differentiate between one and another. If that is done where are we going to stop? The established districts do in some way contribute to the cost of systems installed in less developed areas. Nevertheless, as Mr. Davies said, if the time arrives when the systems pay for themselves, at some period that question may be raised and be corrected by an Act of Parliament. The districts are grouped for the purpose of rating and the income is used to carry out the necessary development work where it is needed. In reply to Sir Charles Latham and Mr. Fraser, I would point out that the Bill does not stipulate the actual figures and the increased amount received as a result of land values being raised, but in two instances referred to in my introductory speech I said that operating costs of the metropolitan water supply scheme have increased by 348 per cent., and the revenue increase is a matter of 71 per cent. only.

With sewerage, there has been an increase of revenue, for the same period, of 77 per cent. However, as I stated earlier, as rates have not been increased since 1921, obviously that revenue was reflected in the increased land values from which that revenue is drawn. So rates have been taken into account. But there

is still a big discrepancy between operating costs and actual revenue received. Although these rates are asked for, it is intended to apply them only when necessary and as rising costs demand.

Hon. Sir Charles Latham: We will watch very closely next year.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—BUNBURY (ROMAN CATHOLIC OLD CEMETERY) LANDS REVESTMENT.

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland) [5.28] in moving the second reading said: The object of this Bill is to revest in His Majesty that area of land at Bunbury comprising the old Roman Catholic cemetery, in order that it may be gazetted a Class "A" reserve for the purposes of a closed cemetery and public park. The proposal is that it be then granted in fee simple to the municipality of Bunbury in trust for those purposes. The area, which is a little over one acre in extent, was granted in trust to the Roman Catholic Church in 1855 to be used as a cemetery. The Church of England was granted an adjoining lot for the same purpose. In 1936 this lot was revested in the King, created a Class "A" reserve, and transferred to the jurisdiction of Bunbury Municipal Council as a closed cemetery and public park. The area is now known as Pioneer Park.

In October, 1950, the Bunbury Council asked that similar action be taken in regard to the old Roman Catholic cemetery, which is situated immediately west of the junction of Princess Street and Russell Esplanade and is a little north-east of the bathing area at the ocean beach. On the 5th January, 1951, the secretary of the Catholic Church Office advised in writing that His Grace the Archbishop had assented to the council's proposals. His Grace has been made aware of the contents of the Bill. By the Bill the municipality is given power to remove all or any of the monuments, headstones and grave fittings to any other site on the reserve, or if any person can establish a right to any of the articles, to hand them over to the applicant. The municipality is desirous of improving the area with the least possible disturbance of the monuments and headstones. In the case of the old Anglican cemetery the headstones were removed and placed around the boundaries of the reserve.

The Bill provides that the municipality shall not be required to remove any human remains from the area, but states that any person may do so who can prove to the Council that he had a title to any grave in the cemetery. Members should not be faced with any difficulty in passing

the Bill. The cemetery is not used now and the council is desirous of beautifying it and using it as a public park. The Roman Catholic Archbishop has approved of all the suggestions. The Bill is similar to that approved by Parliament in 1936 which referred to the old Anglican cemetery at Bunbury and which is now a public park. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Hon. H. S. W. Parker in the Chair; the Minister for Transport in charge of the Bill.

Clause 1—agreed to.

Clause 2—Lands vested in His Majesty:

Hon. Sir CHARLES LATHAM: I was not sure whether the Minister had made it perfectly clear that he had consulted the church in respect to this matter. It would create a nasty feeling in the minds of people who in some cases would call it desecration of a burial place.

The Minister for Transport: The Archbishop has approved of it.

Hon. Sir CHARLES LATHAM: Did I not hear the Minister say they objected to the removal of the tombstones?

The Minister for Transport: The human remains may be removed by the relatives if so desired.

Hon. Sir CHARLES LATHAM: I thought the Minister said tombstones. In one case they took the tombstones out and placed them around the park. It was rather a ghastly thing to do but I daresay we have to get used to all sort of things. With this Bill as it is now, does it automatically make a Class "A" reserve of this, or is it going to be brought down under the Reserves Bill for that purpose later on? The Bill says that the area shall be reserved as a Class "A" reserve for the purposes of a closed cemetery and public park, and shall be granted in fee simple to the municipality of Bunbury for those purposes.

The CHAIRMAN: That is Clause 3 to which the hon. member is referring.

Clause put and passed.

Clause 3—Lands vested in His Majesty to be reserved and granted to the Municipality of Bunbury:

The MINISTER FOR TRANSPORT: In answer to the hon. member's question I would say the wording of Clause 3 covers his query. What the process of vesting it in the Bunbury municipality is I do not know.

Clause put and passed.

Clauses 4 and 5, Preamble, Title—agreed to.

Bill reported without amendment and the report adopted.

**BILL—PRICES CONTROL ACT
AMENDMENT (CONTINUANCE).**

Second Reading.

THE MINISTER FOR TRANSPORT

(Hon. C. H. Simpson—Midland) [5.37] in moving the second reading said: This Bill contains a single clear-cut issue, the control of prices for a further 12 months ending the 31st December, 1952. This control was brought into operation as a result of the abnormal conditions that existed throughout the Commonwealth, and were the consequences of the war that not only devastated many countries but dislocated the production of foodstuffs and essential materials throughout the world. It is much to be regretted that notwithstanding the efforts that have been made throughout Australia by all parties the upward trend in prices persists, and it appears that, in company with the Parliaments of the other States, we have no option but to endeavour to ensure that prices remain at genuine levels by continuing controls for a further 12 months.

During the past year the seven conferences of Prices Ministers and Commissioners which were held have enabled the maximum amount of uniformity of action to be achieved so that the principle of co-ordination between the States could be maintained. This was seen particularly in the case of those subjects which had a major bearing on the Australian economy, and were considerably affected by overseas markets. Although in many instances manufacturers' and distributors' percentage margins have been reduced, the upward surge of prices has not been halted. This upward trend is due to many causes, the principal of which are—

- (a) the effect of wage increases during the twelve months to the 30th June, 1951, particularly the adjustment of £1 per week granted on the 18th December, 1950, which was in addition to the usual quarterly variation;
- (b) the steep increase in the price of wool;
- (c) the impact which high overseas prices have had on the home consumption price of many of our export goods; and
- (d) the effect on our primary and secondary industries of high overseas prices of many commodities imported into Australia.

The margins allowed on the sale of many commodities were reduced as the cost into store increased, the principle being followed at all times of the ability of the industry to absorb some of the increased costs. During the 12 months ended the 30th June, 1951, the cost of foodstuffs and groceries increased by 27 per cent. compared with the increase of 23 per cent. for the previous 21 months. The comparative rises for the same period were 26 per cent. and 26.5 per cent. for clothing

and 19 per cent., and 10 per cent. for miscellaneous items included in the "C" series index. All items included in the "C" series, including rents, increased by 24 per cent. for the 12 months ended the 30th June, 1951, compared with 18 per cent. for the previous 21 months.

It will be appreciated what a serious effect on the cost of living the impact of the increase of £1 a week in the basic wage has had. Furthermore, it is of interest to note the percentage increase in the Perth metropolitan area compared with other capital cities for the 12 months ended the 30th June, 1951. Foodstuffs and grocery prices in Perth during this period increased by 27.3 per cent. compared with an Australian metropolitan average of 31.9 per cent. The only cities with a lower increase than that of Perth were Hobart, 26.6 per cent., and Brisbane, 22.2 per cent. The clothing cost increases in Perth of 26.3 per cent. was little below the Australian average of 27.2 per cent.

It is rather topical to note that rents increased in Perth by 18.1 per cent. compared with an Australian metropolitan average of 2.2 per cent., the increases in other cities—with the exception of Hobart, 11.8 per cent.—being infinitesimal. The main reason for this large increase was, of course, the increase of 20 per cent. allowed by last year's amendment to the Increase of Rent (War Restrictions) Act. It must be borne in mind, however, that no prior increase had been allowed in rents in this State since the beginning of the last war. Had it not been for the rent increase, the rise in prices of items included in the "C" index series would have been less in Western Australia than the Australian average. The "C" series index figures for the average six capital cities for the year, 1951, compared with those for Western Australia, are as follows:—

	Six Capital Cities.	Western Australia.
Foodstuffs and Groceries	1,925	1,904
Clothing	2,746	2,736
Miscellaneous	1,641	1,592
Rent	1,007	1,062
"C" Series—All items	1,833	1,827

Building costs increased to a lesser extent in this State during the year ended the 30th June, 1951, than in any other State, the relevant increases being—

	Per cent.
Perth	21½
Sydney	22½
Melbourne	25½
Brisbane	23
Adelaide	23
Hobart	29

This is an Australian average of 23 per cent. or 1½ per cent. higher than the rise in Western Australia. This position has

been achieved notwithstanding the fact that large quantities of essential building materials such as baths, sinks, basins and builders' hardware, have to be imported from the Eastern States and oversea. Cost increases that placed this State at a disadvantage compared with other States were those applied to interstate sea freights, which were increased on four occasions since the 1st July, 1950, these increases ranging from 30 to 32 per cent. These increases affected this State's economy in a greater degree than that of other States owing to the large quantities of manufactured goods imported into Western Australia from the Eastern States.

Owing to the acute position regarding meat supplies during the late autumn and winter months of 1950, the Government decided to place in reserve frozen beef and mutton. During the flush period of 1950, 98,000 carcasses of mutton and lamb were stored at the W.A. Meat Export Works. This resulted in a considerable easing of the supply position during the late autumn and winter months of 1951, when there was an acute shortage of fresh meat. The result was that price movement was kept to a minimum and it was not necessary to approve the large increases which were granted some time ago in some of the other States. The prices charged to the public in Western Australia were much below those of other States, particularly in Tasmania where no control existed and where the Government was caused a considerable amount of worry. As a result of the success of the Western Australian scheme, the Meat Federation has requested the other States to adopt similar methods.

Representations were made by the Prices Ministers to the Commonwealth Government with a view to having excise and sales tax reduced on a number of items in order to offset rising production costs, and to hold consumer prices at as low a level as possible. As a result of the representations, the excise on matches was reduced by 10 per cent. and a subsidy of £20,000,000 was provided with respect to wool.

Because of world stockpiling and the international situation, the world prices of some commodities have been fairly high, and the Prices Ministers have, with the assistance of the Commonwealth, been able to achieve for the Australian economy a lower price in a number of instances. In determining these prices, a reasonable reward to the industry concerned has been given, based, of course, on the cost of production. For instance, the oversea price of tin is now £A1.128 per ton, the fixed price being £A1,000. In regard to other minerals the oversea price of lead is £A226 against an Australian price of £65 per ton. The zinc price oversea is £A238 while the Australian price is £65. Representations regarding other goods are still the subject of negotiation.

For the 14 months' period ended the 31st July, 1950, the complaints dealt with by the Prices Branch totalled 492, or an average of 35 per month, while for the 14 months ended in August, 1951, they had fallen to 334 or an average of 24 a month, this being an appreciable decrease. During the year a special section was established solely for the purpose of inspecting and checking prices. This had resulted in an increase in the volume of checking, the number of checks for the period ended the 31st July, 1950, being 9,123, whilst for the following 12 months they increased by 925 to 10,051.

The checks were taken over the prices charged by manufacturers, wholesalers and retailers in both metropolitan and country areas. During the 12 months under review 84 prosecutions took place in respect of 312 charges, while there are 28 prosecutions pending in respect of 125 charges. I commend the Bill to the House as there appears no doubt that for the time being legislative authority to control prices must be maintained. I move—

That the Bill be now read a second time.

HON. H. K. WATSON (Metropolitan) [5.49]: The Minister mentioned, in introducing the Bill, that it dealt with a very clear-cut issue. That is my complaint. It is a little bit too clear-cut. The measure is confined merely to the question of whether the Prices Control Act shall be continued for another 12 months or not. As I see it, the measure does not afford the House an opportunity to amend it in any manner that members may feel disposed to do, having regard to the price control policy as practised in Western Australia and having in mind, too, the amendments embodied in that policy which, to very many people, appear to be desirable. We find that necessities are becoming more and more in short supply, and I cannot help feeling that one of the reasons for the shortage is the fixed price control which makes the production of those commodities so unprofitable as to cause the manufacturers concerned to turn their attention to luxury lines—

Hon. Sir Charles Latham: Which are not controlled.

Hon. H. K. WATSON: That is so, and which therefore bring in more profit. The time has arrived when this House should have an opportunity to say whether some of the items at any rate should or should not be controlled. I may mention meat, bricks, bespoke tailoring and dry cleaning and there must be many others in respect of which it would be in the interests, not only of the manufacturers, but also of the consumers and the general community, to have the price control lifted.

I doubt whether at the moment we have an opportunity of amending the Bill to deal with these matters, but I respectfully urge the Minister to consider the four

items I have mentioned, as well as any other items that members may submit to him, with a view to declaring that they shall be exempt. We have given the Prices Minister and the Prices Commissioner—it really means the Prices Commissioner—authority to control prices in every direction, but the time has arrived when, if this legislation is to be continued, Parliament should have some say in the matter. In the absence of any opportunity to consider these items, the obvious course would be to move an amendment, "That the Bill be read a second time this day six months"—

Hon. G. Fraser: Not again!

Hon. H. K. WATSON:—but, having regard to the susceptibilities of Mr. Fraser and Mr. Parker, I refrain from doing so at this stage, though I give them fair warning that I may take that course on the third reading.

HON. L. CRAIG (South-West) [5.53]: In my speech on the Address-in-reply, I devoted a little time to considering the effect of price control on the economy of Australia. Now we have before us a measure for the continuance of price control and I regret that we must agree to some form of price control. Admittedly it would not be wise to release control over all prices at this stage because there would be some bad repercussions. What I would urge the Government to do is to insist upon the Prices Commissioner studying the effect of price control on the economy of Australia. I consider that the effect is disastrous. Let us take one of our export industries. The home consumption price for wheat, I admit, was granted at the request of the wheatgrowers.

Hon. Sir Charles Latham: Not at their request. They were asked by the Commonwealth Government to agree to it.

Hon. L. CRAIG: It was at the request of the wheatgrowers.

Hon. Sir Charles Latham: No, they agreed to it when asked by the Commonwealth Government.

Hon. L. CRAIG: We shall not argue over that. At the time, the home consumption price for wheat was lower than the export price, but the fixing of the home consumption price has cost the wheatgrowers in the last three years no less than £15,000,000.

Hon. N. E. Baxter: What has that to do with price-fixing?

Hon. L. CRAIG: Quite a lot, because of the effect it is having on the growing of wheat. The population of Australia has increased greatly and the consumption of wheat in Australia is increasing tremendously, and therefore a greater quantity of wheat is required for home consumption. The acreage under wheat in one State alone has dropped by 2,000,000 acres.

Hon. Sir Charles Latham: That is New South Wales.

Hon. L. CRAIG: This means that the surplus production for export is lower because the quantity required for home consumption is greater than ever. The return from exports is being reduced, and therefore the grower is getting an average price that is diminishing every year.

Hon. E. H. Gray: The growers themselves could remedy that by planting more wheat.

Hon. L. CRAIG: The hon. member has taken hook, line and sinker and almost swallowed my hand in the process. What has happened? Growers, by going out of wheat, are producing other commodities that are not controlled. There is no home consumption price for wool, and woolgrowers are receiving the high export prices for every pound of wool they produce. So there is an inducement for growers of wheat and other commodities to go out of them and take up the production of commodities that are not controlled. This, I repeat, is having a very disastrous effect on the economy of Australia as a whole.

The reduced production of essential commodities in favour of commodities that are not controlled is a problem that is well worth the study of the Prices Commissioners. It is not sound policy to save consumers 1d. or 2d. per lb. on commodities if this, in turn, is costing the taxpayers and the growers millions of pounds, and that is what is happening.

Hon. H. K. Watson: And the result ultimately must be for essential commodities to become unprocurable.

Hon. L. CRAIG: There is plenty of evidence to show that when a commodity becomes unpopular, people will not pro-

duce it. We may talk about the obligations of good citizenship and patriotism and doing the right thing by the country but, if an industry does not pay, people will not produce in that industry; they will enter another avenue that is profitable. That is only human nature.

Hon. H. K. Watson: It is commonsense.

Hon. Sir Charles Latham: That is what the worker does.

Hon. L. CRAIG: How many workers will continue in a job at £8 a week if they can get £12? In this respect, tradesmen, farmers and manufacturers are alike. Some people are leaving the dairying industry and taking up woolgrowing in districts not suitable for that industry. Why are they doing so? The sole reason is that wool is profitable.

Hon. E. H. Gray: The present high prices may not last.

Hon. L. CRAIG: But it is human nature not to produce a commodity, the price for which is kept down by price control, if a more profitable avenue of production is offering. A shopkeeper does not stock an unprofitable line; he sticks to lines that will return him a profit. Mr. Watson has pointed out how manufacturers are changing over from essential lines to luxury lines because the luxury lines are not under price control. I think it would be well worth while for the Prices Commissioners to make a very close study of the position from the point of view, not only of keeping prices down, but also of the effect this policy is having on the community as a whole and the economy of Australia.

On motion by Hon. N. E. Baxter, debate adjourned.

House adjourned at 6.0 p.m.