

# Legislative Council

Wednesday, 23 March 1983

The PRESIDENT (the Hon. Clive Griffiths) took the Chair at 10.30 a.m., and read prayers.

## STANDING ORDERS

### *Suspension*

**THE HON. D. K. DANS** (South Metropolitan—Leader of the House) [10.48 a.m.]: I move—

That:

- (a) Standing Orders 15 and 16 and any Standing Order that would otherwise prevent the consideration and passing in one sitting of any Bill, transmitted by message from the Legislative Assembly, be suspended;
- (b) The provisions of paragraph (a) shall cease to have effect on 21 May 1983.

Question put and passed.

## DEPUTY CHAIRMEN OF COMMITTEES

### *Election*

**THE HON. D. K. DANS** (South Metropolitan—Leader of the House) [10.50 a.m.]: I move—

That the Hons. Robert Hetherington, I. G. Pratt and R. J. L. Williams, be Deputy Chairmen of Committees.

Question put and passed.

## COMMITTEES FOR THE SESSION

### *Election*

The following sessional committees were elected, on motions by the Hon. D. K. Dans (Leader of the House)—

- (a) Standing Orders Committee—The Hons. Robert Hetherington, I. G. Pratt and R. J. L. Williams.
- (b) Library Committee—The Hons. Robert Hetherington and P. G. Pandal.
- (c) House Committee—The Hons. Lyla Elliott, Robert Hetherington, A. A. Lewis and R. J. L. Williams.
- (d) Printing Committee—The Hons. H. W. Gayfer and Fred McKenzie.

## GOVERNMENT AGENCIES: STANDING COMMITTEE

### *Appointment*

On motion by the Hon. D. K. Dans (Leader of the House), resolved—

That a Government Agencies Committee be appointed comprising the Hons. N. E. Baxter, J. M. Berinson, Robert Hetherington, N. F. Moore, P. G. Pandal and R. J. L. Williams.

*Sitting suspended from 10.53 to 11.05 a.m.*

## PARLIAMENTARY SUPERANNUATION FUND

### *Appointment of Trustees*

**THE HON. D. K. DANS** (South Metropolitan—Leader of the House) [11.05 a.m.]: I seek leave to amend motion No. 8 standing in my name by deleting the name "the Hon. Garry Kelly" and substituting the name "the Hon. V. J. Ferry".

Leave granted.

On motion by the Hon. D. K. Dans (Leader of the House), resolved—

That in accordance with the provisions of the Parliamentary Superannuation Act 1970-1980, the Legislative Council hereby appoints the Hons. J. M. Brown and V. J. Ferry to be Trustees of the Parliamentary Superannuation Fund.

## PREVENTION OF EXCESSIVE PRICES BILL

### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by the Hon. D. K. Dans (Leader of the House), read a first time.

### *Second Reading*

**THE HON. D. K. DANS** (South Metropolitan—Leader of the House) [11.07 a.m.]: I move—

That the Bill be now read a second time.

This Bill is introduced in accordance with the Government's undertaking, prior to the election, to recall Parliament for the purposes of introducing excessive prices legislation and to appoint the Commissioner for Consumer Affairs as a prices commissioner.

The Government is fulfilling its promise.

Debate on the Salaries and Wages Freeze Bill 1982 was deservedly critical of that legislation for its inadequacies, particularly in respect of those

provisions relating to prices, which were considered to be shallow and meagre. The Bill typified a Government that had no interest whatsoever in protecting the average Western Australian family.

That legislation indicated the former Government's exclusive preoccupation with wage rates. It was inadequate and failed to deal sufficiently with a serious problem because it was a lopsided freeze. It failed to recognise that a wages freeze would not work without some form of prices control.

This Government intends, through this Bill now before the House, to have regard to the effect of what a wages freeze does to the community and to redress that imbalance which the Salaries and Wages Freeze Act imposed.

As I have mentioned, the provisions contained in the Salaries and Wages Act 1982 in relation to the monitoring of prices are inadequate and do nothing to prevent undue and excessive increases in the prices or rates of goods and services. The former Government was like a fireman watching a fire get out of control without doing anything about it.

This Government however, is concerned to ensure that members of the public are not, in times such as this, to be the subject of excessive or undue increases in the prices of goods or services.

This legislation does not stand for rigid price control. Its direction and aim is clearly spelt out in the legislation itself. Its purpose is to prevent excessive prices being charged for the sale of goods or supply of services and in particular to those goods and services which may be regarded as being essential to the welfare of the community. The intention of this legislation cannot then be called into question.

The administration of this legislation must be directed to this aim and to give clarity and certainty to this intention those involved in the administration of this Act can have cognizance of the words of the High Court of Australia in the Bread Manufacturers of New South Wales case. In that case the word "undue" was considered. The court gave a meaning for that word as including "excessive". What might be regarded as "excessive" required consideration not just of the economic considerations of the manufacturer or retailer but also of the interests of consumers and the community in general.

This legislation requires the commissioner therefore, to act in a balanced way to determine what is just and right in fixing any price. This obligation is cast not only upon the commissioner and his officers but also upon the Minister who

must act in the public interest. The framework of the legislation contemplates three ways in which Government seeks to achieve its objective—

Firstly, it seeks to appoint a prices commissioner whose responsibility will be to monitor prices for goods and services not merely in the circumscribed fashion of the Salaries and Wages Freeze Act limiting that inquiry to those items forming part of the Consumer Price Index group, but a more comprehensive monitoring function to observe and to report on such trends in pricing and, in particular, to report annually to the Parliament on the administration of the Act.

Secondly, goods and services might be declared. Manufacturers or sellers of declared goods or services may generally or by class or by individual identification be obliged to provide to the prices commissioner notice of any proposed increase in prices 14 working days prior to the proposal taking effect.

This provision will complement the monitoring function and such a seller, supplier or manufacturer will be required to set out in this notification the detailed reasons for the proposed increase including justification for its setting out the method and principles in accordance with which the manufacturer, seller or supplier has arrived at that cost and at the proposed increase in the price of the declared goods or the rate of the declared services.

Thirdly, the prices commissioner might fix prices or rates in respect of goods and services. This might occur in respect of declared goods, particularly where a proposal to increase was not justified.

The prices commissioner will have power to fix prices and rates for goods and services extending to goods and services even though other legislation might already provide for a price fixing mechanism.

In such instances the commissioner's powers would prevail but he would be required to have regard to any determination made under any other Act or law. It would be open by way of regulation for the objects of the Act to be implemented on behalf or at the direction of the commissioner by a person empowered to fix prices or rates under other legislation.

Under the provisions of the Act the commissioner will be entitled to fix maximum prices or maximum rates differentially according to differences in quantity, quality, volume of description of the goods sold or services supplied and by

reference to different forms or modes or stages of supply.

It therefore means that the commissioner will be entitled to fix prices not only in the retail but also in the wholesale area. It will be possible for the commissioner to set prices for different parts of the State or the whole State or differentially for different parts of the State.

It will be possible, for example, for the commissioner to set maximum prices in relation to landed cost, for cash, delivery or otherwise or according to a principle determined by the commissioner or relative to standards of measurement or weight or capacity. Such orders will be published in the *Government Gazette* taking effect normally from publication and are capable of being amended, varied or revoked.

The commissioner will be required to provide the Minister with a copy of the proposed draft order and within seven days the Minister may in the public interest direct the commissioner to refrain from publishing the order.

This would have the effect of requiring the commissioner to reconsider the matter if the Minister believed there was a matter which the commissioner may not have taken fully into account or if further matters needed to be considered. Alternatively, the Minister might indicate within the seven day period that he does not propose to give the commissioner any direction in relation to the order.

Other than this power the Minister shall not be entitled to direct the commissioner to fix a maximum price or rate. In certain circumstances where the Minister requests the commissioner to further consider matters which are dealt with by existing orders he may suspend the operation of the order for a period specified in the notice which will be published in the *Government Gazette* during which time the rate or maximum price will be that immediately prior to the coming into effect of the order suspended.

This Bill provides for the establishment of prices advisory committees to assist the commissioner and the Minister. Such committees may be more than one in number and will consist of a chairman, equal numbers of trade and consumer representatives and such other persons as the Minister might nominate for appointment.

These committees will be for the purpose of giving advice to the Minister or the commissioner on the exercise of their powers and in particular whether goods or services should be declared and whether the commissioner should exercise his powers to fix a price for goods and services.

The commissioner will be given extensive powers of inquiry and investigation and to seek advice as is necessary for determining matters relating to the fixing and monitoring of prices for goods and services. He will indicate his inquiries by notice in a newspaper circulating throughout the State for the purpose of enabling persons to submit representations to him.

He will be required to take into account representations made to him either orally or in documentary form by persons having a substantial interest in the subject matter or by bodies which in his opinion represent a substantial number of persons having such an interest.

He may determine the procedure he may use in investigations and may determine the extent to which such inquiries may be in public and the extent to which persons might be represented by counsel or otherwise. It is important that the commissioner be in full possession of all relevant information and hear the views of parties likely to be affected by any proposed order.

The legislation has been drafted to give effect to this desire. It is not intended therefore to act unless the sometime competing interests of traders and consumers are taken into account.

Further, the commissioner and his authorised officers will have substantial powers to obtain information in connection with the subject matter of their inquiries or investigations. In particular the commissioner may require the production of documents relating to such inquiries and to make copies of them.

In addition, there will be an opportunity for the commissioner upon obtaining a warrant to enter premises for the purposes of taking samples of goods or stocks and inspecting services carried on there.

A person who fails to respond to the commissioner's requests for information will be liable to a penalty as will a person who obstructs the commissioner or his authorised officers in carrying out their duties. In particular the commissioner may require returns to be provided to him in relation to goods and services specifying particular information which is to be furnished.

A significant aspect of the legislation is its enforcement. There will be a penalty for selling or providing goods at higher than the maximum fixed price. A penalty of \$5 000 in the case of corporations and \$2 000 in the case of individuals has been set. There are provisions which create offences with similar penalties where attempts are made to circumvent the provisions of the legislation by the delivery of goods less in quantity or inferior in quality to those which are sold.

In addition, where schemes are developed which are intended to circumvent the provisions of the legislation, it will be possible for the commissioner to prohibit such transactions by notification in the *Government Gazette* of the scheme which he intends to prohibit.

Where goods are controlled and prices are fixed it will be an offence to sell those goods with other goods without separately specifying the price of those controlled goods or services.

Penalties will be imposed and offences created where there is a refusal to sell goods at fixed prices or services are refused to be supplied at the fixed rate or a person refuses to sell or supply goods which are the subject of control unless other goods or services are also purchased.

One further matter warranting attention is how this legislation will aid consumers who are charged excessive prices. A particular provision entitles a court, in which any proceedings in respect of which an offence against the Act are heard, if satisfied that goods which are controlled have been sold in excess of the maximum price or rate fixed under the Act, in addition to imposing a penalty, may order the defendant to refund to the person the difference between the maximum price or rate and the price or rate actually paid by the person.

This legislation will cease to have effect on 31 December 1983, or on a day specified in a resolution passed by both Houses of Parliament.

Members will note that a complementary Bill is to follow to give effect to consequential amendments to the Consumer Affairs Act and the Salaries and Wages Freeze Act.

I commend the Bill to the House.

**THE HON. I. G. MEDCALF** (Metropolitan—Leader of the Opposition) [11.19 a.m.]: This Bill has been put forward by the Government following comments which were first heard in public during the debate on the wages freeze legislation in December last year.

Last year the Government brought in wages pause legislation and at that time it was made clear by the then Leader of the Opposition—now the Premier—that a wages freeze must be coupled with a prices freeze. Certainly he said for the duration of any wages freeze there should be some kind of prices freeze. He made this clear publicly on a number of occasions. One particular reference to this was published in the *Daily News* on 11 January 1983 and was headed “Burke: How we’d do it”, and I quote as follows—

Labor today pledged to take immediate action to restrain prices if it wins power on February 19.

The article continues—

Labor would, if elected, immediately recall State Parliament to take action on prices for the duration of the wage freeze. (The WA government has, in the public sector, imposed a 12 months freeze, with a review after six months. It is asking the Industrial Commission to impose similar conditions in the private sector.)

Mr Burke said Labor would amend the O'Connor government's wage freeze legislation, put through Parliament last month. It would insert amendments proposed, but rejected, during that sitting.

What Mr Burke was saying was that amendments would be put through the Parliament in the form of legislation early in the current session. This is what is happening. The Parliament is being asked to put through certain changes but what Mr Burke has said is that this legislation would be in the form of amendments which were proposed last year by the then Opposition in the Legislative Assembly. He was referring to the amendments put forward to the wages freeze legislation. Those comments made by Mr Burke bear little resemblance to the Bill before the House. The Bill comprises a number of matters which have no connection whatsoever with the amendments which were proposed to the wages freeze legislation.

In other words, the Bill which we are now asked to contemplate and put into legislation is a different kettle of fish altogether. The reality of this legislation is that we are to have general prices control over all goods and services, including rents and possibly interest rates—I will be interested if the Government is able to tell me whether interest rates are included—and possibly the rates of local authorities—I will be interested also to hear whether local authorities' rates and charges are included in this legislation. Possibly other items are included but I hesitate to mention them because they may be too numerous. The Government may make a statement with regard to which items are included.

The Hon. Peter Dowding: Do you think they might be excessive?

The Hon. I. G. MEDCALF: On examination of the Bill which was given to us last week we found that no time limit had been included. However, it appears from the Bill before us that a time limit has been inserted.

The Hon. Peter Dowding: Does it take the wind out of your sails?

The Hon. I. G. MEDCALF: I have mentioned to the Leader of the House that the Opposition members will be asking him to give them the opportunity to examine some of the amendments during the course of this debate because they have not yet had that opportunity as the amendments have only just come before the House. It appears a time limit, or sunset clause, has been included in this legislation by the other place and this time limit does appear to coincide with that in the wages freeze legislation. This is something we will inquire into.

I would like to make some general observations on prices control in the broad sense, as distinct from this Bill. We had prices control during the war and just after the war.

The Hon. Peter Dowding: That was not prices control—don't be silly!

The Hon. I. G. MEDCALF: Mr President, I am addressing you. We had prices control during the war and after the war and there was some justification for it. That justification was the shortages of goods and manpower and the need to redirect manufacturing, manpower, and the whole economy into war channels.

Indeed, that was one of the reasons for prices control at that time and it was successfully used to redirect the economy. It was acceptable because of the other sacrifices being made at that time. I do not believe that we have a similar situation today. We certainly do not have shortages of goods—there is an abundance of goods. We do not have a shortage of manpower. Indeed, one of the complaints we have today is that we have unemployment. With relation to the redirection of the economy we are not concerned with redirecting it into war channels. However, are we concerned about redirecting it into other channels? I do not think so. I think the economy should be allowed to find its own channels, within limitations, and that does not mean we should deliberately redirect it.

The side effects of prices control during the war were not all good and, indeed, some were very bad. One of the first side effects was that there was no competition. No-one was able, and no-one wanted, to enter the field.

Secondly, there was a black market which developed quickly. Everyone has heard of the phrase "under the counter" and from where it originated. When a person tried to buy certain goods he was told they were not available. However, they were available from under the counter, on the shelf, or in another room. It is inevitable that black markets will develop when the economy is

overrestricted. That occurred during the war in practically every economy one could name.

A serious disadvantage that occurred was the growth in bureaucracy. It was astonishing to note the number of people who were involved as officers in the bureaucracy that carried out prices control exercised over rents and land sales.

Another very notable disadvantage was that, rather like maximum speed limits, maximum prices became the norm. We all know when motorists are travelling along a highway and observe the maximum speed signposted that it is a temptation to many of them to travel at that maximum speed. That is exactly the same as the temptation to sell goods at the maximum price, and those who might otherwise have sold the goods for less will instead feel they are able to charge the maximum price.

That is a disadvantage that occurs with prices control. Does any member consider the side effects have gone away and might not recur? If any member does, I believe he is seriously in error because there is no reason to believe that human nature is any different today from what it was 30 or more years ago.

About 10 years ago I had a discussion with a manager of a multi-national company. We were discussing prices control generally. He said, "We do not mind prices control; we have no objection to it at all. It establishes us in the market and nobody else can come in. Prices control restricts other people coming into our field. We have had it all over the world in different places. Competition will disappear and if and when prices control comes off we will be sitting in the box seat." I have no reason to doubt this fellow knew what he was talking about. It rather surprised me at the time that he should have said this, but I believe there was a lot of truth in the comments he made.

I believe prices control, by driving away competition, may well mean that certain people or companies who are already in business will stay in business and no-one else will get into that field. That is one serious disadvantage.

I refer now to the black market. We all know about some of the more flagrant cases and the abuses which occurred in rent control, for example. Landlords wanted key money. They got a payment by some other means. "Key money" was a phrase they used to indicate that if a person wanted to rent a place he had to pay something for the key. Sales of secondhand cars took place in which the car was sold for a certain price and the tyres sold separately, one by one. Many other abuses occurred in land sales control, for example,

although that is not the subject of this Bill. People found a way of getting around prices control.

Members may ask who were the people who did this. Were they crooks? That is a matter of opinion, but they included a tremendous number of ordinary members of the public, respectable people who considered it was reasonably legitimate. Some of these goings-on were sanctioned by the bureaucracy. In land sales control, for example, once the transfers had been stamped to show that the consideration did not exceed the price approved by the land sales controller, the controller said, "It is all right to pay the survey fees and the rates and taxes for the last year or two and compensate the vendor because we admit the price is low." That kind of decay of moral standards is likely to occur if controls are too strict in this area.

It goes without saying that a great number of inspectors will be needed if any changes are to be effected. The paperwork and documentation must increase even if one considers only the case of people applying for a price increase. They must make an application and support it with documentation as to the price they paid for the goods and the expected additional charges and costs. This will add extra costs to industry and business. Members might say that adding to the bureaucracy will assist in overcoming unemployment, but it will impose much heavier burdens on business, large and small.

The Hon. J. M. Berinson: It will depend on the way the Act is administered.

The Hon. I. G. MEDCALF: Prices control may have been successful in the short term in some places; I understand that it was successful for a few months in the United States. However, I do not know of any place where it has been successful in the long run.

What happens when prices control is lifted? Must there not be a rise in prices if fewer people in the industry are subject to prices control? What happens about interstate and overseas products which are not subject to prices control? No other State in Australia has this prices control legislation. Do we import goods from these States and overseas and accept the increased prices? No doubt the commissioner will be forced to justify the increased prices after he has gone through the paper work.

Prices control and its implementation raise many social problems, no matter how good and fine it sounds to say, "We want to keep the price of groceries and other products down." Of course we want to keep prices down, as we want to keep

interest rates down. It is socially necessary and desirable that we keep our economy stable.

The Hon. Peter Dowding: What did you do about it over the last nine years? Nothing! That is why the people tossed you out.

The PRESIDENT: Order!

The Hon. I. G. MEDCALF: The Hon. Peter Dowding will have an opportunity to make his own speech and I ask him to allow me to make mine.

Prices control would have certain attractions if one could fulfil the ideals it seems to express. But wherever prices control has been tried it has been found to be incapable of adequate fulfilment. It has never yet been able to measure up to its specifications. This Bill does not measure up to the specifications laid down by the Premier when he spoke about the wages freeze legislation. It is an entirely different Bill. These are not the amendments put forward in the Legislative Assembly. It is a new Bill, which when it came into the Legislative Assembly, was to last indefinitely. I am pleased to say its period of operation has now been limited.

I remind the Government of some of the incidental terms of this Bill which I feel are very objectionable. What are "excessive prices"? This is a value judgment; no attempt is made to define "excessive prices". They are the prices which the commissioner decides are excessive. He will fix the maximum price and in doing so make a decision as to what is excessive. That will apply not only to prices but also to rates or services.

I know that rates include rents because the Bill says so. I ask the Government whether interest is included in rates for services. Is the service a bank provides a remunerative or money-making enterprise? I refer also to local authority rates. I do not know whether it is intended they be included in this legislation; I am interested to know. What about the services a local authority performs such as rubbish removal, water supply, in some cases sewerage, and other services? Are these manifold services included in the definition of "rates" for "services"? It may be that the Government does not intend to include them in the definition. I would like to know that, and if that is not the Government's intention I would like an assurance that the definition of "rates" for "services" does not include local authority rates and charges.

This legislation supersedes all penalties under all other Acts in relation to the fixing of prices and rates. It overrides all other Acts and regulations in respect of the fixing of those prices and rates. In other words, it overrides a whole series of Acts which we have observed for many years. It

overrides the Dairy Industry Act, the Legal Practitioners Act, and the workers' compensation legislation. Wherever prices and rates are fixed in any Act, that is overridden to the extent that the commissioner fixes a maximum price or rate.

Where do Government charges stand? Are Government charges included in the legislation? Are some Government charges covered and some not covered, depending on whether the body is a corporation? I would be interested to hear the answer to that. Is it intended that State Energy Commission charges will be included, as it is a corporation? What about some other Government body that is not a corporation? Is that included? I will be glad to hear the answer to that. I would like to know, if it is not intended to include those charges, what part of the proposed Act provides for that. It would be invidious if we had some Government charges included, and some not, depending on the status of the Government body. There may be an easy answer to this, and no doubt the Leader of the Government will supply that answer.

Under clause 4, the commissioner's orders can override Acts of Parliament. The commissioner has a complete discretion as to how he makes the calculations on fixing prices. He is not bound by any rules. How does he make the calculations? He decides that.

The commissioner's orders will be unappealable. He could make a decision as to how he would calculate an increase in rates or prices, and the party would have no right of appeal. No-one can appeal against the decisions of the commissioner. Once the commissioner has made his order, he could override the decisions made by other tribunals, including judges, magistrates, workers' compensation tribunals, and the Transport Commission. He would have the power to do all of that, as I understand the Bill. I may be corrected; I may be told that is not so.

The Hon. J. M. Berinson: Only if that area is declared, of course.

The Hon. I. G. MEDCALF: Indeed, it has to be declared. The Hon. Joe Berinson may tell me that is not so, and that the commissioner will not have the power; but I believe he will. It will be found that the commissioner has an extraordinarily wide discretion. No doubt the Government has provided that deliberately; it would not have done so accidentally. The Government wishes to give to the commissioner an enormous power to override all existing tribunals.

The Hon. J. M. Berinson: It is not an unrestrained power, because he is subject at all times to the Minister.

The Hon. P. G. Pental: That is a big restraint!

The Hon. Peter Dowding: That shows how stupid you are.

The Hon. I. G. MEDCALF: I am glad the honourable member has mentioned the Minister, because I have not yet come to him.

The Hon. D. K. Dans: You will get there. Keep trying.

The Hon. I. G. MEDCALF: The Minister has the most extraordinary powers. I am sure that in due course Mr Berinson will tell me who will restrain the Minister.

The Hon. Tom Stephens: Haven't you heard of the Westminster system?

The Hon. I. G. MEDCALF: The Minister will have the power to declare all goods or services. Who will restrain him? It would be great to know who will restrain the Minister.

The Hon. Peter Dowding: The same people who chucked you out of office and will continue to keep us in office.

The Hon. Garry Kelly: It is the electorate.

The Hon. I. G. MEDCALF: It is unpleasant for me to have to try to shout down a member who is trying to shout me down.

The Hon. P. H. Lockyer: A Minister, too.

The Hon. I. G. MEDCALF: I do not do so with any great pleasure. Indeed, I am sorry I have to do so; but I do not know how else one can bring home to some people that they have no right to interject in the middle of another member's speech.

Under the Bill, the Minister will be given dangerous powers. He could direct prosecutions and stop prosecutions. He could say, "Prosecute that company or that firm"; and he could say, "No, don't prosecute that one, prosecute the other one." Is not that a dangerous power?

The Hon. D. K. Dans: But many Ministers have that power.

The Hon. I. G. MEDCALF: No, they do not.

The Hon. Peter Dowding: Of course they do. You know that. Don't pull that one.

The Hon. I. G. MEDCALF: Not many Ministers have such a power. Indeed, the Attorney General traditionally has this power, but that is because he acts, when he exercises that power, in accordance with an administrative or judicial function, and he does it on advice.

The people who supply services have to supply those services even if there is a customary or physical reason that they should not. I understand an amendment was made in another place which

may have some bearing on the comment I just made. I will be glad to study the amendment and see whether it has that effect. However, as I understand it, the people who supply services must supply them, even if there is a custom within their profession or trade which would entitle them to say, "Look, we don't supply services in this case." For example, a doctor might say, "I don't operate on members of my family." What will the Government say when the doctor is told he has to do that? What about the lawyer who has a conflict of interest? It may be that the amendment made in another place cures this problem, so I will not pass a final judgment on that until I have seen the amendment.

The regulations which may be made under this proposed Act can override the secrecy provisions of other legislation. I would like to know whether they will. That would be an interesting answer to hear. I could not quite make up my mind about this; but if the regulations override the secrecy provisions of other legislation, I would be very concerned.

The regulations may provide also for other authorities to carry out the directions of the commissioner. I do not know whether it is intended that the commissioner will order one of the judges to carry out his instructions. I would hope not.

The Hon. D. K. Dans: Hardly.

The Hon. I. G. MEDCALF: I believe the Bill may well give him that power, and I can foresee problems. I am sure other members can, too.

Another provision in the Bill takes away the traditional protection that a person need not incriminate himself. He may be required to supply any information for which the commissioner asks.

The Hon. Peter Dowding: What about the amendments to the Police Act last year?

The Hon. I. G. MEDCALF: This is bad.

The Hon. Tom Stephens: Hypocrisy is bad, too.

The Hon. I. G. MEDCALF: It is wrong that a person could be forced to convict himself out of his own mouth.

The Hon. Peter Dowding: We have not heard you saying that before today, have we? Have you really forgotten what happened last year?

The Hon. P. H. Lockyer: Shut up, Dowding.

Several members interjected.

The PRESIDENT: I ask the Minister to cease his interjections, and I ask that the other honourable members cease also.

The Hon. I. G. MEDCALF: A person who is being investigated by the commissioner for prices, or the Commissioner for Consumer Affairs,

whichever he is, should not be required to convict himself out of his own mouth. However, we have a provision that he must answer questions asked of him. One of those questions might be, "What is the secret formula that you are using?" It is an offence to change the formula or recipe of a product.

Therefore, the obvious question for the commissioner to ask is, "What is your formula?" What would happen if the commissioner is told that the formula is a secret? How does that person then overcome the problem which arises because he is compelled to answer any questions asked or supply any information required by the commissioner? The person involved might not use the argument that that information would incriminate him. However, he might say, "That is a trade secret. Why should I tell you that? I am under an obligation to the inventor." He might say, "I would be in breach of a law in another part of the world if I revealed this information" or alternatively he could say, "I will lose my franchise or agency."

What happens then? As I read the Bill, that person must reveal the information if he is asked the question. If the commissioner asks what is his formula, the answer must be supplied.

I hope the commissioner does the decent thing and does not ask for the formula, because it would be rather embarrassing. As far as the person incriminating himself is concerned, this clause contains a provision which refers to section 11 of the Evidence Act. However, I doubt whether that provision is sufficient and it certainly will not protect such a person from an inquiry by the commissioner. I remind the Leader of the House that section 11 of the Evidence Act would give that person only half the protection necessary.

The Bill does not contain a right of appeal against the decision of the commissioner or Minister. Indeed, this legislation is seriously defective in that it contains no right of appeal. An arbitrary decision may be made by those people. The commissioner does not have to have any qualifications even in a case in which he overrules a judge. In fact, he has extraordinary powers.

I shall ask the Leader of the House a number of relevant questions, because it is important the Government's intention in regard to the Bill be made known. I shall put the questions to the Leader of the House and ask him to do his best to answer them. They are: How much will it cost to administer this legislation? Has an estimate of costs been made for a full year? How many extra employees will be involved? Will they all be located in Perth or elsewhere? Is the Government



likely to declare any of its own services? What is the position in regard to local authorities? Will shire councillors and officers of the shire have a personal liability under clause 29? Will they be personally liable, as are directors and officers of companies? Are any trade unions included in the legislation? Trade unions provide certain services to their members and I do not believe it is the Government's intention that they be included; but have they been included by accident? Does the Government appreciate that one of the incidental effects of this legislation may well be to drive the specials out of the supermarkets, because everybody will sell goods at the maximum price? How many advisory committees is it proposed be established?

The Hon. H. W. Gayfer: Under this legislation those committees could last for three years because there is no sunset clause.

The Hon. I. G. MEDCALF: The period of membership of such a committee is three years. It may be the Government will move an amendment in that regard, because it is possible that, in the rush to get the legislation through the Legislative Assembly, this matter was overlooked.

Will prices be fixed independently for groceries sold in the corner shop and the supermarket in the same suburb? Will there be differential prices in the city and the country for the same goods? Will there be differential prices between various supermarkets where the overheads are less in some cases and greater in others?

For example, three supermarkets are located in the area in which I reside. We have Charlie Carters in Stirling Highway, Nedlands and supermarkets in Claremont and Cottesloe. Some of those supermarkets are more efficient than others. One may have a 10 per cent mark-up while the other two may have 15 per cent and 20 per cent mark-ups. Where is it intended the maximum should be fixed? Will it be fixed at 20 per cent, 15 per cent, or 10 per cent? If the maximum is fixed at 10 per cent, what happens to the supermarket with the higher overheads? If the maximum is fixed at 20 per cent, this is very good for the supermarket which can sell its goods more cheaply.

These are the kinds of practical questions which should be answered. These are the questions which have resulted in the failure of previous attempts at price control. I pose the questions, although I do not believe the Leader of the House will be able to provide me with the answers. However, I ask the questions and indicate they contain issues which should be of concern to the Government when it introduces legislation of this type.

The Government must be concerned with these questions, because they contain the practical aspects of implementation. As I said earlier, it is in respect of implementation that prices control, no matter how idealistic, has fallen down in the past. The commissioner, the Minister, and the Government will have to think about these matters.

It would not really be proper for me to ask the Leader of the House some of the further questions I have here, because I know he could not answer them.

The Hon. D. K. Dans: Don't be constrained.

The Hon. I. G. MEDCALF: In that case I shall ask them.

The Hon. J. M. Berinson: You just said it would be improper to do so.

The Hon. I. G. MEDCALF: Mr Dans has invited me to do so. If members like, I shall answer the questions as well as ask them.

What is the proposed list of goods and services that are to be controlled? If it is proposed to control only a small number of items—I can see that is the answer on Mr Berinson's lips—then why do we have a blanket control of this nature which represents all-embracing, encyclopaedic control of all goods and services?

The Hon. Lyla Elliott: Why did you impose a blanket control on wages and salaries?

The Hon. I. G. MEDCALF: I am addressing my questions to the Leader of the House.

The Hon. Peter Dowding: The Leader of the Opposition will not answer that.

The Hon. I. G. MEDCALF: How will the commissioner calculate what is a reasonable profit? Is there a formula of reasonable profit which the commissioner will use? What formula will the commissioner use when dealing with rent control? Will he take into account the capital cost of the premises and the fact that somebody might have paid too much for the building and could in fact have obtained it for a lesser sum? Will the commissioner take into account a Public Works Department valuation when he fixes the percentage? Will he take into account whether the owner maintains the premises in good condition or whether they are run down as a result of the control imposed?

The Bill does not contain any guidelines and I can understand why that is the case. It is left to the discretion of the commissioner to decide what will be the criteria. The public are entitled to answers to these questions and, in particular, the business community should be informed of the position, because it has to survive and prosper, a philosophy the Government has said it supports.

The business community is entitled to receive answers to these questions.

This is the first piece of legislation introduced by the Government. Under this Bill the Government, if it so desires, could attempt to redirect the economy under the guise of prices control. The legislation will ensure standardisation and reduce competition. In the long term, it will not work. The legislation will not stop price rises, but rather it will enable them to be justified under a system of reduced competition.

Housewives are being deluded if they are encouraged to think that prices will drop as a result of this legislation.

The Hon. D. K. Dans: We have never claimed that.

The Hon. I. G. MEDCALF: Prices control will not work in times of abundant supplies of goods. While this Bill was in train, some Ministers were travelling overseas attempting to attract industry to this State. I wonder if those Ministers told people overseas about this Bill and said to them, "We have a wonderful, new Bill. If you bring your industry to Western Australia, it will operate in a climate where marvellous new legislation for prices control is in force." I wonder whether the Ministers told those people about this legislation.

The evils that the Government alleges it will cure by this legislation will not come to an end. The Government will find it cannot overcome the problems of increasing prices and the problems of the implementation of this kind of legislation merely by introducing and passing a Bill. It is a well known illusion that Governments can cure this sort of thing by legislation. We simply cut off one of the heads of the many-headed Hydra only to have another head spring up in its place.

The Government will live with this illusion. It will find that the draconian measure it proposes will not work. If the Government persists in proceeding with this legislation in its present form, it will have to face the consequences.

We believe the Bill is wrong in principle and will not do what it is expected to do. The Government says that this is what the public wants. We do not believe the public will want it when they have had the opportunity to experience how little it means to them in terms of cutting prices.

It is appropriate that in this House we should convey our views to the Government in the strongest possible terms, and this we will do. We have many serious reservations about this Bill.

The Hon. Peter Dowding: But you will pass it, eh?

The Hon. I. G. MEDCALF: If the Bill is passed, the Government will have to live with it.

The Hon. Peter Dowding: Good.

The Hon. I. G. MEDCALF: At the second reading stage we do not intend to oppose the Bill, but we will have more to say in the Committee stage about the details of it.

The Hon. Peter Dowding: You have the cold collywobbles.

The Hon. P. H. Lockyer: Do you want us to oppose it?

The PRESIDENT: Order!

THE HON. G. E. MASTERS (West) [12.02 p.m.]: Mr President—

Several members interjected.

The PRESIDENT: Order!

The Hon. G. E. MASTERS: It is fair to say that never in the history of the Western Australian Parliament has a piece of legislation of this type been brought forward—

The Hon. D. K. Dans: Be careful!

The Hon. G. E. MASTERS: —with such haste.

The Hon. Peter Dowding: Wonderful!

The Hon. G. E. MASTERS: It has been brought forward within days of the Government's gaining power. In doing so it broke some of the promises it made which appeared on the front pages of our newspapers.

The Hon. Peter Dowding: Aren't you ready for it yet?

The Hon. Fred McKenzie: We are getting on with the job you neglected.

The Hon. G. E. MASTERS: I know the Hon. Peter Dowding has a very important portfolio. When he was made Minister for Mines people said it was like putting Dracula in charge of the blood bank, and that is about right.

The Hon. Peter Dowding: You can't even come up with original comments.

The Hon. Tom Stephens: It would not matter who was on the ministerial benches on this side of the House.

The Hon. G. E. MASTERS: I do not think there has ever been a party which, within days of gaining office, has brought in such a major piece of legislation. It is so horrendous that much of our debate will have to take place in the Committee stage. We have many questions to ask. The Hon. D. K. Dans will give us some answers no doubt, but certainly not the lot.

Mr Burke made statements and was reported as saying different things before the election, and these statements and promises have now been re-

neged on. I mention this now because in the future we will see more and more of this happening. These promises were made in an effort to gain power, which the ALP did, but now the Premier will have to live up to those promises.

A statement was made that this legislation was introduced to tie in with the wages freeze. As far as I can see, especially from the actions of Mr Dans in his capacity as Minister for Industrial Relations in recent weeks, the freeze has almost disappeared. In fact, this legislation appears to stand on its own.

The Hon. D. K. Dans: The confederation does not agree.

The Hon. G. E. MASTERS: We will have no wages freeze. Within a month it will be almost destroyed. Mr Dans is running for his life from this wages freeze. He is like a feather duster; he is a paper tiger. He wants to do all these things, but he has given way to the meat workers' demands and other demands.

The Hon. Garry Kelly: Entirely reasonable, too.

The Hon. G. E. MASTERS: I will talk about the wages freeze as it relates to this legislation. Mr Dans will tell us the wages freeze and the prices freeze go hand in hand, but I consider the prices freeze is totally separate and in no way will it relate to the wages freeze, which will no longer exist in the very near future. The meat workers were given an increase. There was justification for them receiving some increase, but not what they received.

The Hon. D. K. Dans: I didn't give them an increase.

The Hon. G. E. MASTERS: The Minister used his rights under the Act. It is a question of hardship, and Mr Dans made a decision that meant the Government meat workers gained an increase which has put their wages far above those of their counterparts in the private sector. Mr Dans is now talking about giving an increase to teachers.

The Hon. D. K. Dans: Who said that?

The Hon. G. E. MASTERS: It was in the paper. If he says that is not so, I will be very pleased.

We have already seen a push for a 36-hour week in the building industry. This push was first criticised by the Leader of the Government, but in his next breath he condoned it. As soon as any group says "Boo", Mr Dans jumps 10 feet in the air and says, "What do you want?" The wages freeze will be destroyed in a matter of weeks. Mr Burke is misleading the public.

The Hon. Peter Dowding: Rubbish!

The Hon. G. E. MASTERS: He is misleading the public by saying this Bill is tied in with the wages freeze legislation. Had it not been for the efforts of the Opposition in the other place the Bill would be even worse than it is now. Dracula knows that—sorry, the Minister for Mines knows that. It seems I am coming down to his level.

The Hon. Peter Dowding: At least he was a bit exciting.

The Hon. G. E. MASTERS: The promises made by the Government cannot be fulfilled. Fortunately the Opposition in another place has ensured that the legislation contains a sunset clause, which is all important, but the Bill is still bad. It is almost totally unacceptable in its present form, and the public will find this out in due course. The legislation is a charade because the Government has already done away with the wages freeze. We have a "yes man" opposite telling workers they can have what they like. Just what is the purpose of this legislation? Prices freezes in other countries such as the UK and France have failed.

The Hon. D. K. Dans: What about Austria?

The Hon. G. E. MASTERS: No doubt the Minister could select a country that suited him. I believe we can find many examples of this sort of legislation failing, and no doubt the Minister will try to tell me I am wrong; but this legislation will fail just as similar legislation has failed in other countries.

The Hon. Fred McKenzie: Your industrial legislation failed.

The Hon. G. E. MASTERS: That is because Mr Dans is now in charge of it.

This legislation has been introduced against the best advice of people experienced in this field; it has been introduced against the advice of the Minister's own advisers. I challenge the Leader of the House to tell me where this sort of legislation has succeeded. Who is advising the Government on the form of this legislation? From where has his advice come? What is the reason for bringing the Bill to the Parliament?

The Government says it will mean cheaper goods. Rubbish! The Government will be setting a maximum price which will become a minimum price. No doubt certain people in the business community think this legislation is good because they think they will make bigger profits. In fact, the Bill will mean goods will be dearer. It will not prevent excessive prices, because the word "excessive" has not been defined, although an effort was made to do so when the Minister introduced the Bill. Who will decide what is excessive? Will it be an economist? Who is the ex-

pert? We know the Commissioner for Consumer Affairs is not an expert, and nor should he be.

We know that the Minister is not such a person, so I wonder how the Government will do this. The comment was made that employment will be increased or that the Bill will not have an adverse effect on unemployment. I make the point our leader raised that investors from overseas or other States would not consider investing their money in this State if they knew that the prices of their goods or services would be frozen. They would be petrified, and I do not believe the Government would be able to give sufficient assurances to such people to encourage them to invest here to establish businesses which would employ people.

The Government must understand that if no profits are to be made no jobs will be provided. Perhaps we ought to keep saying to the Government, "No profits, no jobs" so that its members understand what business is all about.

This legislation is the first step to prices control—that is what it is all about. This step matches the principles embodied in the statement of accord between the ACTU and the ALP. Over the next year or so that economic policy document will be used in some glee by the Government. The statement of accord will become the bible of the ALP, and I believe it will be used to socialise Australia—it will create a socialist welfare republic. I challenge the Government to say that this document is not designed along the lines of the Swedish model.

The Hon. D. K. Dans: When you get back to the Bill I'll listen to you.

The Hon. G. E. MASTERS: These points very much relate to the Bill. The Bill will mean prices control. Can the Leader of the House tell me that it is not a prices control measure? Prices control is mentioned in the Bill; it talks of profit and prices control. Obviously this legislation must match that statement of accord, which will be the future policy of this Government.

It is interesting to note that prior to the election the Labor Party talked about negotiation. Its members said, "We will negotiate, conciliate, discuss and come to an understanding; we will not impose our will or penalise." But the very first piece of legislation introduced provided for the imposition of penalties, and the Government did not negotiate with anyone about the legislation. The Leader of the House told me yesterday the Government did not even consult the Trades and Labor Council. None of the affected people has been consulted. One would have thought that the Government would consult the Confederation of Western Australian Industry (Inc), the

Chamber of Commerce, or various retail or professional groups which would be very much affected by this legislation. Surely some consultation should take place. When in Opposition the Labor Party attacked our wages freeze legislation on the basis that there was no consultation. Yet this Government did not even discuss the legislation with the rural community.

The Hon. Neil McNeill: It did not attempt to obtain a consensus view.

The Hon. G. E. MASTERS: We must understand that this will be the policy of this Labor Government; it will not seek consensus or negotiation. All it will say is, "We will control your profits and your prices." The Government will not discuss its legislation with the people concerned.

The Hon. P. G. Pental: Bringing Australia together!

The Hon. G. E. MASTERS: We know what all that is about, and that is bringing Australia under a red banner. This legislation will affect prices and in turn profits, which are the return on investments. More unemployment will be created. This Government has no regard for investment. I am appalled that it has introduced this legislation, but I suppose it must rush it in quickly or it will be seen for what it is. It played a hoax on the people of this State at the recent election.

The Builders Labourers' Federation has gone virtually unchallenged in its campaign for a 36-hour week for its members. The deregistration proceedings instituted by the previous Government were withdrawn by this Government and it withdrew from the hearing in the State Arbitration Commission. This 36-hour week will spread through the building industry as a direct result of the reluctance of the Hon. Des Dans and his leader to intervene. The 36-hour week in the building industry will cause the cost of an average house to increase by \$2 000.

The Hon. D. K. Dans: What is the connection between the 36-hour week and the BLF?

The Hon. G. E. MASTERS: The Government does not understand that its failure to tackle these people in a proper way, and its failure to take firm action on the reports it has received, is a form of encouragement to that union, and if the Leader of the House cannot understand that, I am sorry for him. He will cause the wages freeze to drop off in two weeks instead of four. If the cost of an average house increases by \$2 000—

The Hon. D. J. Wordsworth: It won't; they can keep it down by this Act.

The Hon. G. E. MASTERS: That is so. The Government will be able to say that housing is an

important service and that an increase of \$2 000 should not be allowed. I do not say that the Government will do that, but housing is an important factor in our way of life. What will this Government do? Will it face the fact that the cost of an average house will increase by \$2 000 or more as a result of the 36-hour week in the building industry? The Government has allowed the 38-hour week for water supply workers. The charges to water consumers will increase, but will businesses be allowed to pass on those increased charges?

Government members interjected.

The PRESIDENT: Order!

The Hon. G. E. MASTERS: The failure of the wages freeze will cost the public sector \$5 million between now and the end of June. That will be what the Leader of the House will give away in the next few weeks. I will prove that to Government members when we resume later this year. As this loss occurs in the public sector, so will it occur in the private sector. If increases in Government charges are granted, quite obviously the private sector will press for similar price increases and it will obtain them and pass them on to consumers. Will the Government say to the private sector, "You can't increase your prices, regardless of our being the cause of your increased costs?" How will the Government make its assessment or judgment?

This Government intended, until the Opposition did something about the matter, to control forever all prices and charges. No-one can tell me honestly that the Government did not notice the omission of a sunset clause; but luckily the Opposition has been able to achieve the inclusion of a sunset clause so that we will not be laboured with this legislation for too long. All we will see as a result of this legislation is a breakdown of the existing wages freeze and the Government's moving in to impose prices and services control. The latter is something quite foreign to the people of this State, who will come to realise that this Government is absolutely wrong in proceeding with this legislation.

The Hon. Robert Hetherington: You are whistling in the dark, aren't you?

The Hon. G. E. MASTERS: I am not at all; I am saying this legislation does not tackle our economic problems, and our leader mentioned all the reasons for that being so. The legislation sets a maximum price, which will become the minimum price. The Government has given an undertaking of protection to businesses large and small that they will have some sort of guaranteed pricing. All those businesses will have to do is to

come forward and say, "We want an increase for these good reasons", and in almost every case those businesses will get away with it. It is of no use the Government's saying it will be selective in its decisions.

The Hon. H. W. Gayfer: The Government obviously meant the life of the Act to be lengthy, if not permanent. Reference to the three-year, and possibly longer, term of a committee member under the Act proves that.

The Hon. G. E. MASTERS: As the member recognises, it was the intention of the Government that this legislation go on forever and a day.

The Hon. Garry Kelly: The amendment wasn't really needed.

The Hon. G. E. MASTERS: The member may well see the wisdom of my argument in a short time as it will be put by other members on this side of the House.

Will it be the Commissioner for Consumer Affairs who will be appointed as the prices commissioner? If so, will he be able to decide, without having any business experience or a degree in economics, what prices and increases are justified? Certainly, he will not be able to.

From where will the information come? How could the commissioner make a judgment on these matters? The obvious answer from the Government is, "We will hand it to the Minister." The Minister has been an opponent of private enterprise for as long as I can remember and he will not make an unbiased decision on these matters. He will look at the consumer and have scant regard for the need for profit.

The Hon. D. K. Dans: Who are you talking about?

The Hon. G. E. MASTERS: I am talking about the Minister who will administer this legislation.

The Hon. J. M. Berinson: I thought you were talking about the leader of the Labor Party.

The Hon. G. E. MASTERS: He has to make all the decisions anyway. We will almost certainly get wrong decisions because the Minister has no business knowledge or background and is an opponent of private enterprise. On reading the legislation we discover that the commissioner "shall" do certain things; this provision will require an army of people to administer. The previous Opposition criticised the Government and said it was not monitoring prices in a correct manner and that we were not getting out to look at the situation. Now the Labor Party and the Government have said they will get out and do things we have accused them of not doing. I want to know how

many people will be employed, how prices will be monitored in the country and the city, how many people will be needed for monitoring, and how it will be put together. I imagine there will be an enormous number of committees because I cannot see any other way it could work, unless the Government sees it as just a public relations front to get itself out of a hole. Let us hope that is the case, because this legislation will not work and cannot work.

The legislation was correctly referred to by our leader when he said, "It appears as though it does control interest rates." Certainly it will control house, commercial, and business rentals. People who own one or two houses may have maximum rents imposed on them if there is pressure from the public. I do not know how the maximum will be arrived at. Local authorities will come forward at the end of the year and the beginning of the new year and determine a set of rates. There will be an outcry from the community. Will the Government say to local authorities, "You cannot increase your rates"? Who will make the judgment? Who will determine whether the price of beef is to be increased? Like eggs, butter, and milk, beef is an essential foodstuff. Is the Government suggesting it will control the price of beef? How will it make a judgment on that matter? It is an essential foodstuff which will affect the CPI. Mr Kelly, is the Government considering freezing the price of beef? This question will be asked many times in the next few days.

This legislation will affect private hospital charges, private school charges, bricklayers, plumbers, electricians, and everyone who provides a service. They must provide that service. If Mr Kelly or Mr Dans rang an electrician and said, "I have trouble with the electricity supply" and the electrician said, "I charge \$20 an hour", and they said, "All right, come and fix it" and the electrician says, "No, I am not coming", he is breaking the law. He cannot refuse to give that service even if a person owes him \$150 or \$200 from two years ago. He cannot say "No". Do members think that is correct? Should that service be provided under those conditions?

The Hon. Robert Hetherington: I thought you were supposed to be talking to the President.

The Hon. G. E. MASTERS: Market forces should prevail as they are doing at present. We are in peacetime now but this is wartime legislation, as our leader so aptly and correctly termed it earlier. We could well be creating a black market situation and there could be shortages of goods in certain areas.

For what reason is the Government in this place?

The Hon. Tom Stephens: To straighten out the mess you have caused.

The Hon. G. E. MASTERS: This constitutes probably the worst legislation seen in the free world. Is it a sign of the Labor Party's intentions for the future? I suppose it is and we are getting a taste of it now. The wages freeze has been in operation for three months and it will be reviewed and reported on after six months. Why on earth did the Government not bring this legislation forward in a more carefully constructed and proper manner so that the public could live with it? Why cannot we wait for another three months and bring in this legislation then after a judgment is made on the wages freeze?

The Hon. Fred McKenzie: You want us to break our legs on this.

The Hon. Garry Kelly: It is a case of the pot calling the kettle black.

The Hon. G. E. MASTERS: When we talk about consultation we must look at the previous wages freeze legislation which the Opposition at the time said could not and would not work. I suppose it might work much better than the legislation the Government is bringing forward because there was co-operation and negotiation, discussion etc. The Labor Party has failed to tell us of any such steps it has taken. Mr Dans is laughing. For the benefit of *Hansard* I will provide a list of people with whom we consulted.

The Hon. D. K. Dans: You have made some very serious allegations in your speech today.

The Hon. G. E. MASTERS: Does the honourable member say consultation has taken place since the weekend? On Friday the Opposition discussed the matter with many of these people, most of whom had never seen or heard of this legislation. They asked what it was all about.

The Hon. D. K. Dans: I am not suggesting that.

The Hon. G. E. MASTERS: Does Mr Dans say it is news to him?

The Hon. D. K. Dans: No, I am not saying that. You made some very serious allegations a while ago and I will deal with them later.

The Hon. G. E. MASTERS: The Opposition consulted with many people on the wages freeze legislation. The list is as follows—

The Confederation of Western Australian Industry (Inc.)  
 Chamber of Commerce  
 Independent Retailers Association  
 The AMA  
 The Australian Dental Association

Master Builders' Association  
 Australian Mines and Metals  
 Law Society  
 Australian Physiotherapists Association  
 Nurserymen's Association  
 Pharmacy Guild  
 Australian Chiropractic Association  
 Retail Institute of Western Australia  
 Australian Hotels Association  
 Western Australian Automobile Chamber of  
 Commerce  
 Australian Veterinary Association  
 Insurance Council of Australia  
 Shell Australia  
 BP  
 Breweries etc.

They are the organisations we approached with our legislation. We said, "We have a scheme. We want to improve private enterprise and make it more confident. We want to encourage employment and investment. Will you help us?" They said, "Yes, yes. Of course we will." Our discussions were very successful. We operated in the proper manner by negotiation, joint arrangement, and agreement. We took the trouble to visit them and discuss and go through our requirements with them to make sure they understood. They said, "Yes, we will help you."

The Hon. Fred McKenzie: In that list you read out you did not mention any suppliers of labour.

The Hon. G. E. MASTERS: We did not have discussions with the TLC. Again, the Government has reneged on its election promises.

The Hon. A. A. Lewis: That is how interested members of the Government are.

The Hon. G. E. MASTERS: They have no intention of doing it this way because the TLC will dictate to them anyway. Trades Hall will tell them what they must do. We must understand the position and why the Government did not consult in the way we all would have expected it to do.

The Minister responsible for this legislation made a false statement, I believe, in the *Daily News* of 14 March 1983, when he was reported as making the following point—

Consumers have flooded the bureau and Labor Party with complaints about excessive prices since the wages freeze was introduced in December.

There was not a flood, as far as the Government's monitoring system was concerned. I will inform members of the situation because I have the facts and figures.

*Sitting suspended from 12.30 to 2.30 p.m.*

The Hon. G. E. MASTERS: Before the luncheon suspension I was critical of the Government on a number of matters, the first being that the Government has been quite improper in its conduct over recent weeks. The legislation does not tie in with the wages freeze because it is obvious the wages freeze will not exist in the near future. It must be placed on record clearly that the Leader of the House has no intention of increasing teachers' salaries. I came to that conclusion as a result of an interjection.

The wages freeze is breaking down for a number of reasons and I will leave it to members to make up their own minds on that matter.

Previously I spoke about a Press release published in the *Daily News* of 14 March 1983. It stated—

#### PRICE CURBS ON WAY

Consumers have flooded the bureau and Labor Party with complaints about excessive prices since the wages freeze was introduced in December.

Mr Tonkin said the much-needed legislation would prevent unscrupulous dealers from taking advantage of consumers.

"All the previous government did was monitor prices, not do anything about them.

"It's like watching a house burn down, and all they said is they were monitoring the fire."

That sort of statement was made also during the second reading stage and it was not correct. The Leader of the House should come forward with examples and details of the flood of complaints that the Labor Party received prior to the election.

The Premier of the day set up a monitoring committee and the Leader of the House knows very well the details of that committee. If he does not, they were certainly available to him prior to the election.

I will deal with a report from the prices monitoring committee which covered the period from 7 January 1983 to 14 February 1983, during which time the committee received 160 complaints.

The Hon. D. K. Dans: How many again?

The Hon. G. E. MASTERS: I will provide a copy—it received 160 complaints.

The Hon. D. K. Dans: I am not very interested.

The Hon. G. E. MASTERS: That is quite obvious from the way you have responded.

The Hon. D. K. Dans: I have plenty of information.

The Hon. G. E. MASTERS: I will place the following details on record—

Phone complaints to the Bureau.....	102
Written complaints to the Bureau.....	20
Complaints referred to the Bureau by the Daily News.....	38
<b>TOTAL.....</b>	<b>160</b>

To date the ALP still has not referred any complaints to the prices monitoring committee. I suggest to members that the Labor Party, which says it has been flooded with inquiries, should provide details of those inquiries and complaints. An independent group has been set up for all to see. The committee consists of the following members—

Mr R. Boylen—Deputy Under Treasurer—Chairman

Mr K. Lehané—Deputy Commissioner for Consumer Affairs

Mr J. Christmass—Chief Finance Officer of the Department of Industrial, Regional and Commercial Development

Mr B. Bradley—Chief Finance Officer of the Department of Labour and Industry

Mrs I. Hooper—National President of the Country Women's Association (Inc.)

The Labor Party has not passed on one complaint to that monitoring committee; what a disgraceful state of affairs

The Hon. D. K. Dans: Apart from that it is dreadful.

The Hon. G. E. MASTERS: Of course the Hon. Des Dans laughs because he thinks it is funny; that should be on record also. We do not think it is funny and suggest that this is a case of callous misuse of information.

People have genuinely put forward complaints to a party which put itself forward as a future Government interested in doing something about such complaints. It is a case of false pretences and I challenge the Leader of the House—

The Hon. D. K. Dans: Hit me on the face with a glove.

The Hon. G. E. MASTERS: I do not think that is funny at all. A front page article in a newspaper stated that the Labor Party had received a flood of complaints, but where are the details of those complaints? I would very much like to see details of the complaints and to know what the Labor Party has done about them. It appears nothing was done about them, and these people were left to suffer.

The Hon. D. K. Dans: What did you do with the 160 complaints you had?

The Hon. G. E. MASTERS: The Government members are laughing and these people have suffered for weeks. Their complaints were not referred to the appropriate committee.

I ask the Leader of the House what his Government intends to do about bread prices when this legislation is enacted. Will the Government use this legislation to bring down the price of bread or give a guarantee to the public that prices will not go up in the future?

Prior to the election members of the Labor Party, when in Opposition, were critical of the price of beer. It was announced recently that the price of beer will increase. We would like to know what the Government will do about that. Will it agree with that increase?

The Hon. Des Dans would agree that beer is an essential commodity and would say that it is important in the community. I would like to know what he intends to do.

The Hon. G. C. MacKinnon: In 1972 Mr Dans spoke just about bread. That is what his speech was about.

The Hon. G. E. MASTERS: The Opposition would like to know what the Government will do about the price of bread and beer, and the prices of food in supermarkets when it must consider profit margins for delicatessens and the like.

The Hon. Peter Dowding: They would not be excessive then.

The Hon. G. E. MASTERS: It is not good for the Hon. Peter Dowding to take over Mr Dans' job already. I would ask that Mr Dans—

Several members interjected.

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): Order!

The Hon. G. E. MASTERS: —who is the Minister responsible in this House for this legislation, give us the details of this Bill and that he be allowed to answer the questions put forward without constant interruption.

The Hon. D. K. Dans: My reaction to your remarks will be similar to your reaction when you held the industrial relations portfolio.

The Hon. G. E. MASTERS: The public are entitled to a response from the Leader of the House, and I would be very disappointed if he were to duck the issues I have raised.

The Hon. Fred McKenzie: You are good at that.

Several members interjected.



The Hon. G. E. MASTERS: That is a dastardly thing to say.

It should be made clear in the minds of people that this legislation will enable the Government, if it sees fit, to control totally the prices of services, and it would do so forever. Luckily the Government has been persuaded to change its mind on that issue.

The Hon. Peter Dowding: Who corrected it?

The Hon. G. E. MASTERS: Who changed it?

The Hon. Peter Dowding: You said the Government changed its mind.

The Hon. G. E. MASTERS: I am referring to house rents, rates, local government rates, manufacturing industries, subcontractors, interest rates and bank interest rates.

The Hon. D. K. Dans: That is the fourth time you have said that since you have been on your feet. What do you want me to answer?

The Hon. G. E. MASTERS: I know the Minister has a short memory. The commissioner will be the most powerful person in this State. No appeal provisions have been included in the Bill.

Several members interjected.

The DEPUTY PRESIDENT: Order!

The Hon. G. E. MASTERS: Thank you, Mr Deputy President. As I said, no appeal provisions are included in the Bill. The Government, or the Minister, could make it compulsory to sell any goods on demand at the maximum price. They could also make it compulsory to render services across the board on demand. This legislation overrides all other legislation and deliberately does not define "services".

The Hon. Peter Dowding: How would you define it?

The Hon. G. E. MASTERS: I am waiting with bated breath for the honourable member to tell me because that is his Government's job. This is most confidential information. The Minister can declare and set up prices without reference to those people involved. The Government is imposing draconian regulations—

The Hon. Peter Dowding: That is my word.

The Hon. G. E. MASTERS: —on large and small business and on those people who are self-employed without reference being made to those people involved or to anyone else. It is a wicked thing to do and I suggest that we are seeing, within days of the Labor Party's gaining power, a pressure aspect being introduced.

The points that have been raised are important to the public. I ask the Leader of the House to seriously consider withdrawing the legislation and

consulting with those people involved instead of turning his back.

The Hon. Peter Dowding: When did you ever consult with anyone?

The Hon. G. E. MASTERS: I suppose—

The Hon. Peter Dowding: We heard you for three years.

The Hon. Tom Knight: If you had been here earlier the member would have told you.

The Hon. G. E. MASTERS: For Mr Dowding's sake I could go through a list of 20 groups that the Opposition, when in Government, contacted during the wages freeze legislation. Mr Dowding was not present when that legislation was debated but he could read the debates in *Hansard*.

I urge the Government to withdraw the legislation and to consult with those people who are most affected and then come back to this Parliament with an appropriate prices surveillance scheme.

THE HON. P. G. PENDAL (South-East Metropolitan) [2.45 p.m.]: I make it clear from the outset that I do not intend to use my vote to either frustrate the passage of this legislation through this House or, indeed, help to defeat the legislation.

In my view the new Government has made a clear and conscious decision to sponsor the prices legislation through this House. To that extent the Government is quite entitled to reap the rewards from this legislation. That means also that the new Government must accept entirely the political, social and economical consequences of legislation of this kind. In my view it is bad legislation and during the course of my remarks I will detail the reasons I believe it to be so.

Together with the previous speakers from the Opposition benches, I take the opportunity to highlight many of the weaknesses inherent in the Bill before us. My attitude is that the Government has made its bed and it now must lie in it.

The first comment I make about the substance of the legislation is that it is dishonest because it purports to do things for the people of Western Australia which are quite impossible to achieve. We have heard frequent reference in the short time the debate has been in progress to the history of prices legislation in free world countries.

For example members on both sides of the House have said that prices control legislation is capable of being implemented only in cases of national emergency. The most frequent example we have heard today is that which occurs during war. The sad thing about people who do not read

and learn their history is that they are bound to repeat its mistakes.

A classic example of a most rigid form of prices control is that which was applied in Great Britain during the First World War—between 1914 and 1918. As a result of that measure when there was direct control of prices, prices actually increased in that country by 133 per cent. That is proof in itself that not only is it incorrect to say prices control can work in normal circumstances, but also it is inaccurate to say that prices control legislation can even work in times of national emergency, such as war.

This new State Labor Government, in bringing in prices control legislation, has misunderstood the problem facing the Western Australian community today. The greatest threat facing the people of WA is not a prices emergency. That is not to say that housewives and wage and salary earners are not experiencing some sort of financial difficulty because of price increases. I am not saying that at all. But to suggest, as this Government does, that prices are the kernel of our current economic problems indicates it has misunderstood the problem of our economic order. Better minds than mine and than many other people in this Chamber agree that the two great problems facing us now are low or non-existent profits in the marketplace and the associated problem of high unemployment. This Government, wittingly or unwittingly, is tackling a problem which is not at the kernel of our economic concern.

I want to quote from *Confederation Report* of March 1983.

The Hon. Peter Dowding: Who puts that out?

The Hon. P. G. PENDAL: It is relevant not only for what it says but also because it relates precisely to the reason that the member who is now interjecting is trying to bait me. His party went to the electorate assiduously in the last 15 months and worked overtime to pretend to the business community of this State that the Labor Party had its interests at heart.

The Hon. Peter Dowding: It was no pretence.

The PRESIDENT: Order!

The Hon. P. G. PENDAL: The moment that the party gained power it dispensed with those people on whom it spent thousands and thousands of dollars and many working hours, wooing them and asking them to believe the Labor Party was the answer to their economic prayers. I want to bring home to the Government the nature of the problem the community is facing—unemployment and low business returns. The problem is not high or excessive prices.

To put it in proper perspective I will quote from the article in *Confederation Report* which states—

The question of prices control can be clarified by going back to the starting point and establishing what the wages freeze is all about. Is it supposed to be a direct control on inflation or is it a policy aimed primarily at job maintenance with some limited scope for job creation? If the objective is to control inflation, then accompanying price controls, even if not the best policy approach, may at least have a certain logic. But the wages freeze has been promoted from the outset as an employment policy. It has been correctly argued that wage increases have outstripped price increases over the last two years and at a time of world recession the result has been that workers have simply priced themselves out of a job. There have of course been other sources of unemployment, but the truth remains that rising real wages have played a major part.

The article goes on—

Against this background of excessive increases in real wages, and in the context of a severe recession, the wages freeze is clearly an employment maintenance policy. It is an attempt to preserve jobs that might otherwise be lost. But jobs are only going to be preserved if real wage costs can be reduced, and that in turn requires that money wages be frozen for a period while prices are permitted to rise. There is no need to be apologetic about the lack of a prices freeze. The success of the wages freeze in preserving jobs is in fact dependent upon prices not being frozen. Only by permitting prices to run ahead of wages for a period can real labour costs be reduced and corporate profitability be lifted from the precariously low level of the last two years.

If ever there was statistical evidence to back up that statement it is a graph which compares the growth in average weekly earnings and inflation—price increases—in Australia from 1973 to 1982. For all the worldly knowledge Mr Dans has gained in the last 20 or 30 years, he overlooks the fact that during that nine-year period average weekly earnings rose at a far greater rate than the Consumer Price Index. No-one can dispute that.

The Hon. Garry Kelly: I do.

The Hon. D. K. Dans: Would you like to table the document?

The Hon. P. G. PENDAL: I will make my speech in my own way.

The PRESIDENT: Order!

The Hon. D. K. Dans: I am asking you to table the document.

The Hon. P. G. PENDAL: I will table it.

The PRESIDENT: Order! The honourable member will resume his seat when I call for order. If the Leader of the House wishes to ask for a document to be tabled he must raise a point of order. Otherwise, he is out of order.

The Hon. P. G. PENDAL: The point I am trying to make is that these figures are not in doubt or dispute.

The Hon. Garry Kelly interjected.

The Hon. P. G. PENDAL: The Hon. Garry Kelly must exercise patience. He might learn something.

The Hon. Garry Kelly: It is the wrong interpretation.

The Hon. P. G. PENDAL: In the nine-year period, average weekly earnings rose to a high level. During the same period the Consumer Price Index rose at a lower level. The significant thing about that is not only did average weekly earnings go up at a faster rate but also in that period unemployment grew to proportions the like of which we have not seen in this country since the Great Depression of 50 years ago.

The Hon. Garry Kelly interjected.

#### *Point of Order*

The Hon. A. A. LEWIS: According to the seating plan the Hon. Garry Kelly is interjecting when he is not in his seat.

The PRESIDENT: Order! The honourable member is out of order in interjecting. I suggest he cease to do so and I also recommend that he sit in his own seat.

#### *Debate resumed*

The Hon. P. G. PENDAL: The community pays the penalty if in any given period earnings and salaries are allowed to increase at a faster rate than prices are permitted to rise—or to the extent that the marketplace has decided they shall rise. The community pays the price of higher and higher unemployment.

Nothing in this Bill goes to the heart of that great problem that the community faces: the question of unemployment and increasing unemployment, rather than the question of rising prices. The wages freeze Bill that passed through this Parliament only a few months ago was designed deliberately as an instrument to put an end to that madness. It was an instrument that, hope-

fully, would try to preserve the jobs that people already had, albeit held precariously, and even to restore some of the jobs that had been lost because of the scenario I painted with the graph I presented a few minutes ago.

I wish to make another reference, and I will not make any apology for the source although the departed Mr Dowding seems to think I should refrain from using such references. I refer to an editorial which appeared in the *West Australian Business World* of February 1983—a publication which is produced by the Perth Chamber of Commerce. Again I ask members to underline in their minds the fact that it was the small business traders of this community in the last 12 months whom the Labor Party set out to woo, at great personal cost to the party with all of its lunches, and at great cost in terms of the hours spent in convincing those people that the ALP was the right party to restore the economic prosperity of this State. Yet how much notice, after the election results had been determined, did the Labor Party really take of the input made by bodies such as the Perth Chamber of Commerce? Referring to the control of prices, the following statement is made—

Such a move would have as a direct outcome further escalation in unemployment.

I accept that the Government has been elected by a majority of the people of this State. I accept that it has the right to sit on the Treasury benches in this House and in another place. There is no dispute about that. However, how can the Government, in good conscience, bring legislation into the House which has no other effect in the ultimate but to cause higher unemployment? If that opinion is wrong, it is the opinion of the people to whom members of the Labor Party have been paying so much attention in the last 12 months. Therefore I repeat—

Such a move would have as a direct outcome further escalation in unemployment. The price controls of the Chifley Labor Government during the late 1940's demonstrates this effect.

I have already referred to what happened in Great Britain during the First World War. Under prices controls, prices rose by 133 per cent. The quote continues—

To embark on a similar path during the 1980's shows a lack of understanding of those days, as well as failure to take note of the cost pressures that hundreds of West Australian businesses have been experiencing.

This is relevant because it is that group and the members of that group to whom the Labor Party

has been paying so much of its attention in the last 12 or 15 months.

I move now to the areas I mentioned in the opening part of my address, to enumerate why I believe the legislation, notwithstanding its philosophy, nonetheless is bad legislation. Fortunately or otherwise, the legislation has reached this House with some sort of sunset clause in it; but when it entered the first House only yesterday, such a clause was lacking. In the last 12 months, who has been one of the greatest advocates in this State of the sunset clause principle? It has been the then Leader of the Opposition and now the Premier (Mr Brian Burke). However, the first piece of legislation—not the 50th, or the 100th, or the 120th, by which time one could imagine that, under pressure, one could start to forget some of the principles of good lawmaking—introduced by the Labor Government into the House had absent from it one of the kernels of good lawmaking, so far as the Labor Party was concerned. I might add that the sunset clause principle was greatly advocated not only by the Premier (Mr Brian Burke) but also by the man who now occupies the No. 2 bench in this House, the Attorney General (Mr Berinson).

The Hon. Fred McKenzie: We agreed to it in another place.

The Hon. P. G. PENDAL: I suggest the honourable member who is interrupting should save his breath for the times when he must justify the fact that we do not have a Fremantle-Perth railway. I have no doubt we will come to that in the course of time.

The Hon. Fred McKenzie: We will have one.

The PRESIDENT: Order! We have enough problems talking about things in this Bill, without raising another matter.

The Hon. Fred McKenzie: He got off the track!

The Hon. P. G. PENDAL: The second reason I would put to the House as a serious proposition for this being bad legislation is a point that has been touched on by my leader. However, I will refer to it briefly as well. The Bill fails to define the use of the word "excessive". We have had explanations about the High Court, on some recent occasion, giving a definition of the word "undue"; we have heard the suggestion that in these circumstances we could have some equation between the word "undue" and the word "excessive". I am putting to the House that, when one of the principal words in the title of a Bill—"excessive"—is not defined when every other conceivable word is defined, something is wrong.

We even have the definition of a "committee" and a "document" but the Government has given

no definition of what it means by the word "excessive".

This is bad legislation also in that, despite the protestations of the Minister for Consumer Affairs elsewhere, and despite the words used by the Leader of the House when he said, "This is not rigid prices control"—if it is not, the people of Western Australia are entitled to know why it is not, because that was the argument that members of the Australian Labor Party used in the electorate prior to the election on 19 February—the fact is that it is total, blanket prices control. It makes no distinction between the essential items to which families need access, and the luxury items. On many occasions, people can get by without luxury items; but they cannot manage without essential items.

Yet this Bill, or this Act as it will become, has the capacity to have a good or a service declared in an all-embracing sense. There is no limit. Therefore, the suggestion that it is not rigid prices control is playing with the truth, to put the most charitable construction on it.

It is also bad legislation because it will be costly. This point has been canvassed already by two speakers from this side of the House. Indeed, this legislation will be incredibly costly. As an Opposition we are entitled to ask, and have answered during the course of the debate, how many permanent and temporary officers are envisaged because the Bill mentions not only permanent but also temporary officers. As an extension of that we are entitled to ask how many of the temporary officers will ultimately become permanent officers.

After all, the people of Western Australia will be paying for those temporary and/or permanent officers. It is of no use saying, as the Leader of the House and the Minister in another place said on television and radio, that they were simply preparing the apparatus in case it was needed. The people are entitled to expect some sort of explanation as to what is at the end of the tunnel. We cannot pass open-ended legislation.

Without knowing the intent of the legislation we cannot give the Government the potential ability to employ perhaps another 30, 50, 100, or 150 officers of the State Civil Service. I shall stop there before we get ridiculous. That is a cost on the taxpayer. People will be paying for those extra officers when they pay their SEC accounts, their water rates, their State land taxes, and all the other charges levied by the State Government.

It is ironical that we are dealing with a Bill which pretends it will control prices but which in fact will have the reverse effect. Ultimately if this

legislation is taken seriously, as the Labor Government wishes us to take it, it will mean a great drain on the public purse. No-one can deny that, because if such a denial is attempted, it can be taken as an admission that the Government will not use the legislation; that it is in fact creating a mere toothless tiger.

My leader said that various parts of this legislation repudiate the long-cherished principle in law regarding the onus of proof. I accept that in some of the clauses where I believe the onus of proof is reversed, reference is made to a person using as a defence "the following matters" if he can prove them to be the case. However, I have always been led to believe, and certainly I have learned from my Labor lawyer friends who now sit on the ministerial benches in the House—

The Hon. A. A. Lewis: Well, they don't. They are out of the House.

Several members interjected.

The Hon. P. G. PENDAL: —and from other people who hold those principles of law as being of fundamental importance, that when a person is called before a public authority or public tribunal, he does not have to do anything to prove himself innocent. The onus is on the public authority to prove that person's guilt. However, to my knowledge the Bill has at least two clear references to a person who is called before the public authority—whichever public authority that might be—using (a), (b) or (c) as his defence, provided he can prove certain things. That has to be bad lawmaking. Indeed, it is bad lawmaking regardless of whether previous Governments have taken the same sort of action. That is quite irrelevant; if it was wrong for previous Governments, it is wrong also for this Government to do that.

If that principle has been eroded gradually over the years, I put it to the House that it is still a principle in our legal system which needs to be tackled with great caution and should be used only very sparingly. I suggest there is no place for this and I ask the Leader of the House when he responds to give us some encouragement in that regard. Perhaps he might draw that encouragement from members of his own front bench who, when in Opposition, expressed the sorts of concerns I am putting before the House now.

I suppose I could ask whether the Civil Liberties Council of WA has been consulted on that question. After all, some members opposite paraded themselves on the Opposition front bench previously, and the Government front bench now, as being great champions of civil liberties. Consistent with the comments made by the Hon. Mr Masters, perhaps we should ask also whether the

Law Society of WA was asked to comment on the erosions of fundamental principles of law which are contained in the Bill and which run counter to many of the principles we have heard espoused in this House previously.

I suggest to the House also that this Bill is bad legislation, because it interferes with the normal rules of contract. I ask the Leader of the House to provide a detailed explanation in that regard. I am sorry that some of his other colleagues on the front bench are not in the House, because I could have asked them the same question, bearing in mind that in the past they held that principle in such high esteem.

I refer to a clause, the number of which I shall indicate during the Committee debate, which deals with a trader exhibiting goods for sale. That clause spells out what constitutes an offer to sell certain goods. The Government would know that the normal rule of contract is that by themselves advertisements do not constitute offers to sell, but this legislation runs completely counter to that principle. Again I ask members opposite whether they sought the attitude of the Civil Liberties Council of WA to their riding rough shod over the normal rules of contract.

It is relevant also to ask members opposite whether they consulted the Association of Labor Lawyers and, more to the point, whether they consulted the Law Society of WA before they rode rough shod over that principle. I hope that, in the course of the response from the Leader of the House, that point will be dealt with.

Clause 24 contributes to the weakness of the legislation in that, at the very best, it will become a legal nightmare. We shall deal with that clause in detail during the Committee stage, because I know you, Sir, will not allow us to do that now. However, for the benefit of members, I indicate this clause deals with notices being given to compel people to answer questions put by the commissioner. Reference is made to a requirement for a person to be given sufficient notice to do this.

What is "sufficient notice"? As I understand it, the High Court dealt with that matter in relation to the Income Tax Assessment Act regarding the production of documents and the like and it was suggested that seven days was sufficient notice. If the High Court has gone to the trouble of defining the words "sufficient notice", there is no excuse for the failure of the Government to provide a specific definition of them in the relevant part of the Bill.

Of course, one can take "sufficient notice" to a ludicrous extent. The commissioner may ask a person's name and the person may say, "I have

seven days to answer that question, so I will go away and think about it." However, we are talking about matters of substance; we are not talking about silly situations in which a person may be asked the business address from which he operates for which "sufficient notice" would be 30 seconds. This legislation is sloppy and bad, because, as I read the Bill, too much discretion is left with the commissioner or the Minister.

No one is suggesting, least of all me, that the principal administrator of this proposed Act—the Commissioner of Consumer Affairs—will take definitions and interpretations to stupid ends, but it is possible. People know and, I think, accept that the present commissioner is a reasonable man and a civil servant who is held in high esteem. But what would happen if he were absent for a time, having been bitten by a spider while gardening? One assumes that all the people involved in the administration of the proposed Act would all apply good sense. I have no doubt that in the long run that is what they would do, but that is not a principle of good lawmaking.

Surely any piece of legislation passed by Parliament should mean what it says and say what it means, something we have heard much of in this House in the past.

The Hon. D. K. Dans: We didn't get very far with that.

The Hon. P. G. PENDAL: Now is a golden opportunity for the Leader of the Government to put into practice what he has been preaching, yet he fails dismally at his first attempt. He and his co-authors of this legislation fail to take into account the very principles they pointed out to us over the last three years. If the High Court of Australia has made the effort to define "reasonable" or "sufficient", it should not have been beyond the wit of this Government to include or to attempt to include similar definitions in this legislation.

I refer now to clause 27, which I will go into in more detail later. This clause refers to the power of the proposed commissioner of prices to require returns to be submitted by a trader. This is perhaps one of the most horrendous, unfair and diabolical clauses in this legislation. What it amounts to is that the commissioner is to be given power to force Government-ordered stocktakes. And these will be done at the expense of the trader, the small businessman, the bloke who can ill afford to spend a day doing a stocktake, which he may well have done three months ago for the purposes of his own business but which he has to undertake again because the commissioner of prices has ordered him to do so. He undertakes it not only at

his own expense but also at the whim of the commissioner in that the commissioner will have the power to ask the trader to supply a full resume of the quantity of goods he has, the amounts he paid for them and how he works out the cost. They are just three of the questions among many that he can ask.

As if that is not offensive enough against the ordinary small businessman in the community, more is to come, because having completed the Government-ordered stocktake, under this legislation the person is then required to complete a statutory declaration and have it witnessed by the nearest available person to ensure he is telling the truth.

What will happen in country areas? Perhaps later speakers and those who represent country constituencies can give me the answer. It may well be that the person has to turn around and drive 40 miles to the nearest person qualified to sign a statutory declaration. It is ironic that it was the former Government that came under great criticism from the now Government about the witnessing of electoral claim forms; this was one of the chief criticisms levelled against its electoral legislation.

It is hypocritical of the now Government to impose legislative requirements on people when only 12 months ago it described those requirements as anti-civil libertarian and diabolical, because that is what this clause provides. It contains a requirement that when the small businessman has been ordered by the Government to carry out a full stocktake, he is required, if he lives in a country area, to drive perhaps 40 miles to get to the nearest person qualified to witness a statutory declaration. Government members say one thing and do another. They have taken into account none of the problems of many small businessmen who would have great difficulty, having spent perhaps two days at their own expense carrying out a Government-ordered stocktake, in having to drive to some person many miles away who is qualified to sign a statutory declaration.

The Hon. Fred McKenzie: A commissioner for declarations can do that.

The Hon. P. G. PENDAL: This is also bad legislation in that clause 13 contains some very serious inadequacies. Clause 13 refers to the power of the Minister to suspend or to countermand an order made by the commissioner for prices. It is not clear to me on my reading of the Bill—perhaps Mr Dans will specifically answer this, and if he does not I will keep asking him in the Committee stage; I am not trying to bait him here, because the answer may be in the

Bill—whether there is any formal method by which a person can approach the Minister to have him countermand an order made by the commissioner. On the face of it there is not; on the face of it it does not matter anyway. However, I suggest that this leaves the clause, more than any other clause, open to the most serious form of corruption and abuse.

For example, if there is no formal mechanism, the Minister in countermanding an order, need only give notice of his intention or make some sort of public notice. That is all very fine, but what he does not have to do is give the reasons. No formal line of approach is laid down, and this leaves it open for corrupt practices to occur.

In the absence of any formal line of communication, what is to stop someone telephoning the Minister and saying, "Goodness me, your commissioner has just done this, that and the other under the terms of the Act. That is dreadful, Arthur. Are you aware what this will do to me? I want you to countermand his order." I am not suggesting this will lead directly to corrupt practices taking place, but the way is open for this system to be abused in a most serious way.

The Hon. Fred McKenzie: Are you suggesting the commissioner will ignore the advice of his Minister?

The Hon. P. G. PENDAL: If the member were to read the Bill he would find that the Minister has the power to suspend an order made by the commissioner. What I want to hear from the Leader of the House or one of his ministerial colleagues is whether there will be a formal method of communication to the Minister in order to have the commissioner's order countermanded. If a formal line of communication is provided, for example by the simple expedient of a letter in which the applicant says to the Minister that he wants him to countermand the order because he believes the order is wrong, at least we would have a letter on file. It will at least legitimise the process and, I suggest, minimise the chances of any corrupt practice creeping in over the telephone. In fact, I am suggesting something that might save Mr McKenzie's Government some political embarrassment during the life of this proposed Act.

There may be such a formal mechanism, and possibly a little later the Hon. Des Dans will tell us about it.

The Hon. Fred McKenzie: I'm sure he will.

The Hon. P. G. PENDAL: I refer now to clauses 19 and 20 because they also contain examples of bad lawmaking. They refer to the failure or refusal of a person to supply or sell goods or services at a fixed rate or price. In simple

terms these provisions mean that a vendor will not be allowed to refuse to sell an item in his custody. I hope small businessmen in this State understand that clauses 19 and 20 will take away all rights that vendors have had under common law until this time. I would like to hear Mr Berinson, as a former vendor, make some reference to my point. These clauses represent bad lawmaking.

I will give an example. The prices commissioner could make some order that a furniture vendor could not sell jarrah dining tables beyond a certain price. In good faith the dealer may say to himself, "That's impossible. I can't sell at that price and make a profit and I can't even sell them at that price and avoid sustaining a loss. So what I will do is put them to one corner of the showroom until one day when the marketplace is better, when we don't have prices control. Then I will be able to sell the jarrah dining tables without making a loss. As a small trader I am going to put myself in a position where I can make a reasonable profit." But under this legislation such a trader will not be able to adopt that course. As I understand the legislation, it will be quite illegal for such a trader to make a conscientious and conscious decision to take stock from his showroom. Small traders will not be able to say, "I am not going to sell that because the maximum price recommended by the commissioner doesn't permit me to make reasonable profit."

If a small trader took his goods away, it would not be a question of his wanting to rip people off; it would be a question of his wanting to survive, to keep his doors open. But these clauses run counter to every belief, practice, and principle that has operated in the past, and are very much tied in with the clause to which I referred earlier, the clause which refers to what constitutes an offer to sell.

In a general sense the legislation is not only inequitable, but also discriminatory. Mr President, I ask you to cast your mind back over the years you have been in this Parliament, and I am sure you will recall many occasions when you have been told by the Australian Labor Party that penal provisions ought never to be aimed or directed at the trade union movement. The minute the Labor Party gets into Government in this State it brings in a Bill which includes stringent penalties directed towards the trading community of this State. I include small traders in that because they form the bulk of the traders involved in Western Australia's economic life. This legislation discriminates against those people. It is no good the Government's saying, "Well, we are going to take all the penal provisions out of the industrial laws of this State because the people involved should be above the law, but we will put the boot into

small businessmen in this State by making them suffer large monetary penalties." If anyone can convince me that there is a consistency or lack of discrimination in the Government's approach I would be very interested to hear that argument.

The Leader of the Opposition adequately covered the weakness of the legislation in its provision for how on earth the commissioner—I have pity for him in this regard—will set the maximum price of a product such as butter. The Leader of the Opposition said that in his local Coles New World Supermarket the price of butter would be Xc, but the price at another store could well be different. Naturally enough in this legislation there exists the mechanism for differential rates to be struck. I presumed, as did the Leader of the Opposition, that the price of, say, butter at a Coles New World Supermarket would be different from the price of butter sold by a corner delicatessen store as a result of the different overhead costs; but that is only the start of the larger problem that will be faced by the prices commissioner. He will not get any sleep until the legislation goes off the Statute book. I assume he would have to determine the maximum price for butter sold at not only big supermarkets and corner delicatessens, but also the many neighbourhood shopping centre stores that exist throughout the metropolitan area. At that point he will have three prices to determine, but in addition he will have to determine the price for butter in Kununurra, Kambalda, Esperance, and other towns. It is suggested that we should have 10 maximum prices for a kilo of butter sold in Western Australia!

The Hon. D. K. Dans: You have a very vivid imagination.

The Hon. P. G. PENDAL: I have indicated how open-ended these provisions are. I have merely given an example of the striking of differential rates. Mr Dans has seen only the tip of the iceberg, and that has indicated the overall weakness of the legislation. The Government's approach has been superficial; it has served up something because it looks good, but if it only knew what was below the surface it would change its attitude. The small business community of this State is aware of what is below that surface.

The Hon. Fred McKenzie: You're ridiculous if you suggest that every "i" should be dotted and every "t" should be crossed.

An Opposition member: That's what you asked for.

The Hon. D. K. Dans: And we got it, too!

The Hon. P. G. PENDAL: I will give another example and ask how we will overcome similar

situations. Neighbourhood shopping centre stores charge \$1 or \$2 for the delivery of a housewife's groceries to her home. The cost is nominal; it probably does not cover the wages of the person delivering the goods or the wear and tear on or the petrol consumed by the vehicle used to deliver those goods. These neighbourhood stores, in order either to keep shoppers away from the big centres or to induce them not to shop at the local delicatessen, say to customers that their purchases can be delivered to their homes for a charge of \$1 or \$2. Under the prices control mechanisms in this legislation many of those store owners will say to themselves, "Because we are already in a low return market, the depressed conditions already have kept our profits low, and we are not allowed to interfere with the pricing mechanism now in the hands of the State Government, we will have to cut corners wherever we can. The first thing that will have to go is the home delivery service." In those circumstances how long will it be before housewives and others in this State say to themselves, "Goodness me, I preferred the old system where we didn't have a formal prices control mechanism, where prices were kept down because of a depressed market or depressed competition. All I had to pay was \$1 or \$2 to get my stuff delivered to the front door." These little services will be done away with if neighbourhood supermarkets find themselves having their profitability lessened even further by prices control mechanisms.

It is interesting that in New South Wales only three or four months ago that State's prices commissioner resigned. He went on public record as having resigned because the Wran Government had not given him any work to do. I assure members that the prices commissioner in this State will not have that problem in the months ahead while this legislation is on the Statute book. But a lesson can be learnt from understanding why Mr Wran allowed his highly paid prices commissioner to leave the scene as a result of a lack of work. I wonder whether the answer is that in the end Mr Wran came to the conclusion that prices control does not work. Possible Mr Wran said to himself, "Every time we have sent a matter down there we have diverted people from the real task of public administration. So let's not send anything down there but let the marketplace determine the prices of goods and services."

The commissioner is on public record as saying that he left because Mr Wran and the Labor Government would not refer anything to him. For the reasons I have outlined the legislation is bad, sloppy and illiberal. The Labor Party can breathe a sigh of relief that some form of sunset clause was inserted in the other House, notwithstanding



the public stance that the Labor Party has taken in the past, whereby it should have a sunset clause initially in the legislation.

I had hoped this legislation would assist those people in the community needing the most help; that is, unemployed people or those who have jobs in a precarious position at the moment. Sadly, this legislation will not help those people. On the statistical evidence and the material available from the trading community, this legislation is likely to make things worse for those people. It is easy enough as a little political catchcry to go to people and say, "Elect us and we will look after prices for you." I acknowledge before Mr Dans that outside these walls it was a powerful argument for the Labor Party; there is no question about that. The Labor Party will have to live with the consequences of this legislation because it sponsored it. Members opposite told the community the legislation will solve the prices problems, but it will do nothing for the community because it attempts to attack the wrong problem. The real problem out there is the people in unemployment queues and those people who are likely to be in the queues as a result of this legislation because of its interference with commercial viability.

**THE HON. G. C. MacKINNON** (South-West [3.42 p.m.]): I am a little worried about what is the right tack to take on this matter because we have no precedent except for that of the tremendous hurry Whitlam was in. I do not believe the present-day Labor Party will make the same mistakes again. I do not know whether to congratulate the front-bench members and their opposite members, Mr Medcalf, Mr Masters, and Mr Knight, or to make the whole host of congratulatory remarks one normally makes at the start of a speech at the commencement of the session; however, I do not think I will go into detail on that matter.

The Hon. J. M. Brown: You cannot welcome new members.

The Hon. G. C. MacKINNON: I want to make a general criticism in relation to the drafting of the Bill. Anybody with half a brain knows that this legislation did not spring spontaneously out of the Crown Law Department.

The Hon. Neil Oliver: That's for sure.

The Hon. G. C. MacKINNON: I have mentioned this before; I do not think the draftsmen have the right to give the impression that they had a week's gestation and were delivered of this piece of legislation. In other words, they ought to go back.

The Hon. D. K. Dans: It is something like you bringing us back here to talk about the wages freeze legislation.

The Hon. G. C. MacKINNON: The Leader of the House is jumping the gun a little. He does not know what my criticism is. We should return to the practice that was used years ago and give sources for material so that those of us needing to research a Bill at a moment's notice can go to the original material—obviously the original material in this case is the 1972 Bill—and check the information. We should be able to go to the original source of material whether it be a New South Wales, English, or Canadian Act. The people responsible for this area, and who read and hear my comments, know what I am talking about. It is frivolous to suggest that this legislation was produced without reference to basic material.

Without reference points it is difficult for those of us who wish to research material. I congratulate the Hon. Mr Pandal who, with not a great deal of experience, has done a magnificent research job. He did not have the sort of reference points which were given to us years ago.

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

The Hon. G. C. MacKINNON: The Government has made a great deal about the fact that it has a mandate for the Bill. I am prepared to accept that it has, as long as it does not claim a mandate for every other Bill it brings to this place. I will trade a mandate for this Bill, provided the Government forgets about a mandate for everything else.

The Hon. Garry Kelly: What about electoral reform?

The Hon. G. C. MacKINNON: The Government cannot have everything; it was elected on prices. I am prepared to accept that.

Several members interjected.

The PRESIDENT: Order!

The Hon. D. K. Dans: You row your boat and I will row ours.

The Hon. G. C. MacKINNON: I am rowing my boat. The Hon. Fred McKenzie keeps shrieking about mandates. I do not mind admitting that the Government has a mandate for this Bill, but it does not have a mandate for everything.

The Hon. Fred McKenzie: We can demand that for everything in our policy.

Several members interjected.

The PRESIDENT: Order!

The Hon. G. C. MacKINNON: I know that one or two per cent voted against a number of

things in the policy. Thirteen per cent voted for prices and two or three per cent were lost on all the other items. I will give the Government a mandate for prices.

The Hon. Garry Kelly: You know that, do you?

The Hon. G. C. MacKINNON: Yes. Everyone was conned on that. I will explain the word "con".

The Hon. D. K. Dans: It is a most unparliamentary term.

The Hon. G. C. MacKINNON: It is Australian and everybody understands it.

The Hon. D. K. Dans: It was an American term.

The Hon. G. C. MacKINNON: The greatest confidence tricksters are Australians.

The Hon. P. G. Pental: They are in Government now.

The Hon. D. K. Dans: What about Kruger? Was he not a confidence trickster?

The Hon. G. C. MacKINNON: He probably spent some time in Australia.

Several members interjected.

The PRESIDENT: Order!

The Hon. G. C. MacKINNON: The only way to have one's interjections reported is to do what the Hon. Peter Dowding does. He gives them to the Press and then comes down here and makes them.

The Hon. Tom Stephens: You know that is untrue, so why say things like that?

The Hon. G. C. MacKINNON: The Hon. Peter Dowding does not realise yet that he is not in Opposition.

Several members interjected.

The Hon. G. C. MacKINNON: I was inadvertently absent from the Chamber—

Several members interjected.

The PRESIDENT: Order! I ask honourable members to cease interjecting so that we can proceed with this piece of legislation. I recommend to the Hon. Graham MacKinnon that he say something about the Bill.

The Hon. G. C. MacKINNON: What I was saying about this Bill is that some members do not even know that they are no longer in Opposition. I was inadvertently absent, on parliamentary business, when the Hon. Des Dans introduced this legislation. When I returned I had to ask who had introduced the Bill because the only Minister making any noise was the Hon. Peter Dowding. I could not obtain any information by way of interjection—

The Hon. Tom Stephens: That is called Government solidarity.

The Hon. G. C. MacKINNON: Mr Gayfer kindly handed me a copy of the speech so I could ascertain who introduced the legislation. I was able to catch up with the situation. The Hon. Peter Dowding was making a noise in his usual vicious style, so I took it for granted that he had introduced the legislation.

The Hon. Fred McKenzie: He is consistent, isn't he?

The Hon. G. C. MacKINNON: He has been consistent since his first day in this place.

The Hon. P. G. Pental: Consistently obnoxious.

The Hon. Tom Stephens: Fair go!

The PRESIDENT: Order!

The Hon. G. C. MacKINNON: The legislation before us espouses two policies as a result of the wages freeze. The Liberal Party espoused a policy that was lightweight and rather quiet on prices restraint. I want members to remember the words "prices restraint". It was said that it would not work, but I know it has because people have been contacted by letter advising them that their prices have increased and they must send in an explanation.

The Hon. Fred McKenzie: What about petrol?

The Hon. G. C. MacKINNON: Mr President, please keep Mr McKenzie quiet so I can follow one line of my speech. Since this piece of legislation we have not had blanket prices control, but prices restraint. We have had prices restraint from the time we had the wages freeze. The Government cannot tell me that this legislation will freeze prices as well—it will not.

The Hon. Robert Hetherington: Nobody says that.

The Hon. G. C. MacKINNON: Thank you. It is a prices restraint Bill, but I do not think it will be used. It is a show pony Bill because it is not blanket prices control. Perhaps it can be used against petrol, according to tonight's paper. Maybe petrol prices will drop, but when one reads the article in tonight's *Daily News*—

The Hon. Fred McKenzie: The Minister said it will drop.

Several members interjected.

The PRESIDENT: Order! The honourable member knows it is out of order to be reading newspapers.

The Hon. G. C. MacKINNON: I did not read a newspaper. It seems to be a popular misconception not only in this State, but in the Press as well,

that the Liberal Party has never introduced a Bill on prices control.

One of the firmest adherents to the conservative line of Government—as Mr Hetherington likes to define our Liberal Party—was the Hon. C. H. Simpson of Midland, a Liberal who finished his parliamentary career as a member of the National Country Party. He was the first leader in this State because we did not have official leaders in the Legislative Council.

Several members interjected.

The PRESIDENT: Order!

Several members interjected.

The Hon. G. C. MacKINNON: I wish members would let me make my speech. I am referring to volume 128, page 1066 of the 1951 *Hansard*. In that year Mr Simpson introduced prices control legislation. He supported the continuance of the Bill. In moving the second reading he said that the Government had no option but to endeavour to ensure that prices remained at genuine levels by continuing controls for a further 12 months. Further on he said the Government had decided to continue with the legislation.

Harry Hearn of Hearn Brothers—this brings back poignant memories because when I was on the hustings in 1956 he suffered a heart attack and died at one of my meetings—supported the legislation. Sir Charles Latham, Mr Tuckey, and Mr Roche also supported the legislation.

The Hon. H. W. Gayfer: Not Wilson Tuckey?

The Hon. J. M. Brown: He stood for endorsement.

Several members interjected.

The Hon. G. C. MacKINNON: Incidentally, it is quoted in the 1952 *Hansard*—this will give the Hon. Des Dans some hope—that the Bill passed through Committee without debate, was reported without amendment, and the report adopted. At that time we were the Government with a resounding majority. We introduced prices control because the conditions or the political climate demanded that that be done.

Another historic occasion took place in 1972 and I think that is where the Bill before the House originated.

The Hon. N. E. Baxter: Most of the provisions of the 1972 Bill are in this Bill.

The Hon. G. C. MacKINNON: I think this Bill has been jazzed up a little to bring it into line. The 1972 Bill was known as the Prevention of Excessive Prices Bill and the debate, resumed from 31 October, is on page 4783 of *Hansard*. The debate was resumed by our leader at that time, the

Hon. A. F. Griffith, and on that occasion the Bill was opposed. Mr Griffith, gave a detailed account of the Bill. It was opposed also by Mr Withers. I said a few words also and opposed it.

The Hon. Garry Kelly: Can you quote from your speech?

The Hon. G. C. MacKINNON: Some very pertinent comments were made and should any member want to know how to oppose the Bill they should read the debate in *Hansard*. It makes good reading. On that occasion I was followed by Mr Ron Thompson. You, Mr President, would have fond memories of Ron Thompson.

The late Roy Abbey spoke on the Bill and the only person present whom I can think of who did not speak was the Hon. R. J. L. Williams. Incidentally, Mr Dans spoke primarily about bread. An inquiry headed by Ruth Coleman came out in favour of a decrease in the price of bread when, in fact, it was increased.

I suggest that this Bill which the Labor Party is inflicting on the people in Western Australia is a "justification of prices" Bill and it will lead to a constant increase in the staff of the commissioner to whom the authority is given. That is the history of prices control.

If one looks at the history of prices control throughout the world one finds such control has resulted in increased prices. On the occasion the Bill to which I have referred was before the House in 1972 the vote was exactly as members would expect it to be. It was as follows—

#### Ayes—10

Hon. R. F. Cloughton	Hon. T. O. Perry
Hon. S. J. Dellar	Hon. R. H. C. Stubbs
Hon. J. Dolan	Hon. J. M. Thomson
Hon. L. D. Elliott	Hon. W. F. Willesee
Hon. J. L. Hunt	Hon. D. K. Dans

(Teller)

#### Noes—15

Hon. C. R. Abbey	Hon. N. McNeill
Hon. N. E. Baxter	Hon. S. T. J. Thompson
Hon. G. W. Berry	Hon. F. R. White
Hon. V. J. Ferry	Hon. R. J. L. Williams
Hon. A. F. Griffith	Hon. F. D. Willmott
Hon. J. Heitman	Hon. W. R. Withers
Hon. L. A. Logan	Hon. Clive Griffiths
Hon. G. C. MacKinnon	

(Teller)

Mr Medcalf was paired with Mr Leeson and Mr Wordsworth was paired with Mr Thompson.

The Hon. Garry Kelly: It was one of the 21 Bills defeated during the Tonkin Government's reign.

The Hon. G. C. MacKINNON: Is that exciting? I think we defeated 24 Bills during the same period recently and that took place in our party room. There is no difference. If the Labor Party wishes to send Bills to our party room we will de-

feat them there. We extended that courtesy to the Liberal Government and we are quite prepared to extend it to the Labor Party. Members of the Government can confer with Mr Medcalf on this matter.

The Hon. Tom Stephens: You are not in Government now.

The PRESIDENT: Order!

The Hon. G. C. MacKINNON: If the Labor Government wishes to send Bills to our party room Mr Medcalf has indicated that we will extend the same courtesy to it as we did to the Liberal Government.

Several members interjected.

The Hon. G. C. MacKINNON: Mr Gayfer has indicated that he is still in Opposition in coalition and will co-operate.

The Hon. H. W. Gayfer: I did not exactly say that.

The Hon. G. C. MacKINNON: Until this Bill was introduced into this House I thought that the Liberal Party should congratulate itself on the way it had transformed members of the Labor Party over the last 20-odd years. Members of that party were a very rag tag group, and they have been transformed into a middle-class group and are now well dressed performers.

The Hon. D. K. Dans: May I confess that my shoes are hurting a little.

The Hon. G. C. MacKINNON: I found that the change in the general demeanour and public appearance of members of the Labor Party has improved.

The Hon. Tom Stephens: Your "born to rule" approach is unbelievable.

The Hon. G. C. MacKINNON: Members of that party have rushed out the door and run around the building and are now on our right.

The Hon. Lyla Elliott: Are you impressed with all the new women members we have?

The Hon. G. C. MacKINNON: Accidents do happen. The ALP is still in a state of shock over winning those seats.

The PRESIDENT: I ask the honourable member to confine his remarks to the Bill and for the other members in the House to cease their interjections.

The Hon. G. C. MacKINNON: I am sorry I was led a little astray by the constant interjections and did not stick to the theme of my address. I am sorry if I have upset one or two non-conformists by referring to them as conformists.

I am a little upset that the Labor Party is sticking so tenaciously to its archaic attitudes on prices

control. I believe implicitly that one of the disadvantages of the large increases in salaries has been the loss of profitability by companies.

The Hon. D. K. Dans: I thought you were going to say, "members of Parliament".

The Hon. G. C. MacKINNON: A real need exists for companies to make a greater profit in order to expand and employ more people, as Mr Pandal has outlined. I believe the harassment which could ensue if this Bill were pursued would lead to a further diminution of profitability with the obvious result of reducing employment. I am sorry that although the ALP has overcome so many of its fixations about the socialisation of coal mines, banks, and that sort of nonsense, it has retained its interest in prices control. I shudder to think that rent control might come next.

The Hon. G. E. Masters: It is in the Bill.

The Hon. G. C. MacKINNON: It is essential that companies be profitable. No difference of opinion exists between the Liberal Party and the Labor Party on this point because Mr Hawke has been talking constantly about small business and the fact that it employs 60 per cent of the work force. He also has referred to the need for small business to prosper; we have been making the same point for a long time. Mr Hawke has picked it up and quoted it, and the public thinks he is telling the truth. Even Mr Tonkin now is saying that business must be profitable.

Mr Tonkin also is on record as having said that in some circumstances this legislation could apply to rents in shopping centres.

One thing worries me about this legislation. We have been told it will not be used as a blanket cover, but we know the ALP is more inclined to ministerial intervention than the previous Government.

The Hon. D. K. Dans: You were not?

The Hon. G. C. MacKINNON: No.

I wonder whether the Government feels it will be able to use this legislation as a threat. I recall that on the rare occasions when it has been in Government the ALP has used that sort of—dare I use the word—blackmail.

The Hon. W. M. Piesse: Yes.

The Hon. G. C. MacKINNON: With the approval of the Hon. Win Piesse I will use the word "blackmail". I am fearful that this attitude may be adopted against business. I heard Mr Tonkin say this Bill will not be used in a blanket fashion. If one listened to him for a short period one would be absolutely certain he would not use the Bill at all. I am not certain what purpose there would be for this amount of paper, but ac-

cording to what he said, it seems to me it would not be to enforce the law. In other words, the policy will be one of prices constraint. Someone rings up and dubs a person in, to use a childish term, as the *Daily News* did the other day with the bread people. It is a policy for which the Government attacked us on the questions of gambling and prostitution. We had to wait until a complaint was made. This worries me: The nature of the party and ALP Ministers is such that they are more susceptible to pressures from groups such as the unions and the TLC.

The Hon. D. K. Dans: I would not say too much about that; I have been looking at some of the files. I could bring out examples of the previous Government's attitude to people who brought pressure to bear on it.

The Hon. G. C. MacKINNON: I am not saying we are not susceptible; however, we are less susceptible.

The Hon. D. K. Dans: That is backing away.

The Hon. G. C. MacKINNON: I am not backing away. The ALP depends on union support and is therefore more susceptible than we are. I am not saying we were never susceptible. I was Minister for 12 years—I have an idea of how susceptible one has to be. I followed the Labor Ministers into office and I know the difference. I read the files.

The Hon. D. K. Dans: Vive la difference!

The Hon. G. C. MacKINNON: One of the unfortunate aspects is that ALP Ministers are more susceptible.

The Hon. Garry Kelly: Rubbish!

The Hon. G. C. MacKINNON: Of course they are, Mr Kelly. I made a note which has some bearing on the argument—

The Hon. D. K. Dans: Would you make a note of what is in the Bill?

The Hon. G. C. MacKINNON: The only aspect of Mr Pandal's remarks with which I did not agree was that he went through the Bill clause by clause. I believe that at the second reading stage we should confine ourselves to what Standing Orders say we should do and deal with the basic principles of the Bill. If Mr Dans wants me to deal with the Committee stage—

The Hon. D. K. Dans: I am prepared to deal with the principles at this stage and the detail later on.

The Hon. G. C. MacKINNON: We have fellows who are good at that and they will deal with it clause by clause.

The PRESIDENT: Order! I suggest the two members who are conversing with each other are both departing from Standing Orders. The Hon. Graham MacKinnon should address himself to the Bill.

The Hon. G. C. MacKINNON: I heard some of the interjections made while Mr Masters was speaking. Members opposite were speaking about the basic principles of business. Members on that side should take a look at themselves. I would expect Mr Brown to have licence to comment because he has been in business. He has employed people and has made decisions affecting his livelihood. I would expect Mr Berinson to do the same because he has made decisions about whether to sell a particular medicine at a certain price which determines whether he has made a profit. Mr McKenzie also can speak because he is a tradesman or he has been in a trade union. Nobody else who interjected has earned the right to speak.

The Hon. Tom Stephens: You would not know what rights we have earned.

The Hon. G. C. MacKINNON: I was asking about Mr Stephens because I wanted to check him out. I could not trace Mr Stephens back all that far. For every one member on that side who has the right to comment on trade or business we have three or four.

The Hon. D. K. Dans: Bully for you!

The Hon. Tom Stephens: We have a few consumers who supported us.

The Hon. D. K. Dans: They are the last people they think of—women, children and the poor. That is why we won the election. People woke up.

The Hon. G. C. MacKINNON: The Labor Party won the election on its prices control policies and that is why I will support the second reading of the Bill.

The Hon. D. K. Dans: That is how we won the Federal election. That is how we won Victoria. That is how we won South Australia. That is how we won New South Wales.

The PRESIDENT: Order!

The Hon. G. C. MacKINNON: If members of the ALP cannot support their Bill—

The Hon. D. K. Dans: He is a very good example of why I am not going to answer you.

The Hon. G. C. MacKINNON: —by argument, and if they have to support it by this so-called mandate, I will accept that mandate and let the Minister not answer. That mandate has to cover his right to govern on this Bill. Let us accept that, because the Minister is not prepared to answer. He is not prepared to reason it out. He is not prepared to say, "We will have prices con-

trol." Mr Tonkin has said "We will keep this Bill as a club down there, in case anyone gives us any trouble."

When I started making the odd note or two, Mr Moore said to me, "Do I see a speech coming on?" I said, "I am afraid so." He said, "Why don't you remember your Oscar Wilde and go and lie down for a while until the feeling passes off?"

The Hon. D. K. Dans: You are going down the track. I am getting a bit suspicious of you—"Oscar Wilde" and "lie down". Hell's teeth!

The Hon. G. C. MacKINNON: I am glad I did not, because I thought I should point out that the Liberal Party is indicating that if there were justifiable arguments for the introduction of prices legislation—

The Hon. Garry Kelly: It is not justifiable now?

The Hon. G. C. MacKINNON: No way. It will not do a skerrick of good. We are not in a war-time situation; we are not in a post-war recovery situation. According to the Americans and the people in the United Kingdom, we are on the way to recovery.

The Government has not introduced this legislation to use it because Mr Tonkin said so, or because any other speaker said so. It will use the legislation as a club to belt the ears of the groups of small businessmen. It will not be used on big business, because the guys working for big business are all unionists. The Government will not go to the Collie coalfield and belt the coalminers around, because the miners are unionists, and they are represented by Tommy Jones and Sandy Lewis. Anyhow, all the blokes who work there contribute to the ALP through their affiliation fees; we all know that. The only people who do not know that are the people in the Press and they are saying nothing about it because we are in the honeymoon period which will continue for the next couple of months.

I want it placed on record that I said these things. I have said them, and I will support the second reading of the Bill.

**THE HON. W. M. PIESE** (Lower Central) [4.32 p.m.]: I am glad that the Hon. Graham MacKinnon made his remarks, because they verify my own thoughts on this Bill. At first I was tempted to vote against it, but I remain to be convinced. I believe that the Bill will never be proclaimed. If it is proclaimed, I doubt that it will ever be put into effect.

I realise that the regulations for any Bill have to be written after it is passed; but I believe the regulations for this Bill have been outlined

already. I am wondering if, in his reply, the Minister handling the Bill can indicate a time scale by which he expects the legislation to be proclaimed and put into action. I would be most interested to hear that.

The Hon. Peter Dowding: When it is to start, or when it is to stop; or what do you mean?

The Hon. W. M. PIESE: When it is to be proclaimed, and how long it will run. I am particularly interested in the time scale the Government has for this legislation. We are talking about essential goods and services, and as a housewife I am concerned about them. I know that most of the women in the electorate, particularly in the country areas, are concerned as to what the legislation means for them.

When we talk about essential goods and services, we are talking firstly about food-stuffs—about the price of groceries; about the price of meat, as the Hon. Gordon Masters mentioned; about the price of bread; about the price of clothing and house linen; and everyday things like that. We are not talking about sumptuous meals in exotic restaurants, or the cost of take-away food, although those things do appear in the Consumer Price Index. I have never understood why they appear there; but nevertheless they do. Those are the everyday things about which the people in the electorate are concerned.

If this prices legislation comes into force for the ordinary, everyday foodstuffs, what can we expect to happen? What about the man who holds a stock of goods and is told he cannot raise the price of them—that they must be sold at the price at which they had been gazetted? If he has to replace the goods, it is more than likely he has to purchase them in the Eastern States or even overseas where there is no control on the price.

We have noted that the Bill provides that the Minister and the commissioner must take note not only of the cost of production and distribution or retail, but also of the needs of the consumers. We assume that the commissioner and the Minister will decide exactly what the community needs. If something cannot qualify for the price set by the Minister and the Commissioner, will it mean that the commodity will have to go off the market for the people of Western Australia? That is likely to be the case.

Already, people in small businesses have spoken to me along these lines. They have said, "If this prices legislation goes through, where will I stand when I have to purchase on the open market? Down here in the country you already come up against it with the extra freight costs. How will I be, trying to compare my price with the price that

I have to pay for the goods?" If that is likely to be the case, I am afraid we are in for a long session of unavailable commodities.

That has happened during my lifetime and the lifetimes of many members here—not all of them, but many of them. We well remember the long queues because of shortages of supply during war-time.

Some of us who have travelled overseas, and some of us who have watched "Nationwide" or news programmes in recent years, know what has happened in Poland.

The Hon. Peter Dowding: Come on!

The Hon. W. M. PIESSE: What is so funny, Mr Dowding?

The Hon. Peter Dowding: Are you suggesting Western Australia will be like Poland? That really is ludicrous.

The Hon. W. M. PIESSE: It may be ludicrous to the Hon. Peter Dowding; but I am a shopper, and I know.

The Hon. Peter Dowding: Do not frighten people with that sort of argument.

The Hon. W. M. PIESSE: I am trying to frighten the Government. There is no way I can frighten the Minister. The people who elected the Government have done their dash on this.

The Hon. P. G. Pandal: Do you want to talk on this Bill, or not?

The Hon. W. M. PIESSE: Members of the ALP should realise the full extent of what they may be leading the people into. It must be noted that in Poland the consumers have plenty of money. Over and over again they said, "We have the money, but we can't get the goods." Now, I believe it can happen here.

The Hon. Peter Dowding: It could be, with the change of Government, it will not look like Poland.

The Hon. W. M. PIESSE: Even in the land of milk and honey, shortages can occur. They can occur very quickly. It is my fear that they will occur if the legislation is passed. Members may recall when meat, in particular, was unprocurable in Poland so that housewives shopped on the black market. I know a bit about housewives, Mr Dowding.

The Hon. Peter Dowding: I am married to one, actually.

The Hon. W. M. PIESSE: During the shortages in Poland, animals were killed which did not even have a health inspection. The people accepted that meat because they were so desperate

to receive it. It was unlawful, but many people did that.

Government members interjected.

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Order!

The Hon. W. M. PIESSE: Furthermore it may well be that not only will the small businessman have to cease stocking certain commodities, but also that will occur as the result of the clause in the Bill whereby, if a retailer finds he cannot sell goods for the price at which he had intended to sell them, he must give 14 working days' notice before the price can be changed. That really amounts to three weeks' notice. By the time that period has elapsed he will be three weeks behind the Eastern States or overseas prices which will surely mean many of those sorts of commodities will not be stocked in this State during the time this legislation is in force.

It is likely we will have to face considerable shortages of goods and a loss of certain commodities. That is something which concerns me greatly and likewise it concerns a number of housewives.

Were the Government really sincere in its efforts to alleviate the high cost of living, it would examine ways to reduce or equalise freight rates for everyday commodities transported to country areas.

The Hon. Garry Kelly: Why didn't your Government do it in the last nine years?

The Hon. W. M. PIESSE: That is a good question. As my Government has now been deposited and the experts are in office, I have no doubt that, in a very short time, members opposite will go to South Africa and examine the way in which freight rates are equalised in country areas.

The Hon. D. K. Dans: I know how they do it.

Several members interjected.

The Hon. W. M. PIESSE: It has been noted already in this Chamber that members opposite do not consult anybody about anything. They just sit there, make up their minds about something, and do not bother to examine the position in other nations. Indeed, members opposite are not even aware of the position in Poland or Russia.

The Hon. Peter Dowding: You are familiar with that, are you?

The Hon. W. M. PIESSE: Yes, indeed I am. In Russia not only are prices controlled, but also, as I mentioned earlier—Mr Dowding may not have heard me—the Minister or Commissar decides which commodities are good for the consumers. If the Minister or Commissar decides the people do not need or should not have certain commodities,

such as jeans, they are not available on the market. That is a fact and any member opposite can go to Russia and look at the position.

The Hon. Peter Dowding: I have not been to Russia, but aren't you drawing something of a long bow here?

The Hon. D. K. Dans: We have gone all the way from Western Australia to Leningrad.

The DEPUTY PRESIDENT (The Hon. R. J. L. Williams): Order!

The Hon. W. M. PIESSE: Chewing gum is another item. If they think consumers do not need it, it is unavailable. I will not go through a lengthy list of these items—

The Hon. Peter Dowding: Oh, do!

Several members interjected.

The Hon. W. M. PIESSE: It is a great pity the present Government is not prepared to investigate all avenues of information open to it. As I have stated already, the Government is not prepared to consult people. Members opposite simply make up their minds about a matter and the community has to like it or lump it, because that is the way they decide to do it.

I hope one day we have a Government which cares enough about country people to examine the matter of equalising freight rates, because that is the only way prices in country areas can be brought into line with those in the city. South Africa has achieved that and there is no reason that we should not be able to do so here.

The Hon. Garry Kelly: They have done that through using cheap, black labour.

The Hon. W. M. PIESSE: South Africa has not achieved that situation by using cheap, black labour, but rather it has been brought about by studying the situation and incorporating it in the decentralisation policy. In the various places I visited, I made inquiries about this and I found the prices of commodities in the most remote parts of South Africa do not differ by more than 1c or 2c from those in Johannesburg. Members opposite should take note of that.

New Zealand has a similar sort of scheme, but, bearing in mind the smaller area of that country, it is on a much smaller scale than Western Australia and South Africa; therefore, it is much easier to equalise freight rates. However, if this State is to continue to progress, we must do this.

The people of this State have elected a Labor Government which is quite sure that it knows the answers to these problems, therefore, it is to be hoped that it is able to institute such a scheme for the benefit of country people.

I shall not delay the House because a number of members wish to speak on the Bill. However, I reiterate the only reason I will support the legislation is that I believe it will never be proclaimed or put into effect.

The Hon. Garry Kelly: It will be.

The Hon. W. M. PIESSE: If in fact the Bill comes into operation, this State will again know shortages and long queues and it will not be very long before the electors realise what they have done.

**THE HON. A. A. LEWIS** (Lower Central) [4.47 p.m.]: Unlike Mr MacKinnon, I congratulate the Leader of the House, the Hon. Joe Berinson, and the Hon. Peter Dowding on their appointments. Likewise I congratulate the Hon. Fred McKenzie on being re-elected as Whip and the Hon. Bob Hetherington on being appointed Secretary of the Parliamentary Labor Party, as well as the Hon. Margaret McAleer and our own front bench.

In discussing the Bill, I should like to direct some questions to the Leader of the House and I ask him to indicate whether he will try to answer sensible questions of a practical nature or whether he will just sit there and say, "No". I have heard him say to some of my colleagues that he does not intend to answer questions and, if that is the case, I will be wasting my breath. Perhaps Mr Dans will indicate his position in order that I may proceed.

The Hon. D. K. Dans: I will answer all the questions and I shall decide what is sensible.

The Hon. A. A. LEWIS: That is good enough.

The Hon. D. K. Dans: I certainly will not behave in the same manner as previous leaders who sat here when dealing with Bills—

The Hon. A. A. LEWIS: All I wanted to know was whether the Leader of the House would answer the questions and he has indicated that he will.

The Hon. D. K. Dans: —and, in particular, I will not behave as did Mr Masters when he was a Minister.

The Hon. A. A. LEWIS: Once again I am going against the Hon. Graham MacKinnon's wisdom, but that is nothing unusual, and I indicate to the Government that I will not lay off it as I did not lay off the previous Government if I thought something was wrong. I am sure members who know me realise that I will be fair in my criticism.

As the Bill has been virtually brought into line with the wages freeze, perhaps it could be tidied up in many areas. I realise that these comments



perhaps should be kept for the Committee stage, but I thought the Leader of the House would like to hear these points so that if he feels some tidying up should be done it could be done prior to the Committee stage, allowing the Bill to go through just that much quicker.

I draw his attention to the definition of "services" and the words "not being services provided by an employee in his capacity as such to his employer" which, if tied in with the wages freeze legislation, I would have thought were unnecessary.

I refer also to the term of three years for committee members. This could be tidied up if we had a sunset clause.

The Hon. D. K. Dans: There is a sunset clause now, and I suggest you read it.

The Hon. A. A. LEWIS: I know the Bill has a sunset clause, but the Bill states that committee members will be appointed for three years, so does the Leader of the House not think that this should be brought into line with the sunset clause?

The Hon. D. K. Dans: Wait till the Committee stage.

The Hon. A. A. LEWIS: Just so long as the Leader of the House is happy about that.

The Hon. D. K. Dans: I don't know that I am happy.

The Hon. A. A. LEWIS: At the Committee stage it might be the Leader of the House who gets the shock, not me. Unlike my colleagues, I will not give any guarantee how I will vote. I will wait to see the Government's performance. I did this when my own Government was in power and I am damned sure I will do the same with the present Government. I will not be threatened.

I am desperately worried for small businessmen when I see that the commissioner can hold inquiries in public. No limit is given to what can be said in those proceedings. As I see it, no limit is to be placed on persons claiming an interest in a price when cross-examining witnesses, and this could give such persons a trade advantage. It will lead to a very bad undercurrent in the business world.

I am worried about the committees to be set up inasmuch as they can comprise three consumer representatives, three trade representatives and a chairman. I would have thought that was enough; however, the Bill refers also to such other persons as the Minister determines. I would like an explanation of why the Minister would determine someone else should be appointed other than the three consumer representatives, the three trade representatives and an unbiased, non-voting chair-

man, unless a casting vote is required. The committee could find itself in trouble if the Minister determined there should be another trade representative or consumer representative, or a bit of both. The committee could get to be so large that its determinations might not be very good.

The Hon. Fred McKenzie: The Bill states "not more than three representatives".

The Hon. A. A. LEWIS: It states there should not be more than three trade representatives, with an equal number of consumer representatives, plus such persons as the Minister shall determine.

The Hon. Fred McKenzie: He may have only one.

The Hon. A. A. LEWIS: But he may have other people. Clause 8 (3) (c) indicates that the Minister may appoint such other persons as he determines. This worries me, and it should worry the Hon. Fred McKenzie.

The Hon. Fred McKenzie: I think he would use that power with discretion.

The Hon. A. A. LEWIS: I hope he uses the entire Bill with discretion. The member for Morley-Swan is a Minister now, not just some yobbo on the street. I would hope that all Ministers act with discretion, although we have seen the example of one who has not; but I suppose any person must have time to learn—if he is capable of doing so.

The Bill states that a committee meeting shall not be held unless at least one trade representative and one consumer representative are present. From a trading point of view, decisions will have to be made with speed. If it is a person's job to attend a committee meeting, he should attend as soon as possible and get on with his job.

I move now to consider clause 11 from the point of view of one who has been in business himself; in my case, dealing with farm machinery. Comments made to the Press by the Minister in charge of this Bill in the other place indicate that he believes all dealers, whether they deal in motorcars, farm machinery or whatever, are big bad bogies in the public eye. Mr Tonkin is always talking about dealers needing to be kept under control.

I wonder what will happen to production in rural areas when we consider the prior notice of 14 working days required to be given before price increases. What would happen in the case of a farm machinery dealer who does not have certain parts or goods? Presuming farm machinery parts are declared, would he have to hold those parts until he received the invoice with the pricing on it, and then write to the commissioner giving 14 days' notice before he can let the farmer have the

parts to get on with his harvesting, haymaking or ploughing? This could mean farmers will be faced with great difficulties. The farmer will be the loser if the dealer has to give 14 working days' prior notice, and then has to wait an extra five or six days for the invoice to arrive. There could be a delay of as much as 20 days, and I am referring to working days. This could mean that a farmer will not be able to do any work for a month; he might not be able to get his crop in or off. It is all very well for the Leader of the House to laugh.

The Hon. D. K. Dans: I was not laughing at you.

The Hon. A. A. LEWIS: I am not being funny.

The Hon. D. K. Dans: You are being deadly serious.

The Hon. A. A. LEWIS: Referring to clause 11(2) and the notification required, can the Leader of the House inform me how this will operate, remembering that a reasonably small dealer carries up to 6 000 different lines in his business?

If spare parts for machinery are declared, how long does the Minister think it could take a dealer to ascertain the methods and principles used by the manufacturer, seller, or supplier to arrive at the cost? The Hon. Phil Pendal referred to the public cost, but I think of the administration costs, such as clerical work, to the individual business.

I assume the worst; I assume that things will be declared. I wonder whether the Minister has considered the extra costs involved in the numbering of parts. As the Hon. Jim Brown would know, one could probably buy a bearing at a certain place, but if one wanted a particular numbered bearing what would be the additional rate for that numbered part? Agricultural machinery would not exist if numbered parts were not used.

The Hon. J. M. Brown: It is identification, yes.

The Hon. A. A. LEWIS: We must have identification of the parts for each machine, but identifying those parts costs money. Will these additional costs be allowed? One could take the extreme case of Coventry Motor Replacements Ltd. or Repco Auto Parts which would have probably 40 000 or 50 000 items in their stocks. What will happen if they are declared?

The Bill provides the commissioner with the power to determine the price of goods bought for cash and the price for goods that are booked up. I am sure all the farm machinery dealers would agree—I am not sure about the farmers—that they would far rather receive cash for their goods. What would happen if the commissioner has defined the cash price and the dealer decides he

wants to sell only for cash? Will he still be forced to supply the goods to someone who wants to have them booked up? There would be the differential in price between the cash price and the account price. That is the sort of question that I would think the people I represent want answered.

Clause 12 states that the service of installing and the provision of a part are different services and that only one need be declared. If the parts were declared, would a dealer still be allowed to give a quotation to the farmer requiring the service? Quite often when a dealer quotes on the repair of a vehicle or machine the part price is added in the quotation to the cost of the labour. Therefore, will the dealer be allowed to quote when one section of his business is declared?

The maximum price fixed includes the cost of wrapping or packaging, and the packaging must not be altered. Does that mean that if a farmer wants to buy 10 rivets, but rivets are declared and are available only in bags of 100, he may not purchase just 10 rivets? If the dealer has to break down the original packages he will not be allowed to charge for that service. So many practical aspects of this Bill really worry me. I just wonder what would happen if a dealer sold goods in a plastic bag smaller than the one in which the goods originally arrived.

The Hon. Peter Dowding: For what?

The Hon. A. A. LEWIS: If the Minister reads the Bill he will see—

The Hon. Peter Dowding: I have read it.

The Hon. A. A. LEWIS: —that a container must be of the same size and the quantity in that container must be the same when sold as it was when received. If a dealer is selling goods in quantities of 100 in a plastic bag two inches by three inches instead of the original plastic bag of three inches by four inches, is that dealer liable to a penalty? Does the Minister assure me that the dealer would not be liable? The Bill states that a person shall not pack or put up for sale a quantity of controlled goods smaller than the quantity of those goods ordinarily packed or put up for sale in a container of that size immediately before the date of fixation.

In 14 working days the situation may be sorted out, but by that time the mowing or harvesting would be finished. I am sure the Minister can understand the sorts of practical problems a person like me would run into.

The Bill states that a person shall not alter the formula or recipe ordinarily used by him or his predecessor. Possibly the dealer will drop dead before he sells a header to some bloke.

I mentioned the clause relating to the sale of controlled and non-controlled goods, and it would save me a lot of time if Mr Dans said that farm machinery dealers will not come under that clause.

The Hon. D. K. Dans: They are honourable businessmen. I would not think that they would come under it.

The Hon. A. A. LEWIS: I am worried that so many honourable businessmen will go broke because they will have to employ more staff to obey the law directly as a result of their being honourable and law-abiding. This Bill will send them broke, but the Minister could not give a damn whether they went broke. I know that because the city is his power base. He is not worried about the production of farm goods or the people living in rural communities. He should not talk to me about honourable businessmen because he knows that they are vital to the commerce of this country. The Minister and his colleague, Mr Dowding, go very quiet when we ask them whether they want us to throw this Bill out.

The Hon. Peter Dowding: Oh, come on!

The Hon. A. A. LEWIS: I have the feeling that the Minister wants us to throw it out.

The Hon. Peter Dowding: Come on!

The Hon. A. A. LEWIS: I ask him to tell us that he does not want it thrown out. He is quite prepared to interject but he will not answer a simple question. He has shown exactly where he stands—right in the middle.

The Hon. D. K. Dans: You will get my reply.

The Hon. A. A. LEWIS: This Minister will not make a decision, but we are stuck with him. He should wait till Collie gets hold of him. Is it not interesting that he is quite prepared to shout his head off, but when asked one simple question he goes back to his book or disappears?

I wonder, as have previous speakers, about controlled goods, demand for a quantity of goods, and the pricing of goods. It is interesting to me that when someone runs a business such as selling farm machinery he may be in a quite difficult situation if someone wants, say, a header worth \$140 000 which is not on the showroom floor. The dealer would obtain a quote for the supply of that header, but when the equipment was obtained it could be at a higher cost to the dealer. The overseas price may go up because of a devaluation or some other odd little thing that Governments do, and the dealer would be forced to stay with the original quotation.

The difference could be \$30 000 or \$40 000—his total profits for the year—but under

this legislation he will be forced to live with it. The Leader of the House says, "We are not sending people broke" and "It will not send people broke." It is unrealistic to believe that this Bill can work. The Hon. Gordon Masters mentioned the instance of a person who has owed another a sum of money for over 12 months. Could the person say, "I am sorry. You have not paid for your last lot, you don't get it"? Will he be forced into supplying the goods or services?

The Hon. J. G. Pratt: The same applies to goods on order.

The Hon. A. A. LEWIS: Yes, it does. One could not have a price list for one's business, if this legislation were followed to the letter. The legislation has been drafted by totally impractical people. The Bill is not worth the paper it is written on. I tend to agree with my colleagues—and I am trying to be sensible about it—that the Bill is a showpiece and that it is only here for people to flout. It appears that the housewife thinks prices control is a pretty good idea; but wait until it is explained to her.

We were talking about leases of complexes. What happens to the fellow who has a complex and who finds it difficult to lease the shops? If he gives a year's lease at a bargain price to attract tenants to establish themselves in his complex, will he be able to bring that amount up to a realistic level? Mr Dans nodded his head in agreement. I wonder who the expert will be who will decide what a realistic price is. I would like to see these committees working. The Hon. Peter Dowding appears to be agreeing with me.

The Hon. Peter Dowding: Come on! I really am shaking my head in a horizontal plane, not a vertical plane.

The Hon. A. A. LEWIS: One would not know because it seems to go round and round. I take the point about the information the commissioner may require, and in order to provide that information the businessman will have to employ extra staff. Perhaps the Leader of the House can tell me how many businesses he knows of which have spare staff in the current trading conditions. Of course, he knows that they have not got spare staff, that only Ministers have spare staff around here, and only Governments can afford to put on extra staff. The private enterprise businessman cannot afford to do it. What will this do to the private enterprise fellow's profits? "Profits" is a dirty word for the Labor Party men. It will knock them on the head and they will have to close down.

It seems that this Bill is one for theorists, or perhaps it is a lawyers' Bill, a union leaders' Bill

or a school teachers' Bill, but it certainly is not a practical man's Bill. Nobody with any business knowledge would write this type of junk.

Clause 27 reads as follows—

Power of Commissioner to require returns.  
 27. (1) For the purposes of any inquiry or investigation conducted under this Act, the Commissioner may by notice in writing require a person to furnish to him, within a specified time and in a specified form, a return setting forth to the best of the knowledge and ability of that person such of the following particulars as are specified in the notice, namely—

- (a) the quantity of any goods in his possession or under his control at a specified date and held for sale;

This legislation could come into force next week. A person might say, "Mr Lewis, tell me how many rivets you had in stock on 23 March"—the day the Bill was debated. He might say, "Tell me how many 3/8 in. bolts and nuts, how many wiper arms, and how many bearings of this or that size you have in stock." He can do it, but I am not saying he will because he probably would not live long enough to fulfil the requirements of the legislation, knowing some of the people I know.

The costs of doing this must be absorbed and in that case does he ascertain his breakdown costs for smaller packets? Does he allow a little leeway so he can break down the packages, and provide the wrapping and all the other things? Paragraphs (b) and (c) read as follows—

- (b) the cost to the person of the goods referred to in paragraph (a);
- (c) the methods and principles in accordance with which the person arrives at the cost referred to in paragraph (b);

Imagine the situation of a person selling 4 000 parts trying to find time to ascertain the cost of wrapping and a breakdown of how he obtained the items. Mr President, you are a very experienced man with electrical globes, bulbs, and things like that. Just imagine how long this would take. Paragraph (d) reads as follows—

- (d) if the maximum price of the goods referred to in paragraph (a) has not been fixed under this Act, the prices, wholesale or retail, at which, and the conditions on which, the person has sold, sells or proposes to sell those goods;

I suppose if one wrote half a paragraph on each of 4 000 items it would not take much time. What

happens if one sells both wholesale and retail? Will one have to do both? Mr Dans appears to be shaking his head. Perhaps one does not have to do both. Is Mr Dans telling me he is like Mr Dowding and his head goes some other way? Is he telling me he is like Mr Dowding and it is a bit loose? I was talking about the maximum price of goods referred to in paragraph (a).

I hope the Minister can tell me what other things the commissioner would like to know. Some of us have lived through times of prices control and it appears we may be doing the same again.

Had the Government been honest and said some items require control, that would be acceptable because we could review them. However, we have a new Government which has broken two or three of its election promises already. I expect by the time we return here in July that number of broken promises will have reached the hundreds because the Labor Party did not go through its policy carefully. It has duped the public of Western Australia.

This Government has raised false hopes for the housewife and the ordinary purchaser of goods in the community. I hope the Government declares every single item, because that will be the quickest way to the end of this Government. The public will understand what prices control means under a Labor Government, under an authoritarian Government in which no-one really knows anything. We do not know whether the Minister or the commissioner will be in charge, but I know the man who will take the blame—it will be the commissioner. The Minister will not take the blame, he will run for cover.

The Hon. Fred McKenzie: Don't you believe it.

The Hon. A. A. LEWIS: The Minister in this place will run for cover like a rabbit down a burrow. I say to the Government, "Go ahead: legislate, proclaim and regulate." The Government will crucify itself because I am sure its members do not know what is in the Bill. Members have not had the guts to get up and talk about the legislation. They sit in their seats caucused, mouths shut, without the guts to get up and speak. Their leader has told them they are not allowed to speak. He even snapped at one of his back-benchers today.

The Hon. Robert Hetherington: Are you going to call him "Old Snapper"?

The Hon. A. A. LEWIS: The member is getting a little tetchy. This business of Government has worn him down.

The Hon. Tom Stephens: We will get used to it after nine years or more.

The Hon. A. A. LEWIS: The Government will have no chance or Buckley's chance of staying in Government that long.

The Hon. Tom Stephens: We have a mess to fix up which your Government made.

The Hon. A. A. LEWIS: The Government has broken some of its promises already. It has not given this Bill enough consideration, but the electorate will nail the Government for it.

The Hon. Des Dans does not care two hoots that the consumer will have to pay more as a result of this legislation. He just turns around to shut up his back-benchers.

Several members interjected.

The PRESIDENT: Order! The Hon. Sandy Lewis has the floor.

#### *Point of Order*

The Hon. H. W. GAYFER: I have noticed a new practice in this Chamber because when you, Mr President, speak rather loudly everyone drops in awe into his seat. I am just wondering whether that is to be the rule from now on, because Standing Order No. 65 states that whenever the President rises during a debate, any member then speaking or offering to speak shall sit down, and the Council shall be silent so that the President may be heard without interruption.

My question is whether it is necessary when you, Sir, say, "Order!" that we sit down. Can we remain standing?

The PRESIDENT: A member may remain standing if he has the call. The Hon. A. A. Lewis.

#### *Debate Resumed*

The Hon. A. A. LEWIS: I was speaking about the damage this Bill will do to consumers. It may be that the Labor Party's advisers believe this would be a wise move. I see the Hon. Fred McKenzie has nodded his head and given an answer. The Hon. Peter Dowding has suggested we might throw this legislation out. When I asked a question he would not answer. At least the Hon. Fred McKenzie displays his honesty and dignity in this place. When we refer to railways later he may blush.

I impress upon the Leader of the House the dangers of the Bill. The owners of businesses will be placed in danger, and jobs will be lost. Approximately 20 per cent of the farm machinery dealers will go broke as a result of this legislation, and probably 600 people will be out of work in the country areas.

No matter what the commissioner does, if profitability is to be held up the consumer will

have to pay more just to have this excessive prices regulation. The retailer will have to put on more staff and to maintain a margin he will have to charge more; therefore, the consumer will pay more.

I do not believe this legislation will look after the consumer. The Leader of the Opposition asked whether the maximum price will become the norm.

The Hon. P. H. Wells: Like legal fees.

The Hon. A. A. LEWIS: Like anything else, the maximum price will become the norm.

I was interested to hear the Leader of the Government speak about multi-nationals. What factors retain an equalised price throughout the country and every centre in the State? Two examples of such items are tobacco and cigarettes and tyres. I do not think that the Dunlop, Beaurepaire, or Goodyear companies fit into that category.

The item most likely to be controlled is petrol, but because there is a differential in each siding I do not suppose we need to worry about petrol. Bob Hawke said he would cut 3c off petrol prices and Brian Burke said he would cut 3c off; but they did not tell us that it was to be the same 3c. Now the price has fallen by another 1½c. Therefore, by the end of the year everyone in Australia should be paying 7½c per litre less for petrol.

This Labor Government has failed because that is what it has promised and has fed to the consumer. Do they have a mandate to cover it? It is interesting that Government members are silent. Is it not interesting that they are either sent outside or silenced by their leader? They know that what I say is right and they cannot answer me in all sincerity. They know they have made a blue with this Bill. Their promises will be held up to the public and ridiculed if they last for a full three years. In fact, I doubt whether the Government will last for three years because the pressure has already shown on it. It cannot bring legislation into this place which is reasonably drafted and it cannot even consider legislation. It is with great pleasure that I tell the Leader of the House that regardless of whatever my party does I will be opposing this legislation right to the hilt unless he has the answers to the questions I have asked.

If the Leader of the House wants to play cute he can. He can give me the answers during the Committee stage. If he is going to play cute I will play cute with him.

I oppose this legislation; I can see no reason for it.

**THE HON. V. J. FERRY** (South-West) [5.32 p.m.]: On this occasion Government members are

extremely silent, and we can understand why. They find it particularly uncomfortable to come to Parliament on a special occasion such as this and to put up a smokescreen to try to cover up their bad track record. It has already been mentioned that the Government is breaking its promises, and this legislation demonstrates just that.

I agree with members on this side of the House who say that this legislation will not work. Generally, this type of legislation has not worked satisfactorily anywhere in the world, although there may be one or two places where it has partially worked.

It is a true saying that the day after a party takes Government it starts to die. This Government started to die the day after it took office and it commenced to break its promises. The public will not tolerate a smokescreen being placed around the community. The public has certainly been hoodwinked with this prices legislation. Over the years the Leader of the House has said there is only one determining factor in the price of any goods and that is in the marketplace. Now we have the Government bringing in a Bill to try to regulate prices.

The Hon. D. K. Dans: Including the cost of labour.

The Hon. V. J. FERRY: What will it regulate?

The Hon. D. K. Dans: You do not mind regulating the cost of labour but you are not interested in anything else.

The Hon. V. J. FERRY: It is fascinating that the Minister is the only Government member allowed to speak. I would be interested to hear members of the Government justify their actions in relation to this legislation. I believe that they cannot and the Government certainly does not want them to. They presume to recommend the legislation to the community and they presume they have a mandate. Ladies might call it a "person-date". One is not supposed to be sexist!

What about Government charges? Nothing in this Bill says that Government, semi-Government, or other authorities' charges or costs are to be contained. The Government wants the power not only to impose whatever it likes on the community, but also to suppress certain commodities in the community.

The large business concerns will be laughing all the way to the bank because they can handle this type of legislation. However, the smaller business operators will not be in a position to do that. This legislation will be the albatross around the Labor Party's neck over the next few years and it will be the greatest flag to rally people to vote in the future for the Liberal Party.

The Hon. D. K. Dans: The best thing to rally people around the flag would be to promise them 100 000 jobs.

The Hon. V. J. FERRY: By bringing in this legislation this Government will be known as a "black market" Government. As sure as day follows night there will be some black market goods and this Government will be known as the Government that favours a black market. The Government would really not be in favour of a black market but if this legislation is passed we will have one.

The Government talks about protecting housewives and other people in relation to essential commodities. What is an essential commodity? It is not reasonable for this House to consider this sort of legislation without the proper definitions. If this Bill does pass this House, it will not be a practical proposition to have it proclaimed and used to this effect.

Let us consider what this Government will do should this Bill pass through the Parliament and become law. It could say that it recalled Parliament, as it said it would do, and brought in special legislation to consider this earth-shattering problem. The Government could also say that now it has the legislation in hand it had better control something. What will it control? Will it control one or two items to show what it has done and say that it is a great Father Christmas by protecting the public? If it has success, which I question, the Government could take action against the smaller firms which are making a profit. The Government will control profits.

I refer to the Governor's Speech in that context. Of course, we all know that the Governor is very welcome in this Chamber as Her Majesty's representative and that the Government would have suggested to His Excellency that he use the following words—

With the presentation of this Bill, by which it honours its earlier undertaking, the Government is thus seeking to provide such an assurance—the assurance that the burden does not fall on certain sections of the community only and that there is, indeed, an equality of sacrifice.

He said, "an equality of sacrifice"—do they want everyone to be miserable and go broke together? That is what prices fixing could do to the small business operator. The large businesses would be able to stand it because they would justify their margins. The Prices Justification Tribunal did not have any great success and many people made money out of that system. It did not generally represent the people in the broad sense. The large

businesses will survive but the smaller ones, even those which have been in business for years, will not. Mr President, I am sure you understand the ramifications of this, having been in business yourself. This is all tied up with the statement of accord on economic policy announced recently by the ALP and the ACTU.

As has been pointed out by earlier speakers, this Bill does not tie in with the suggested amendments to the salaries and wages freeze legislation with which we dealt last December. This is a different Bill with different words; a different kettle of fish. The Labor Party went to the people and said, "We are going to bring Australia together and we will be great friends and mates. We will work it out together". Perhaps they meant we will be miserably poor together. I refer to page 6 of the statement of accord where it says—

In contrast to this approach, it is agreed that policies must be adopted which are comprehensive and equitable and based on co-operation, not confrontation. Accordingly, the policies detailed in this document have the following characteristics:

They are agreed between the parties rather than imposed by the Government;

What is the Government doing about this? It will impose all sorts of restrictions if the Bill goes through. To continue—

They are comprehensive in that they cover prices, wages, non-wage incomes, taxation and the "social wage" that is, expenditure by governments that affect the living standards of the people by direct income transfers or provision of services;

They are concerned with the equitable redistribution of income as well as basic economic objectives.

The statement continues on page 7—

Government policy should be applied to prices and all income groups, rather than, as has often been the case, to wages alone.

It goes on—

Government policy at all levels should be accommodating and supportive.

That is great! Let us bring Australia together. But what does that have to do with the Bill? It is all tied together. I refer to the ALP policy speech given by the Premier and I call on members opposite to deny what he said. The pages in this document are not numbered so I have numbered them for my own convenience. The policy statement says—

Labor's blueprint for small business growth and development aims at restoring

the profitability of the small firm, protecting existing jobs and creating new employment opportunities through:

It continues on page 14 as follows—

Labor's Small Business Blueprint is aimed at boosting the performance of the existing, viable small firm, developing new business opportunities and allowing small business a greater share of the benefits from the State's development. It has been developed in consultation with leading independent practitioners in industry and commerce.

I ask members to note that word "consultation".

On page 37 this document refers to petrol prices as follows—

Labor will:

—set the maximum wholesale and retail prices of petrol and automotive diesel fuel, ensuring that the price difference of petrol between most country centres and the metropolitan area is no more than one cent per litre.

I refer now to the remarks about primary industry on page 40 where it states—

Agriculture is of vital importance to the Western Australian economy and remains one of the two major contributors to our wealth.

Labor regards agriculture as central to the W.A. economy and central to responsible economic planning.

A State Labor Government will be committed to the growth of agricultural industries as part of its overall development programme and will offer assistance to agricultural producers in the key areas of marketing, finance and research and technology.

I urge members to pay attention to the following remarks in the policy document—

A State Labor Government will be committed to full consultation and co-operation with rural Western Australians on all of these issues.

The Hon. P. G. Pental: They would have asked the Primary Industry Association about this Bill, of course.

The Hon. V. J. FERRY: I may say something about that in a minute.

The Hon. Peter Dowding: This is a great duo act.

The PRESIDENT: Order!

The Hon. V. J. FERRY: On page 42 the policy document says—

A State Labor Government will be committed to:

Consulting farmer groups on all relevant legislation.

This Bill is legislation! To continue—

Establishing close links with producer and rural groups.

Establish consultative procedures between the T.L.C. and producer organisations.

They are bringing Australia together!

The Hon. D. K. Dans: Would you like to talk about the Bill?

The Hon. V. J. FERRY: This is Labor Party policy. I would not own the thing!

The Hon. J. M. Berinson: What page are you on?

The Hon. V. J. FERRY: On page 47 where it says—

A State Labor Government will introduce specific measures to equalize the quality of living throughout Western Australia, including:

the appointment of a Prices Commissioner with specialist responsibility to monitor country prices, investigate excessive freight loadings and reduce price differentials.

The document goes on to refer to small business. I should not go on with this but it is too good to miss. On page 51 it refers to a single water authority in the following manner—

a single authority to manage water resources in W.A. will be established, with a priority to investigate the water needs of Capel, Dardanup and South Bunbury.

The Government will regulate water resources. People have contacted me because I represent the areas of Capel, Dardanup, and South Bunbury. I note with concern that the Government has indicated it will have a single water authority for the State. I do not say that is a bad thing in itself, but there are three water authorities other than—

The PRESIDENT: Order! I am finding it difficult to associate what the honourable member is saying with the contents of the Bill.

The Hon. V. J. FERRY: I am coming to that, Mr President.

The three water authorities to which I referred, the Harvey, Bunbury, and Busselton Water Boards are not run by a Government department. Each authority has lower charges than the State authority. That is the point I am making in relation to prices. It is likely that under a single authority people in the areas serviced by the

boards will be asked to pay more than at present because these are efficient services.

I am concerned that under this legislation these people will be disadvantaged through having to pay increased prices.

The Hon. Peter Dowding: You think this is the "increase in prices Bill"?

The Hon. V. J. FERRY: The Minister is living in dreamland. He interjects but so far has refused to get up and contribute to the debate. If ALP members want to say something they should get up and say it. They are hiding behind the smoke-screen of this legislation which they sold to the people of Western Australia.

The Hon. Peter Dowding: Was it not passed in the lower House? What did your blokes do about it there?

The PRESIDENT: Order!

The Hon. D. K. Dans: They suggested amendments which we accepted.

The PRESIDENT: Order!

The Hon. V. J. FERRY: It is fascinating that Ministers of the Crown who have the right to speak and say something constructive interject instead of seeking the call. They do not deserve any answer.

The Hon. Peter Dowding: So we put it over your lower House mates? Is that what you are saying?

The Hon. V. J. FERRY: The Minister for "the dreamtime" does not seem to understand.

One matter catches my attention. The amendments suggested by the then Opposition last December in relation to the wages and prices freeze mentioned the Governor in many places—the Governor will do this; the Governor will do that. This Bill refers to the Minister in every case. This may be a technical point, but it emphasises that the Government is relying on the Minister to lean on the people charged with the responsibility, if the Government implements the legislation, for regulating excessive prices on various commodities and services.

I wish to make special mention of agricultural commodities. When the Government has passed and proclaimed this legislation and declared certain things, will it declare a range of agricultural products? Great silence from the Government! People in country districts should know and deserve to know what is the Government's intention in that regard. Certainly if the price of any agricultural product—meat, milk, eggs, flour, or wheat—is to be changed, the people in the country areas have a right to know. They must put up with all sorts of difficulties, such as



drought, bushfires, floods, and the vagaries of overseas markets. The Government ought to declare its intention in that respect.

The Government says to housewives and the community at large, "We have legislation to control all sorts of things. We just might use it." However, the producers would like to know what the future holds.

The Government proclaims itself as one that consults with the farmer organisations. To my knowledge, it has not consulted on any occasion. I have been in touch with a number of groups and individuals, and not one of them has said to me, "The Government consulted us and as a matter of courtesy informed us of its intention." They knew nothing about this legislation until we, the Opposition, said, "Hey, some proposed legislation is coming through. Do you know anything about it?" Of course, they did not know anything about it. This is the great smokescreen that the Government has put up. It does not want the rural producers and the dairymen to know what is in this legislation.

I refer to the document of accord between the Australian Labor Party and the Australian Council of Trade Unions. The parties to that document say, "We will consult every time", and they mention the primary producers. They have not done that. This is one of their gross promises on which they fell down straightaway. It is known throughout the length and breadth of this State that the word of the Government is not worth anything. One cannot trust the Government. That fact cannot be denied. Members of the Government have not denied it, because they cannot do so. This great consultation, this "bringing Australia together", does not mean a thing.

To obtain power, the Government told the people in the electorate, "We will do this, and we will do that"; but amongst themselves the members of the Government said, "Don't worry about what we told the people. Once we are holding the reins of Government, we will cross this out and cross that out, and start again." That is what the Government is doing.

The Government promised that it would consult with the people in rural areas, but it has not done so. Those people will not trust the Government on that sort of thing, and neither will I.

The Hon. Peter Dowding: Did you vote for us?

The Hon. V. J. FERRY: I will reserve my judgment on this until the Committee stage.

One could speak for a long time on many parts of the legislation—

The Hon. D. K. Dans: Don't let me restrain you.

The Hon. V. J. FERRY: It is only the fact that I do not have a drink of water that saves members from that torture.

The Hon. Mr Lewis mentioned one matter that is worth repeating: It deals with the prices advisory committees and their membership. The Bill provides for a chairman, trade representatives, consumer representatives, etc. No specific mention is made of primary producers. Under its policy, the Government says great consultation will take place, but that is not worth a crumpet.

The Hon. D. K. Dans: That is an unparliamentary word, particularly for a bank manager.

The Hon. V. J. FERRY: When we reach the Committee stage, we might have something to say about that. It will be quite an interesting exercise, because many aspects of the legislation should be discussed. I used a yellow marker when I went through the material. Perhaps that is appropriate because this is a cowardly piece of legislation.

The Hon. Peter Dowding: Why?

The Hon. V. J. FERRY: Because the Government is hiding behind it. The Minister should enter the debate and make a contribution instead of sniping away from his seat.

The Hon. Peter Dowding: Why is the legislation cowardly? I might be; but why is the legislation cowardly?

The Hon. V. J. FERRY: The Minister is sniping away like a fellow in the jungle.

I will reserve my judgment on this legislation for the Committee stage.

**THE HON. D. J. WORDSWORTH** (South) [5.55 p.m.]: I congratulate the Labor Party for taking over the Treasury benches. I congratulate the three Ministers who are now occupying the ministerial seats. They will find it a completely different game now that they are not in Opposition. Of course, the operative word is "responsibility". They will have to start accepting some responsibility, instead of just sitting and sniping away.

The Hon. Robert Hetherington: Are you not going to be responsible in Opposition?

The Hon. D. J. WORDSWORTH: The Hon. Robert Hetherington will find that we are handling this legislation responsibly.

The PRESIDENT: Order! I ask honourable members to cease their interjections and their audible conversations. Order! I ask the

honourable Minister to cease his audible conversation.

The Hon. D. J. WORDSWORTH: We are here to endeavour to honour a promise which the Labor Party made to the electors of Western Australia on the matter of prices control. The other State Governments and the Federal Government gave this State and Australia a wages freeze and at one stage the then Premier was seen to be flirting with a prices freeze.

The Hon. Garry Kelly: He soon changed.

The Hon. D. J. WORDSWORTH: He backed off quickly.

The Hon. D. K. Dans: After the boys down the Terrace cracked the whip.

The Hon. D. J. WORDSWORTH: His Government failed to explain to the electorate why he backed off. I know it is difficult to explain to the public during an election why prices control is so difficult to achieve. It is not until one has a draft Bill before the House that one understands. One can literally tear it to bits and come to realise that prices control is a very difficult, almost an impossible thing to achieve. As has been pointed out, it can be implemented only under very exceptional circumstances, for short periods.

I know that prices control seems to be most desirable to most Australians. Everyone wishes to maintain the same standard of living, regardless of the fact that they wish to work fewer hours and obtain a 17 per cent increase in wages.

The people of Australia do not know much about economics—

The Hon. D. K. Dans: That would be an asset to you.

The Hon. D. J. WORDSWORTH: —but Mr and Mrs Australia—I am not referring to myself or to Mr Dans; I am referring to the average Australian—still want to maintain the same standard of living, regardless of what is happening on the world scene. We saw the very effective Labor Party television advertisement which showed Australia gradually slipping down in the elevator. Obviously, that made the average Australian feel cheated.

The Hon. Robert Hetherington: Because it fitted in with his experience.

The Hon. D. J. WORDSWORTH: When the Western Australian citizen looks at this legislation, he will feel even more cheated because he will find that the legislation is not designed to control prices. The Bill has not been designed to do so.

As the title of the Bill indicates, its objective is the prevention of excessive prices. If the Govern-

ment accepts that, prices will continue to rise. No-one can argue with that. The Bill will not stop prices from rising; but it is designed, in theory, to prevent excessive rises. The only consolation is that this legislation will prevent the great bogey of big business from making excessive profits. Of course, the problem is that the Bill does not define "excessive profits".

*Sitting suspended from 6.00 to 7.30 p.m.*

The Hon. D. J. WORDSWORTH: Before the tea suspension I expressed the view that, despite the world recession and increasing unemployment, Mr and Mrs Australia expected to be able to win a shorter working week and obtain a 17 per cent increase in wages and salaries while at the same time retaining the same standard of living or, indeed, increasing their standard of living with the Australian dollar buying the same amount of goods.

Unfortunately it was not possible for a Government to meet those sorts of expectations and we saw Labor Oppositions both State and Federal claim that, if elected to power, they could hold prices. Hence they were offering the proverbial free lunch.

The Hon. D. K. Dans: It is like saying that inflation could be beaten State by State. Is that what you mean?

The Hon. D. J. WORDSWORTH: That sentiment was expressed by one person. The Government has now introduced the legislation which will perform that miracle and, of course, as usual the whipping horse is big business. It is hinted that, under a wages freeze, big business could extract high profits. However, it does not take much of a glance at the business pages of the newspapers to see that is the least of our worries. Regrettably very few businesses are making a profit, let alone an excessive profit.

It is not possible to find a definition of "excessive prices" in the legislation. If a business has not made a profit in the past and then suddenly becomes profitable, will it be declared to be making excessive profits or will it be accused of charging excessive prices? Nobody has been able to tell us that. It is pertinent that the House be provided with some examples of how the legislation will work.

I suggest the Government explain to the House the way in which the legislation will operate. By way of example, I draw the attention of members to the situation of two like businesses, one of which has not borrowed a large amount of capital while the other has. We shall assume that, apart from that aspect, the two companies are equal.

The company which has borrowed a large sum of money, possibly at 25 per cent interest, just breaks even and the other company, which did not borrow the funds, makes approximately 25 per cent profit. Will that profit be described as being excessive?

If prices are to be fixed, at what level will that occur in that situation? Will prices be fixed in favour of the company which has borrowed the capital or will they be fixed so the company without borrowings is making a profit of, say, seven or eight per cent? If that occurs, what will happen to the company which has borrowed funds at 25 per cent interest? It will end up going broke. It is important these examples be put before the Government, because it should explain what will occur.

The Hon. D. K. Dans: The Government has them now.

The Hon. D. J. WORDSWORTH: We hope we can obtain satisfactory answers to these questions, because it will be interesting to see what sort of profit the Government believes a company should make. Those who are unemployed may think that a profit of 25 per cent is too high.

The Hon. D. K. Dans: I do not see anything in the Bill about profits.

The Hon. D. J. WORDSWORTH: It will be interesting to see at what level the Government will expect to use this legislation in order to keep prices down, because this will be its practical application. If it is not used correctly—I do not see how it can be used correctly—we will see greater unemployment and more of our nation's productivity will be destroyed.

It appears that under this legislation the Minister or the commissioner may put any person or business under scrutiny and such a person or business may have so much pressure exerted on him or it that he or it will go bankrupt. The Bill provides that, when required, a person has 14 days within which to notify a proposed change in the cost at which he intends to sell his goods and the commissioner may accept or reject his explanation. The commissioner may then set what he considers to be a more desirable price. Under the original legislation it appears that the commissioner can even force that person to sell those items at the price he fixed initially.

I would like the Government to explain what will happen in the beef industry. The Agriculture Department has said that, at today's prices, beef is not profitable and we have seen a situation in which half the beef in this State and other States has been destroyed.

The Hon. D. K. Dans: I am not an economist or a price commissioner, but I am aware of that.

The Hon. D. J. WORDSWORTH: I am just giving members a little background.

The Hon. J. M. Brown: Will you give a forecast as well?

The Hon. D. J. WORDSWORTH: I can forecast an increase in the price of beef.

The Hon. D. K. Dans: Any person who knows anything about the industry is aware of that.

The Hon. D. J. WORDSWORTH: Indeed, we saw a rise in the beef market last week.

The Hon. D. K. Dans: It is making poultry growers rub their hands in glee.

The Hon. D. J. WORDSWORTH: Perhaps the Government will be able to apply this legislation to the poultry growers as well. However, I ask the Leader of the House to explain the way in which the legislation will apply to an industry such as the beef industry where we know prices will be increased.

The Hon. Garry Kelly: Excessive prices!

The Hon. D. J. WORDSWORTH: It has been indicated this Bill deals particularly with items in the Consumer Price Index and, of course, beef falls into that category. Perhaps I can anticipate the way in which the legislation will operate. I cannot see how any committee, commissioner, or Minister can set a price or, shall we say, a cost of production for every farmer in Western Australia. Obviously that is not possible despite the fact that, under this Bill, every farmer could be asked to indicate his costs. I think that is quite correct, is it not, Mr Dans? I hope the Leader of the House will answer that later, because certainly my understanding of the Bill is that this is the case.

I can see the problem farmers will have in establishing their costs of production. The Bureau of Agricultural Economics has been trying to establish costs of production of various agricultural products and has been faced with great difficulties. Obviously, various farms are affected in different ways by various aspects of production.

The Hon. D. K. Dans: Economists have been trying to value the cost of labour since the Industrial Revolution, but without much success.

The Hon. D. J. WORDSWORTH: It would be ridiculous even to ask the producers to give their costs of production; these costs would vary from district to district. If a price for beef were established it would be only a guess. If a price were decided, some producers would go broke at that figure while others would make a profit. That is the marketplace.

What will happen to the auction system if we decide to set the price for beef? Will there no longer be auctions? These are questions the public want answered. Should an auction be held and the set price be reached which has been laid down by the Government, would the auction stop and the person who happened to be the lucky bidder at that stage of proceedings get the animal?

The Hon. D. K. Dans: The person who is to be the commissioner is, I think you would agree, a fairly sensible and well-trained man.

The Hon. D. J. WORDSWORTH: The Leader of the House is asking too much of him. The Government will give him a task which is completely impossible to meet. I am talking about this Bill and prices control.

The Hon. D. K. Dans: Excessive prices legislation, not prices control.

The Hon. G. E. Masters: It permits that.

The Hon. D. J. WORDSWORTH: Following amendments made in another place, I am left hoping the commissioner cannot force a farmer to sell all the stock on his farm. It certainly looks as if that could be the case. I would like an assurance that the farmer will still be able to trade all the animals he wants when he wants.

The Hon. D. K. Dans: Of course he will.

The Hon. D. J. WORDSWORTH: The other day I was very interested to read a sample of the free literature that is delivered to members and others in the community. I am referring to the publication titled "City Focus" produced by the WAIT students. I do not suppose they have ever been enraptured with Liberal philosophy. The article dealt with eggs and I quote as follows—

METROPOLITAN storekeepers are so dissatisfied with the low margin allowed between wholesale and retail egg prices that they are considering dropping egg sales altogether.

As a result eggs are not being refrigerated because that would increase the losses that metropolitan retailers say they are already suffering.

The Manager of Foodland's Refrigerated Foods, Mr R. Pepper said, "It's just not feasible to refrigerate eggs. Our return on eggs would not go anywhere near covering refrigeration power costs.

"If eggs were not such an essential commodity we would not even handle them."

Mr J. Millar, Executive Director of the Association, said he was concerned at the continued failure of Golden Egg Farms to

offer a reasonable gross profit for retailing eggs.

I will not go any further and read how the margins are too low; I will stop at this reference to Golden Egg Farms because as members would realise that is the trade name of the Western Australian Egg Marketing Board. This article provides a good example of what happens when we try to implement prices control. When a margin is set which is unsatisfactory, we find that people will not trade in that commodity. This is happening right now. Members have quoted their experiences during wartime, and those experiences would be repeated today. This article provides an example of retailers having to operate on low margins because of the low price forced on them. In this case the retailers either were not refrigerating the eggs properly or were not even carrying them as stock. This is the sort of thing that would happen should the Government decide to use this legislation to any great extent.

As has been mentioned before, it is very doubtful whether the Government will declare this legislation. It would be quite happy if it could get us to throw out the Bill; that would be all the better because it could then blame the Legislative Council.

The Hon. D. K. Dans: The thought has not even crossed our minds.

The Hon. D. J. WORDSWORTH: Even if this Bill is passed the Government will declare very little. The Minister in another place said that he doubted if more than one per cent of items would be declared. Nevertheless, this House needs to know how the legislation will work and which one per cent of goods might be declared.

What worries me is that we have had a wages freeze for three months yet the Government is now talking about excessive profits being made during this wages freeze.

The Hon. Peter Dowding: Would you mind telling the Deputy President (the Hon. V. J. Ferry) that, because he didn't address himself to that at all?

The Hon. D. J. WORDSWORTH: We have not been told of one item for which this legislation is needed. Has the Government introduced the legislation in case some time next month or in six months a need will arise for it? Not one example has been given.

The Hon. Peter Dowding: What do you think it is for?

The Hon. D. J. WORDSWORTH: Western Australians want to know the reason for the introduction of the legislation.

The Hon. Tom Stephens: They put us in to introduce the legislation.

The Hon. A. A. Lewis: That is all they put you in for?

The Hon. Peter Dowding: That is right. If you want to protect people who want to put up their prices excessively, you should say so.

The Hon. D. J. WORDSWORTH: It seems that the general concept held by Government members in another place and in this place is that excessive prices are excessive profits, yet nowhere in the Bill is the word "profit" mentioned.

The Hon. Peter Dowding: Mr Masters told us *ad nauseam* that it is in it. You need to work out your strategy a little better.

The Hon. D. J. WORDSWORTH: One particular sentence in the Minister's second reading speech worries me more than any other. It reads, "What might be regarded as 'excessive' required consideration not just of the economic considerations of the manufacturer or retailer, but also the interests of consumers and the community in general." Does that mean the commissioner would not necessarily have to see that the manufacturer or the producer is making a profit? That is how I read that sentence. It seems the commissioner could set what he believed was a fair price to the consumer.

The Hon. D. K. Dans: You don't believe what you are saying.

The Hon. D. J. WORDSWORTH: This is probably the greatest worry I have about this legislation; that is, it might be used not necessarily to control a company which is charging excessive prices—and none of us would disagree that this should be done if there are such companies—but used almost unmercifully against any business.

Prices can be set arbitrarily, and the businesses affected will have to try to maintain profitability around the prices forced upon them.

The Hon. Peter Dowding interjected.

The Hon. A. A. Lewis interjected.

The DEPUTY PRESIDENT (The Hon. V. J. Ferry): Order! There have been far too many conversations across the Chamber. I have given the call to the Hon. David Wordsworth.

The Hon. D. J. WORDSWORTH: I have mentioned the things we believe could happen as a result of the implementation of this legislation and I have asked for explanations.

The Hon. D. K. Dans: If the sky wasn't propped up it might fall.

The Hon. D. J. WORDSWORTH: Under the Government of the Leader of the House the sky just might fall and perhaps we should all be digging burrows.

The Hon. D. K. Dans: Don't you worry about it; we are the people who have to worry about it.

The Hon. D. J. WORDSWORTH: Western Australia does not deserve legislation like this. The previous Government explained satisfactorily why prices control would not work.

The Hon. Garry Kelly: The previous Premier thought for a while it would.

The Hon. D. K. Dans: We suggested prices control in line with the other States to control the price of labour and other market forces.

The Hon. G. E. Masters: The then Leader of the Opposition said he would introduce prices control and, if I recall correctly, he mumbled something in his boots to this effect.

The Hon. D. J. WORDSWORTH: Like other members in this House I am very concerned about this legislation. We need far more satisfactory explanations than we have received to date.

The Hon. Peter Dowding: Didn't your members in another place vote for it?

The Hon. D. J. WORDSWORTH: The Bill should be read a second time, and during the Committee stage we should demand full explanations of our queries.

THE HON. TOM KNIGHT (South) [8.52 p.m.]: A great deal of discussion has occurred about this Bill, and I do not intend to repeat comments already made.

The Hon. Peter Dowding: Why not, everybody else has?

The Hon. TOM KNIGHT: That may be the case. This Bill is a danger to free enterprise. Over the last few years a number of employers have tried to assist in the control of inflation by withholding price increases.

The Hon. Peter Dowding: What about the ones who haven't?

The Hon. TOM KNIGHT: I wonder whether the Hon. Peter Dowding has heard about a jack-in-the-box. It is a clown on a spring inside a box, and when someone taps the box the clown springs out. The Hon. Peter Dowding should make like one, and when I want him I will tap the box so that he can jump out and perform. As I said, many employers have tried to withhold price increases.

The Hon. Robert Hetherington: Some have and some haven't.

The Hon. TOM KNIGHT: The point is that if those employers are not allowed at this stage to increase their prices many of them will go bankrupt.

The Hon. Peter Dowding: We are not trying to stop them from doing that.

The Hon. TOM KNIGHT: Of the many car stickers I have seen the most pertinent would be the one stating "No employers, No employees". Members of the Government seem to forget that fact. Without employers we would not have any jobs. We must ensure that businesses which have withheld price increases are protected by the people on the other side of this House.

I will continue with a point raised by the Hon. David Wordsworth. He referred to the auction system, which has operated in this country for as long as I can remember. Some statutory bodies have been set up to market certain commodities previously auctioned, with which I do not agree.

After approximately 10 years, as the Hon. David Wordsworth mentioned, beef prices are starting to increase. In the early 1970s people were told to get into beef because there would be a strong world demand for it, and many farmers stocked up on beef cattle, but over this 10-year period there has been a 60 per cent drop-off in Western Australian cattle numbers. We must ensure that now beef prices are rising the farmers who have been hanging on with beef cattle for those 10 years will obtain a benefit from the present increase in prices. Many farmers went to the wall during that period. I represent a rural electorate and I have a farming background. My father was a farmer. I know what happens to beef enterprises.

In 1974 my baby beef was sold on average for \$156 a head, and in 1982 I sold baby beef for on average only \$165 a head. In 1974 a carpenter's wage was \$78 a week and today it is \$350 a week.

The Hon. D. K. Dans: That's if he can get a job.

The Hon. TOM KNIGHT: Not many carpenters in Albany are out of work.

The Hon. D. K. Dans: You should read the statistics.

The Hon. TOM KNIGHT: I am talking about my electorate. In 1974 a Ford Fairlane cost \$4 600, but now it costs \$21 000. One must consider the cost of harvesters, combines, super-spreaders, trucks and other farm equipment required to run a farm; the prices for these commodities have increased dramatically.

In Albany in 1974 a three-bedroomed brick and tile house, and land, cost between \$11 750 and

\$12 500. Today a similar house in that area costs \$40 000 to \$45 000. But in 1974 the farmer received for his baby beef \$156 and today he receives only \$165 per head. As the Hon. David Wordsworth said, beef prices have increased recently. At the last two cattle sales in my area beef prices have increased by \$40 to \$50 a head, which is a movement to reasonable return.

I do not want to see farmers penalised as a result of this prices control legislation.

The Hon. Peter Dowding: It's not prices control, it's excessive prices with which we are concerned.

The Hon. TOM KNIGHT: I am trying to get the message across to the party of the Hon. Peter Dowding—members of which do not have a rural backing—that rural people have their own problems. We want the Government to give an assurance that it will consider strongly our concerns about the market and auction system, and will ensure that the farmers who are now recouping the money they lost over the last 10 years will be able to keep that money.

A similar situation applies to market gardeners. During winter in the Albany region vegetables fetch premium prices because that period is not a perfect growing time. In summer all these surplus vegetables drop in price, and for month after month they are sold at give-away prices. We have seen in the Press that produce at the Metropolitan Markets sometimes is virtually given away or dumped, but that does not help the market gardeners in my area.

In the 1970s sheep farmers were selling sheep at the markets but were receiving a bill for a large part of the cost of cartage. In the 1970s no-one was buying sheep, and farmers were experiencing a semi-drought. As a result sheep were being sold at 50c a head.

I am concerned that this legislation will penalise people in my area. That is precisely the reason for my making these comments. I hope that the Leader of the House, who is handling this Bill, is aware of the situation in my electorate and in all other rural electorates of this State. He may have problems in the metropolitan area, but we have problems in the country. For the last 10 years farming has not been the best enterprise in which to be involved. I referred to the beef industry because I am involved in it. I do not want it to be prejudiced.

In regard to the price controls that can be, will be, or may be brought in I refer specifically to the contract tendering system. Is it the Government's intention when it considers the construction of a school or other public building to say to Bill

Brown, "Your tender was too high. We will give it to Bill Jones even though we didn't give it to him last time as it was too low"?

There are operational prices and prices where contractors tender simply for the purpose of keeping their men and gangs together. They will not make a cracker by just sitting back and hoping times will get better. I have been in the building game and am a registered and chartered builder, and I know what I am talking about. Will prices in the building industry be controlled in the same manner as in many other areas?

Rents will be monitored. What about the person who borrowed \$100 000 or \$200 000 at 12 per cent interest to purchase a block of flats? This happened to a lot of people three or four years ago.

The Hon. Peter Dowding: Where did you get that sort of money from?

The Hon. TOM KNIGHT: The interest rate 2½ years ago was 11.5 per cent. I know of a lot of people who pay 23 per cent; they have had to increase the rents to pay off their mortgages.

The Hon. Peter Dowding: Of course they must. What is the point you are making?

The Hon. TOM KNIGHT: Will the Government take that into consideration? Do not sit there and criticise; just give me an answer.

The Hon. D. K. Dans: Wartime was a time of extreme difficulty for this country, but the market situation was not interfered with.

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Order! This is not debating the matter before the Chair.

The Hon. TOM KNIGHT: Thank you, Sir. I am sure the Leader of the House will answer my questions in due course. I hope he takes note of my point and puts my mind at rest on behalf of the people I represent.

Another subject that comes up time and time again is the equalising of prices in country areas. The Hon. A. A. Lewis mentioned earlier that two groups, cigarette companies and tyre companies, sell their goods at the same price all over the State. The Government has said that prices cannot be equalised because so many different factors prevail. Sales tax is a major concern in country areas. Sales tax also is charged on freight. Will the Government look at that problem?

The Hon. Peter Dowding: Of course we will. We have been saying that for years.

The Hon. A. A. Lewis: Are you handling it?

The Hon. Peter Dowding: I am telling you.

The Hon. TOM KNIGHT: I put those matters before the Government in the hope that my mind may be put at rest in the interests of the people I represent. I cannot say I support the Bill simply because the Government is presenting it. The Government maintains it has a mandate. I do not agree, because mandates occur when there is an unequivocal—

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Order! Honourable members are not being very fair to the *Hansard* reporters. Cross-Chamber conversations are audible from the Chair. The *Hansard* reporters are trying to record the member's speech, but their task is being made extremely difficult, especially as they are under strain after their efforts of yesterday.

The Hon. Garry Kelly: Mr Knight, we have a mandate.

The DEPUTY PRESIDENT: Order!

The Hon. TOM KNIGHT: Mr Deputy President, I am addressing you. If the Hon. Garry Kelly wishes to address you I am sure he will have the opportunity to do so later. I am trying to ensure that the people I represent are fairly dealt with. The Bill contains many anomalies. The legislation will be unfair and detrimental to private enterprise in this State. I do not consider the Government has a mandate.

The Hon. Peter Dowding: Come on!

The Hon. TOM KNIGHT: Members opposite have changed the ideas that were put forward during the election and have brought in new factors—not what the people voted for. I am not saying that I do not agree that some sort of prices control as promised by the Labor Party should not exist—and I believe I am quite free to say that—but there are a lot of anomalies in this legislation and I hope the Government will bear the brunt of them as I believe it will.

THE HON. NEIL OLIVER (West) [8.04 p.m.]: It has been said by the Minister in the other place when introducing this legislation, and by way of interjection by many members, that the Government had a mandate to introduce this legislation. Frankly, there is no way that this legislation should have been introduced into Parliament in its present form; in fact, I am surprised that Government members have interjected and said they have a mandate because that is utterly and totally untrue.

The Hon. Robert Hetherington: It is not untrue.

The Hon. P. H. Lockyer: Talking in your sleep again, Mr Hetherington?

The Hon. NEIL OLIVER: The Leader of the Opposition quoted many Press releases and statements by the now Premier during the election. The Leader of the Opposition (the Hon. I. G. Medcalf) quoted those newspaper articles today. It is not my intention to go over the areas he covered, as they are recorded in *Hansard*.

This legislation is doomed to total failure. We will have an explanation from the Leader of the House about what is regarded as being excessive. I will give him some examples of circumstances which can arise and I would be delighted if he could explain to me whether price increases brought about by a certain series of circumstances are excessive. The ALP prices policy does not have a hope. I quote from the 24 March 1983 edition of *Australian Business* as follows—

If European experience is anything to go by—and it probably is—it seems Hawke and his new Labor Government haven't a snowball's chance in hell of making any significant prices and incomes policy work in Australia.

Such a policy has been the dream of economic planners for decades and in the past 10 or 20 years a number of European countries have tried various ideas with little or no lasting or discernible effect. The exception is Austria—

The Leader of the House mentioned Austria which is included in this article. The article continues—

—whose internal conditions are so peculiarly different to other nations, and in particular Australia's, that its very success shows how difficult, if not impossible, it would be for something similar to work in Australia.

This type of measure has been tried in Finland, France, Ireland, Germany, the Netherlands, and Norway.

The Hon. Peter Dowding: Win Piesse mentioned Russia.

The Hon. NEIL OLIVER: It has been tried in Austria. The Leader of the House mentioned Austria. Austria perhaps has the best model of a prices and wages policy. A social partnership has given it an industrial relations record unique in the world. For example, in 1977 and 1979 Austria had a strike per-minute-per-employee rate of 0.0.

The Hon. D. K. Dans: Austria has a social democratic Government, Mr Oliver.

The Hon. NEIL OLIVER: I do not know about social democratic Governments.

The Hon. Peter Dowding: Don't you?

The Hon. NEIL OLIVER: I would like to know what is the difference. I hear that socialists knock one off quicker; social democrats cut one's throat and let one die slower.

The Hon. D. K. Dans: That has been the situation there for a long, long time.

The Hon. NEIL OLIVER: If the Leader of the House goes to one of his electors in the Yugoslav community, that person will tell him about social democracy and how he views it.

The Hon. D. K. Dans: They must be different from the Yugoslavs in Spearwood.

The Hon. NEIL OLIVER: They cannot speak English but they demonstrate a "slit".

It has worked in Austria because that country has an incredible industrial relations and prices and wages policy. I do not know whether it is the aspiration of the Leader of the House to have a industrial situation in Western Australia where the strike-per-minute rate is 0.0. If that were the case, I would be the first to congratulate him on obtaining such accord in industrial relations.

I ask Mr Dans what consultation about this legislation has taken place with industry and, in particular, with small business people? The Labor Party went out of its way to woo these people and Mr Dans canvassed very successfully. He was reported in the newspaper as having wooed successfully the business community of Western Australia. Can Mr Dans tell us the companies and businesses with which he consulted?

The Hon. D. K. Dans: I do not break confidences.

The Hon. NEIL OLIVER: Can he tell us of the subcontractors, and tradesmen—who come under the category of what is termed "other income earners"—with whom the Government consulted?

During the Federal election campaign an incredible document was published by the Australian Labor Party, a statement of accord between the ALP and the ACTU regarding economic policy.

I find it difficult to believe that the Minister for Industrial Relations and Leader of the House can embrace this policy because it is not a tripartite one. It does not include the employers, and is derogatory in its reference to corporations and shareholders.

The Hon. Peter Dowding: It was an accord between groups, was it not?

The Hon. NEIL OLIVER: I am disappointed the employers were not brought into this document.



The Hon Peter Dowding: It was not a tripartite document; it was a bi-partisan document between the Government and unions.

The Hon. NEIL OLIVER: The publication of this document caused more than a ripple through the business community of Australia.

The Hon. Peter Dowding: Is that why they voted Labor?

The Hon. NEIL OLIVER: Some concern was expressed that there would be a strike of capital, but that did not occur. The employers in this country are looking for performance and I hope Mr Dans will perform and reduce the industrial unrest rate to 0.0. I will quote in part from that document which certainly did not woo small businesses and business in the community. It states as follows—

Non-wage incomes include dividends, capital gains, rent, interest, director's fees and incomes of unincorporated enterprises (doctors, lawyers, shopkeepers, self-employed builders and tradesmen etc).

To continue—

The effective application of the existing capital gains tax to catch speculators and tax avoiders will directly reduce the after-tax incomes of such people, and by providing some disincentive to speculative activity, will restrict the growth of such incomes pretax.

The Hon. Garry Kelly: What about interest and dividends?

The Hon. NEIL OLIVER: Mr Kelly's interjection shows just how little he knows about what he calls interest and dividends. It is one indication of how little the Labor Party knows about business in general. When one is talking about large corporations, one usually includes many of the shareholders, who are small people.

The Hon. Peter Dowding: A hell of a lot voted Labor.

The Hon. NEIL OLIVER: Many people who invest in dividends are on fixed incomes and are retired people who look to dividends to sustain them—the very people the Labor Party says it will look after.

People who are not fortunate enough to be able to participate in the operations of the stock market may be shareholders by virtue of holding an insurance policy. Their premiums are paid into these large corporations; for example, the Australian Mutual Provident Insurance Fund is one of the largest investors in Australian business. Three million Australians or more invest with that company, and some of those investors are children. Members no doubt at some stage have

had a policy for their children. Are Labor Party members prepared to deny that fact? Are they calling them capitalists? Are they not allowed to participate in profit making, or is "profit" a dirty word?

The Hon Robert Hetherington: Nobody said "profit" was a dirty word.

The Hon. NEIL OLIVER: If members wish to read *Hansard* they will note that Mr Kelly has interjected approximately four times this evening; I know because he sits beside me.

Several members interjected.

The PRESIDENT: Order!

The Hon. NEIL OLIVER: I did not ignore his interjections. If members wish to check the record they will note I responded to them.

This legislation will break down as a result of the sheer bureaucratic inability of this Government to perform. It has one hope: No hope.

I wish to quote Herbert Spencer and his great classic "Man versus the State".

Several members interjected.

The PRESIDENT: Order! I ask honourable members to cease their interjections and audible conversations.

The Hon. NEIL OLIVER: He stated—

The Hon. D. K. Dans: I cannot understand what he is saying.

The PRESIDENT: Order! If you listen you will have a chance.

The Hon. NEIL OLIVER: I am quoting from the *Institute of Public Affairs* 1976, at page 73. In this publication "Man versus the State"—

The Hon. D. K. Dans: Like you people—the few versus the rest.

The Hon. NEIL OLIVER: —Herbert Spencer states—

The more numerous public instrumentalities become, the more is there generated in citizens the notion that everything is to be done for them, and nothing by them. Each generation is made less familiar with the attainment of desired ends by individual actions or private combinations, and more familiar with the attainment of them by governmental agencies; until, eventually, governmental agencies come to be thought of as the only available agencies.

We saw that happen under previous Labor Governments. The last count of the number of committees in the Whitlam era was 728. We are now getting on the same bureaucratic merry-go-round. I will quote to the House the principles of

how bureaucracy works in relation to prices control. It reads—

The Lord's Prayer has 56 words

Lincoln's Gettysburg Address has 266

The Ten Commandments have 297

The famous U.S. Declaration of Independence has 300

But a recent Price Control Order  
in the United States concerning  
cabbages contained 26,911 words.

And that is why this legislation will not work.

The Hon. D. K. Dans: How many words did Ingersol's oration at the tomb of Abraham Lincoln have in it?

The Hon. NEIL OLIVER: The wages freeze legislation was introduced for a short period and for the purpose of maintaining existing employment.

The Hon. Tom Stephens: It was for the Flinders by-election.

The Hon. NEIL OLIVER: It had nothing to do with that. When we were leading up to the wage pause the main proposals were brief, as follows—

- (1) Create new jobs by launching a programme of essential public works currently delayed by lack of funds.
- (2) Save jobs by holding the personal income base at the present level for 12 months in all sectors of the economy.
- (3) Finance the job making works programmes on a non-inflationary basis with Government funds that would otherwise have been needed for wage increases over the 12 month period.
- (4) When jobs reach a stable wage base that reduces inflation, improves Australia's competitive power and restores the profitability needed to attract investment and create employment.

The prices pegging that applied during wartime was because goods were scarce, but that is not significant now. In any case the basic price of imported goods is beyond Australian control.

I was interested to hear what Mr Dans said about the market forces of labour. Quite frankly, the reason for the wages pause legislation was not only to maintain jobs but also to create them. Now we have this draconian legislation before us which bears no relationship to the information that has been put to the people of Western Australia. To put it in its correct term, it is a political fraud.

The Hon. Garry Kelly: How do you classify the industrial arbitration legislation of last year? If this is draconian, what was that?

The Hon. NEIL OLIVER: I can see the emotions which are aroused by this type of legislation and where the Government can prey on the fears of people in regard to their spending power, using terms such as "excessive profits", etc. I will be interested to learn what these "excessive profits" are.

As the wages freeze legislation has been proclaimed and operative for nine to 10 weeks I will be interested to know what excessive price increases have occurred in that period. We are legislating across the board instead of looking specifically into those areas where there is a possibility of speculation by way of excessive prices and taking advantage generally of the people in the community.

If I were to go to a supermarket today with \$60 in my pocket and I was able to purchase \$60 worth of goods I would accept that minor increases would be within the pipeline and that they were being monitored. I would prefer to see a housewife go into a supermarket today with \$60 rather than eight weeks later when she might have only \$20 to spend because her husband is unemployed and on the dole.

I draw the attention of members to the findings of the State Industrial Commission when it brought down its award in December. The decision was handed down by the Full Bench of the Industrial Commission. This is how the transcript read: It was accepted that Australia was experiencing the worst economic recession since the 1930's; that all eight Australian Governments agreed that a wages pause was necessary on economic grounds and that action which would be taken to freeze public sector wages and salaries for a period of at least six months was a compelling factor which must weigh heavily with it in its deliberations.

The Hon. D. K. Dans: With the exception of Western Australia, where it was for 12 months.

The Hon. NEIL OLIVER: The commission found support for its decisions from the New South Wales and Queensland Industrial Commissions which announced the adoption of a policy of wages restraint and moderation.

In part, the document stated—

The key elements in Australia's economic recession were identified by the Australian Commission as being a deep and prolonged world recession, a serious drought and a substantial increase in domestic labour costs.

Further on it said—

Labour costs resulting principally from the December 1981 Metal Industry Agreement had increased sharply as had the inflation rate as measured by the Consumer Price Index.

It referred to the evidence by Dr Petridis as follows—

Evidence by Dr Petridis, a Senior Lecturer in Economics at the University of Western Australia, was that there are sound reasons to doubt that a wages pause will have the economic benefits its proponents claim. However, that evidence and material does not in our opinion displace the view of the Australian Commission that the present economic circumstances are such that the risks inherent in a new round of wage increases are too great to be embraced.

Further on it stated—

In addition we were told that in Tasmania legislation is proposed to give effect to a pause for all employees not covered by awards of the Australian Commission; that a claim that a wage pause be introduced is before the South Australian Industrial Commission in proceedings in which the Government of that State will submit that the decision in the National Wage Case should be adopted; and that in Victoria a conference has been called by the Government of that State in an endeavour to achieve a consensus.

It continued—

Similarly, although we have reservations about the efficacy of the wage pause proposal the rates of pay of approximately three quarters of the work-force employed in this State have already been affected directly or indirectly by a wages pause or freeze. The rates of those employed in the public sector both State and Federal have been frozen by statute at their present levels for a period of twelve months. Those in the private sector whose employment is governed by Federal Awards now have their rates frozen by reason of the Australian Commission's decision of 23 December last. Moreover, as the Trades & Labor Council itself recognised, the application of the principle of comparative wage justice would, even without a wage pause here, bring about a *de facto* pause in a large number of State Awards by reason of their Federal or Eastern States nexi.

In those circumstances it is difficult to see why the others employed in the private sector who represent a minority of the work-force in

this State should not also be subject to a wage pause. If it were otherwise that group would be placed in a favoured position compared with the vast majority of the State's workforce.

I will set out some of the problems I see in the legislation and raise the question of how the Government will be able to ensure this legislation will operate successfully when it has been a total failure in every other country in Europe apart from Austria. I am interested in the reference to the variation to a recipe for prescribed goods. How will the dried fruit industry in Western Australia be controlled? Will it be controlled? Outside influences affect the dried fruit industry in this State. The packaging and blending of dried fruit involves the importing of other dried fruit from other States to produce the final marketable product. How does the Government intend to control that product if it is a controlled good?

I would like to know how the Government intends to quantify the term "excessive" and the many other vague definitions in the Bill. No doubt that will emerge in the Committee stage of the Bill.

One area that concerns me particularly relates to how the prices commissioner will take into account the various trading terms that often are synonymous with overseas trade when we are importing components. These components are subject to price influences and labour costs outside Australia.

In the building industry all fixing materials are made of nyatoh which is imported from Malaysia. How does the Government intend to regulate or set the price of nyatoh when the price is affected by the conversion rate for the American dollar when the order is booked? In raising this matter I am restricting my argument to one commodity for the purposes of example. That commodity may be sold on a free-on-board basis, a free-into-store basis, a cost-and-freight basis, or a cost-and-insurance basis freight. It is also subject to a daily floating price relating to the US dollar because in the international markets business is contracted in US dollars. As every house, extension, and building in Western Australia containing internal fixing material uses nyatoh I would be interested to hear how the Government intends to implement and control excessive prices for that commodity. From what areas will the Government draw the expertise to enable it to deal with each contract and bill of lading as it arrives in Western Australia?

I would like some advice about a blend of scoured wools available in Western Australia.

The Hon. D. K. Dans: Variety is the spice of life! From chewing gum to scoured wool!

The Hon. NEIL OLIVER: I am interested in the legislation and I would hope the Leader of the House would agree that I should show my interest. His answers may enable me to assess his capabilities as Leader of the House and to assess the manner in which his Government intends to implement this legislation and prove most other countries wrong.

The Hon. D. K. Dans: What interests me is why droves of your constituents do not come to listen to you.

The PRESIDENT: Order!

The Hon. NEIL OLIVER: Scoured wools are used in the manufacture of products in Western Australia. A large proportion of scoured wool is shipped out of Western Australia, is semi-processed on consignment, brought back into this State, and used by various knitting mills. How does the Government intend to deal with the system whereby wool is sold at auction and is then scoured into a blend to certain specifications for a knitting mill in Western Australia?

The Hon. D. K. Dans: You cannot be serious.

The Hon. NEIL OLIVER: The wool is then processed and brought back to this State.

One of the first jobs Gough Whitlam had as an articled clerk was to wander around Newcastle looking at price labels on women's pullovers and underclothes to see whether the retailers were charging an extra halfpenny and if it were possible to take action and enforce a penalty.

I am pleased the Leader of the House is able to comprehend these matters and will be able to advise me how this legislation will operate because I am not talking about sewing needles or rivets. I am referring to a very expensive commodity and one which vitally concerns many primary producers in Western Australia.

The legislation refers also to corporations. Do these corporations include local government authorities which are incorporated and execute matters under seal? Does it include those associations which come under the Associations Incorporation Act? They are charitable organisations or sporting organisations and I believe that Act is unique in Australia. Are these corporations which come under that Act also to be subject to prices control?

It has been demonstrated that profits in our free market economy are necessary for rising productivity, economic expansion and the well-being of all Australians. I do not believe this legislation in any way can achieve that situation, but I hope

it does not have disastrous consequences for all West Australians.

**THE HON. P. H. WELLS** (North Metropolitan) [8.39 p.m.]: I express my concern for the consumers, the workers, and small business people, many of whom live in my province. From my research into the Bill, my understanding of the debate, and the remarks of the Minister, they are the people who will be affected by this Bill.

I am concerned about some areas which I believe the Government has not explained. I can recall hearing from some members in this House that second reading speeches should provide explanations. If I presented that second reading speech to people in my electorate, it would provide legal information about the Bill, and that information may well be useful to some businesses, but it would not be useful to very many of the housewives, or the people aspiring to go into businesses. I have fears to this effect; I say "fears" because there is no certainty in any of these things. As I understand it, we cannot be certain that the Bill will be proclaimed, although I have a suspicion in relation to that.

I remind members of an event that occurred last year, which was foreshadowed in 1981. On 17 April 1981, it was reported that Moore's stores would be closed, taking effect during 1982. The article in *The West Australian* of 17 April 1981 reads as follows—

The 300 employees of Charles Moore (Aust.) Ltd are to lose their jobs within the next 11 months as the company closes down its four metropolitan shops.

In the same article, an explanation is given of why that action took place—

The company told the Perth Stock Exchange yesterday that the directors had decided to continue the policy of disposing of assets after they had reviewed the current profitability of assets.

All the assets would be sold and the proceeds returned to shareholders.

Let us consider what happened to the 300 employees. The firm decided that the costs associated with retailing were bringing such poor returns that it would be cheaper to give the money back to the shareholders for investment.

I was reminded of what happened when I read the article in *The Bulletin* of 15 March 1983, under the headline, "The Top 200 Face a Continued Squeeze". The article was written by David Haselhurst, an analyst, and it begins as follows—

Investors in major companies continued to see a squeeze on their returns last year—and this year promises to be worse.

Further in the article it refers to the Federal Government as follows—

This shows that Labor's prices and incomes policy is out of tune with what is happening in the private sector in two important respects:

Another quote from the same article reads—

In fact more than half the companies in the survey produced a return on shareholders' funds of under 10 per cent—less than the inflation rate.

It occurs to me that local building societies pay better than 10 per cent interest. If we have too great an uncertainty in the area about which we are talking, we have the danger that people in my area may lose their jobs. If other retailers or other business people accept what Moore's did and find there is more money on the short-term money market, or in some other investment approach, that sort of tendency towards uncertainty is likely to increase unemployment. I am extremely concerned about that.

I have fears, and I trust those fears will be dispelled this evening. In one sense, the legislation has already contributed to increased prices. It could continue to put pressure on some prices. It could cause shortages, and blackmarket type approaches. As I have mentioned, in some cases it could threaten jobs and the viability of small companies.

I mentioned that the second reading speech lacked information. Historically, there is a host—I was about to say a "deluge"—of information on wages and prices control. As the legislation deals with prices control, the Government has available to it all that information, and the necessary research staff to analyse the world's literature. The Government should have been able to present to us information that was well-researched.

Even in Australia, we started a little behind. On 29 March 1948 the people of Australia said, in a referendum, "No, we won't allow the Commonwealth to have prices controls." They left it up to the States. In Queensland, we have the Profitcreeper Prevention Acts 1948-1959; we have the New South Wales Prices Regulation Act of 1948; we have the South Australian Prices Act of 1948-1970. Tasmania made a couple of attempts to bring in prices control; and we have had a couple of attempts in Western Australia.

The Hon. D. K. Dans: What about Victoria?

The Hon. P. H. WELLS: I was not able to obtain information about Victoria. Perhaps the Leader of the House can tell me.

The Hon. D. K. Dans: It is of no interest to me.

The Hon. P. H. WELLS: Once we go out of the country, we can obtain oodles of information. One of the speakers tonight referred to information I had already received from Europe. If we want to take the United Kingdom—

The Hon. D. K. Dans: You can keep it. I do not want it.

The Hon. P. H. WELLS: It seems to have tried prices control on and off, in varying degrees. One could even analyse Allan Fels' book, *Prices and Incomes Board*. I obtained some information from that book. After reading the book and trying to obtain guidance from it, I found the following in the conclusion to chapter 12—

It is doubtful whether in the short run it did much to keep down costs.

In fact, the United Kingdom not only had various price controls, but also, at one stage, a prices subsidy. I noticed in the debates in the House of Commons that members agreed agreed that \$700 million be devoted to keeping prices down. I am led to believe—I may be challenged on this, because I do not have the reference with me—that at the end of that trial, even the Minister agreed that it had been successful.

What has happened in the United States? When I read the material from the United States, I could not find any evidence in the book *Wage and Price Controls—the U.S. Experiment*, edited by John Kraft and Blaine Roberts, to indicate that it was successful.

In its conclusion, on page 7, the following comment appeared—

The 1971-74 United States experience with controls reaffirms the earlier lesson that wage and price restrictions cannot divert market forces for very long.

That indicates it might be possible to do it for only a short period.

The Hon. D. K. Dans: It referred to wages and prices. It did not refer to wages or prices.

The Hon. P. H. WELLS: In relation to the United Kingdom the Hon. Neil Oliver referred to an article which appeared in *Australian Business* of 24 March 1983, which indicated that—

The three major parties in the United Kingdom—

I assume they would include the types of parties we find in this Chamber. To continue—

—are now united on one principle: a statutory prices and incomes policy won't work.

I was interested in the Austrian situation, because when we debated the salaries and wages freeze legislation the Hon. Des Dans referred to it. I was pleased to hear the Hon. Neil Oliver comment on that area and I am reminded of two matters. The first is that, when comparing the situation in Australia to that in Austria, instead of a figure of 0.0 minutes per worker being lost as a result of strike action, the 1980-81 figures provided to me by the Australian Bureau of Statistics indicated an annual loss of 14.8 hours per worker per week—that is, 888 minutes—as a result of strike action. If that is a valid comparison, which it probably is not, it would mean that the industrial situation in Australia is more than 800 times worse than that in Austria.

I am sure the Hon. Des Dans would agree a special situation exists in Austria where unions have, for a considerable period, worked with conservative and socialist Governments. As a result, a relationship has developed there in terms of worker co-operation and wage rates which is totally different from that which exists in this country.

The Hon. D. K. Dans: The Social Democrats have been in office for years.

The Hon. P. H. WELLS: All the extracts I have read in regard to this matter indicate that it is impossible to take a situation in one country and say it compares exactly with the position in Australia.

The Hon. D. K. Dans: No-one said you could.

The Hon. P. H. WELLS: Apart from the situation in Austria, a vast amount of information is available on this matter, but none of the examples available to me indicates that prices control actually works. I refer now to a book titled *Wage-Price Control—Myth and Reality* which contains a number of articles. In particular, I refer to an article by Mr Robert Schuettinger called *Wage-Price Control—The First 500 Years*. At page 25 the following comment is made—

For the past 46 centuries at least Governments all over the world have tried to fix wages and prices from time to time. When their efforts fail, as they usually did, Governments then put the blame on the wickedness and dishonesty of their subjects rather than the ineffectiveness of the official policy.

It seems to me the Government should indicate why this legislation will work. All the Government has done so far is to say, "We said we would do it and we are doing it." The resources available to the Government are far greater than those pro-

vided to back-bench members. Therefore, the Government should have been able to research the matter. Indeed, it must have done so in order that it could arrive at the policy on which it went to the electorate initially.

I am aware that, in some areas, prices have increased already.

The Hon. Peter Dowding: Air fares, for instance.

The Hon. P. H. WELLS: I do not know about air fares.

The Hon. Peter Dowding: The price increases your Government approved and held over until after the election.

The Hon. P. H. WELLS: It is interesting to hear the Minister—

The Hon. Peter Dowding: That is what you are talking about, isn't it, or didn't your friends tell you about that?

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): Order!

The Hon. P. H. WELLS: The point I am making is that, if a political party makes a number of pre-election promises, there is a chance it will succeed in obtaining office. Therefore, businesses and other people must make decisions based on the uncertainty as to which party will govern after the election. Prior to the recent election, we saw large sums of money taken out of the country and, just after the election, the Australian dollar was devalued. However, in a time of political uncertainty, people react in particular ways.

The Hon. D. K. Dans: Including the AMP Society which someone was lauding a few minutes ago. Don't talk such rot! You are thieves!

Several members interjected.

The DEPUTY PRESIDENT: Order! The House will come to order.

The Hon. P. H. WELLS: In times of political uncertainty people react in various ways. I do not refer here only to businesses, but also to non-profit organisations in the community and people who are concerned about the possibility of prices control. Prior to the election, as far as I was concerned, prices control was not a likelihood, but some people thought they should increase prices before prices control was implemented.

The Hon. D. K. Dans: They knew there was going to be a devaluation. Be honest, if you can be nothing else! Perhaps "accurate" is a better word to use. Be accurate.

The Hon. P. H. WELLS: I am being accurate, because the information given to me before there was any suggestion of a February election, and

certainly as a lead up in terms of the Labor Party's policies, was that prices control would be implemented by that party. Surely if the Labor Party says, "If we get into power this is what we will do", it is reasonable that people will react in certain ways. I do not think that is unreasonable. Members opposite may say, "Other decisions were made in terms of devaluation"—

The Hon. D. K. Dans: You are saying you condone the export of Australian finances.

The Hon. P. H. WELLS: I am talking about this prices control legislation which was a Labor Party election promise.

The Hon. D. K. Dans: That is right.

The Hon. P. H. WELLS: The making of that promise created uncertainty in the community and the knowledge in the minds of certain people that they would need to protect themselves and, therefore, they increased prices immediately.

The Hon. Peter Dowding: And that is why so many people voted for us, is it? You are in conflict with your leader!

The Hon. P. H. WELLS: Some of the provisions in the legislation are similar to the position which pertained in the United Kingdom and which has since been reformed. A system was established under which people had to apply in order to increase prices and that resulted in considerable delay. The delay in applications under this legislation will be approximately three weeks.

The Hon. D. K. Dans: Do I take it that you do not believe in wages control?

The Hon. P. H. WELLS: I am talking about—

The Hon. D. K. Dans: You are talking about everything except the Bill.

The Hon. P. H. WELLS: I do not want the Leader of the House to draw red herrings across the trail, by referring, firstly, to the Federal scheme and, secondly, to the devaluation of the Australian dollar. I am talking about this prices control legislation.

The pressure on prices experienced in the United Kingdom resulted mainly from the delay which occurred when applications were made. In this case it is proposed the delay will be approximately three weeks.

The Hon. Peter Dowding: We have been accused of being too hasty.

The Hon. P. H. WELLS: It is fortunate that the Leader of the House is a non-smoker. I am sure most members would be aware that I do not have a great deal of sympathy for smokers, but I have considered the sale of tobacco products.

The reason I considered this matter is that it contains a number of interesting points. The first problem is that they might have to apply for a price increase; but they have a second problem in that overnight the Federal Government might increase the excise duty on cigarettes. Under this legislation they would have to delay 14 working days before they could pass on that increase. The actual loss incurred in Western Australia during roughly that three-week period would be about \$750 000. That figure was provided to me today.

The Hon. D. K. Dans: Do you believe it?

The Hon. P. H. WELLS: If the Leader of the House does not believe that figure, let us take a broader view, because I have the books here which he could check. I have here the *Western Australian Year Book* which indicates that a total year's imports from the Eastern States and from overseas—remembering that the relevant prices might well be new ones when the goods land at Fremantle, because I believe landed prices are involved, and remembering the three weeks' delay—involves something like \$217 million-worth of goods. If the price of those goods increased by five per cent and all the goods were declared, business in Western Australia would stand to lose \$10 million. Even if the increase were only one per cent it is something which companies have to consider when making an application for a price increase, because they stand to lose a lot of money.

Several members interjected.

The PRESIDENT: Order!

The Hon. D. K. Dans: You don't really believe that will happen.

The PRESIDENT: Order! The Leader of the House will have an opportunity at the appropriate time to refute any of the remarks with which he disagrees. I suggest he cease his constant barrage of interjections.

The Hon. P. H. WELLS: What I said at the introduction of this portion of my speech—I realise the Leader of the House may have found it hard to hear me because a number of his colleagues were also speaking at the time, although I usually do not have any trouble being heard—was that I had fears in these areas which I trust will be dispelled this evening. They are very real fears. Evidence exists to show that where countries have prices controls these fears do materialise. For instance, the United Kingdom review stated that it was evident that people submitting applications for price rises, although they were not formalised, were prepared to suggest how much they were willing to cut back those rises. In other words, just as with unions wanting wage increases, they knew

they had to put up the price by twice as much to get half as much back. That is the sort of thing likely to happen here.

Let me quote from the leader in *The West Australian* of 9 November 1972. The article dealt with the excessive prices legislation before the Parliament at the time and commented on what would happen in the marketplace. I quote as follows—

The Excessive Prices Bill would give the Government sweeping power to control prices of goods and services. But what it does not recognise is that the exigencies of the market place are put aside when producers of goods and services can put up paper-work cases to a prices commissioner and then hide behind his decisions.

Perhaps the Leader of the House in reply might indicate whether, for instance, the Government will allow firms to advertise the maximum price fixed for declared goods.

I spoke with representatives of a service group today who pointed out that if people wanted to kid themselves about excessive prices in the community they should consider accounting and other services, the prices for which are low. In other words, the current climate is such that business cannot charge excessive prices. Just as was stated in the article from which I quoted, the tendency will be for accountants, plumbers, electricians; and so on to say to their clients, "There it is; that is the declared price." So instead of their charging a marketplace price available today, they will have a Government-backed argument to put forward in support of the higher price they will charge.

Once the Government starts meddling in the marketplace it starts to upset it. I wonder how many people who took part in the formulation of the Bill are knowledgeable in this area. The following can be found in that same article to which I have referred—

The Legislative Council would be failing in its duty if it did not reject the Government's price-control legislation.

That was in November 1972.

The Hon. Peter Dowding: What is different from 1972 is that now the country is going down the tube because of your past actions.

The Hon. P. H. WELLS: Earlier speakers mentioned another fear I have about this legislation. When discussing this Bill with retailers I did not find one person from a small or medium sized business who could say, "Yes, someone from the Government made inquiries with us about prices

control." This applies also to people who telephoned me or wrote to me.

Retailers have confirmed for me that this pressure on prices is very likely to cause a drop in the profits that companies might otherwise expect. If we consider a firm such as Woolworths we find that its profit margin is something like 1.67c in the dollar, which certainly is not an excessive amount. Should supermarkets such as this be put under pressure because of this legislation, their discounts and specials would be at risk. I think many of the people on low incomes in my area go to supermarkets and look for discounts and specials so that they might stretch their fixed incomes as much as possible. If the Government meddles with the marketplace, these discounts will be put at risk.

I will give another illustration of a situation occurring in my electorate. This legislation may well put a certain enterprise at risk unless the Bill is properly implemented. I am led to believe that those commodities mentioned in the CPI—I ask the Leader of the House to correct me if I am wrong—will be the commodities watched, and there is a good chance that some of those will be declared. One of those commodities is meat. The example in my electorate is that after the normal end of trading on Saturdays meat is sold at auction. People buy trays of meat that the butcher puts together by bidding the price they believe they can afford. If this enterprise is declared—I say "if" because I trust that the department will be aware of the variations—will its functions be put at risk?

The Hon. Garry Kelly: The commissioner can set maximum prices but a trader can charge less.

The Hon. P. H. WELLS: If the member behind me had read the Bill he would have known it provides not only for maximum prices, but also for the administration of packaging and a whole range of other things.

Investment creates jobs, but people will be uncertain as to whether to invest. I have the fear that until December many investors will withhold their funds. I am talking about not only large enterprises, but also small businesses which are likely to be affected by this prices control legislation. I will quote from Lee Eckermann's article in *Wage-Price Control* under the heading "The Lucky Country Joins the Club". He talked about Australia and made reference to the Prices Justification Tribunal. He says at page 238—

One of the crucial results of the activities of the PJT has been to increase uncertainty and risk. By attempting to "normalize"



profits, it has adversely affected the incentive to invest.

I refer specifically to sole traders—either one person or a man and his wife—investing in a shop to provide a service or produce a product. An enterprise cannot be much smaller than a sole trader's enterprise or the enterprise of a man and his wife. To some degree this Bill will create uncertainty in the minds of those people and they may delay investing and, therefore, the recovery of our economy.

If certain services are declared we face a very great danger from backyard operators. An example would be accountants. Backyard operators would not have the accepted authority to operate. I do not think the Government would want to encourage backyard operators by declaring a certain service.

Certainly a danger exists if a declared price falls below the market price. This occurred under the Queensland Act; in such cases, producers would sell elsewhere.

I wonder what will happen in regard to imports from overseas or interstate. Will Western Australian manufacturers be put at risk if imported goods can be sold cheaper than those under prices control? If a producer of, say, meat finds that his return is not good enough, he may not bother to continue producing meat, and that would create a shortage in the market.

Another article I have indicates that if prices control is severe enough to reduce prices to a level below that which is competitive, physical shortages will result. So, the comment I made was not just out of my mind.

The authorities indicate that dangers are faced with prices control. I do not want the Leader of the House to get the idea that I believe this legislation will create shortages. I am pointing out what I believe will be danger areas. I have already said that Western Australian made goods may be in danger from unfair competition, and that I am concerned about small businesses.

In any large shopping centre rent arrangements are based to some degree on the rent that a large supermarket pays. These supermarkets obtain a much better deal than, say, a pharmacy or a hot bread shop; the latter pay a much higher percentage of their turnover in rent.

The Hon. D. K. Dans: Did you mention pharmacies?

The Hon. P. H. WELLS: Yes, because I was informed pharmacies in this State pay approximately 15 per cent of their turnovers in rent while supermarkets pay something like three per cent. I

have not checked that figure so I would not want to stand by it, but I have been led to believe it is correct. The developers of shopping centres give supermarkets a good deal, which means that small shops must pay a high percentage of their turnover in rents. In any prices control situation one must take such matters into consideration.

The Hon. Peter Dowding: Of course they are taken into account. These prices are not excessive, that's the point.

The Hon. P. H. WELLS: I am talking about the price of a declared good that is sold by a supermarket compared with the price of that good sold by a pharmacy.

Another danger relates to employment. If too great a pressure is applied on businesses—businesses already have low profit levels—the businessmen would be pressured to consider the level of wages they pay, which would lead to the likelihood that an adult family man could be retrenched in order to replace him with a younger person.

The Hon. Garry Kelly: Is that all by 31 December?

The Hon. P. H. WELLS: I am saying these dangers exist; I am not saying all these things will happen. I thought the Hon. Garry Kelly would know that many of these things have happened during the present recession. The OECD report on Australia in 1982 indicates that the current recession brought about a shift from full-time to part-time employment. If the member had read that report he would have understood my comment.

If there is a downward pressure on the profit of an enterprise a way must be found to produce the goods or services cheaper. The first way would be to employ part-time or junior staff; the second may be that the proprietor would try to do the work himself—I have seen some family businesses get into this situation—and the third would be to go out of business.

I have a couple of questions for the Leader of the House. His answers will help me to better understand this legislation.

The Hon. D. K. Dans: I might be answering them in the Committee stage.

The Hon. P. H. WELLS: I do not know whether these questions would arise during the Committee stage. It is said that this legislation has some relationship to the 1972 legislation. Page 4544 of volume 4 of *Hansard* for 1972 states—

The Bill will not affect and cannot be applied against any prices or rates made under the following Acts:—

Dairy Products Marketing Regulation Act, 1934;  
 District Court of Western Australia Act, 1969;  
 Electricity Act, 1945;  
 Hospitals Act, 1927;  
 Legal Practitioners Act, 1893;  
 Local Courts Act, 1904;  
 Marketing of Eggs Act, 1945;  
 Metropolitan Water Supply, Sewerage and Drainage Act, 1909;  
 Milk Act, 1946;  
 Motor Vehicle (Third Party Insurance) Act, 1943;  
 Rights in Water and Irrigation Act, 1914;  
 Supreme Court Act, 1935;  
 Taxi-cars (Co-ordination and Control) Act, 1963;  
 Transport Commission Act, 1966;  
 Wheat Industry Stabilisation Act, 1968;  
 Wheat Products (Prices Fixation) Act, 1938;  
 Workers Compensation Act, 1912; and  
 any other prescribed Acts.

The Hon. A. A. Lewis: I missed the third one. What was it?

The Hon. P. H. WELLS: The honourable member can read page 4544 of *Hansard* for himself. In his speech the Minister mentioned that the prices commissioner would take various matters into consideration. Does that mean that in those areas we have two price-fixing organisations? Which one takes precedence? Does the Government not think, if that is the situation, that we are moving to an area of confusion?

Conflict with the Trade Practices Act is another area that concerns me. Has a study been conducted, or has consideration been given to the likely effect of this legislation and whether this Act will contravene any provisions of the Trade Practices Act? A number of firms have indicated to me they believe they are affected by the Trade Practices Act in terms of prices fixing and to some degree the price suggested by the prices control sector would go some way towards prices fixing.

I am in some confusion about the definition of "excessive". I ask the Leader of the House to provide me with a copy of the High Court decision to which he referred. I have not had the benefit of reading that decision. Perhaps he will provide me with a copy before we reach the Committee stage.

The Hon. D. K. Dans: I certainly cannot do that tonight.

The Hon. P. H. WELLS: We should have it available to us because it seems that a major part of the legislation is based on this decision.

The Hon. Peter Dowding: It is in the Parliamentary Library.

The Hon. P. H. WELLS: Because it is not within the definition, it should be available to this House.

The Hon. D. K. Dans: When I was Leader of the Opposition I never used to get any answers, let alone information.

The Hon. A. A. Lewis: See how you go.

The Hon. Peter Dowding: Go up to the library.

The Hon. D. K. Dans: Go to the library and get it.

The Hon. P. H. WELLS: I happen to be a member who has been elected to this House.

The Hon. Peter Dowding: Not recently.

The Hon. P. H. WELLS: I take my job seriously and am making a serious request for information which forms the basis of the Government's legislation in terms of the definition of the word "excessive". People in my electorate may want to know what that word means. If I support the legislation, and it is passed, they could ask me what "excessive" means. The Minister's second reading speech gives just a glance reference and does not provide me with an understanding of the situation.

The Hon. D. K. Dans: Go up to the library and read it for yourself. I am not going to get the Commonwealth Law Reports out of the library for you.

The Hon. G. E. Masters: He is trying to fob us off, and that is disappointing.

The Hon. P. H. WELLS: I have said all I wish to say at this stage. I may have more to say during the Committee stage.

**THE HON. N. F. MOORE** (Lower North) [9.25 p.m.]: My speech will be somewhat shorter and quieter than that of my predecessor.

The Hon. D. K. Dans: And more intelligent, I believe, too.

The Hon. N. F. MOORE: That is a matter of judgment, Mr Dans! I congratulate you, Mr Dans, on your election as Leader of the House. I also congratulate your ministerial colleagues on their elevation to the Ministry.

We need to look at this legislation in the right perspective. The title of this legislation is for public consumption and so it forms the political part

of the legislation. The actual contents of the Bill are the basis for the Hawke Government's eventual control of prices throughout Australia. So we have a title referring to "Excessive Prices" which relates to people in Western Australia and, from a political point of view, to the implementation of the Government's promises prior to the election. When we look at the contents of the Bill we discover it provides for total prices control. That subject has been mentioned in a very comprehensive manner by all my colleagues tonight. I am sure the Government will not use this legislation very much.

The Hon. Peter Dowding: Is that right?

The Hon. N. F. MOORE: We can expect a Wran-style administration in Western Australia. The Wran-style Government is being used by Bannon in South Australia and by Cain in Victoria. This type of Government is almost a pseudo-Liberal-type Government which acts in the same way as previous Liberal administrations and does not implement the sort of policies we have come to expect from Labor Parties and Labor Governments in other times. I doubt that the Burke Government, if it is trying to become a Wran-style Government—and I suspect it will become one—will implement this legislation because, as my colleagues have clearly pointed out, it is totally draconian. The Government's real aim will surface when the Federal Labor Government is able to enact or endeavour to have enacted complementary legislation in the various State Parliaments of Australia, because the Federal Government presently has no control over prices.

The Hon. Peter Dowding: This is part of a grander fob, is it?

The Hon. N. F. MOORE: It is part of a grand plan.

The Hon. Peter Dowding: Have you been reading "Reds under the Beds" again?

The Hon. N. F. MOORE: I do, from time to time.

The Hon. Peter Dowding: You have a Caesar mentality.

The Hon. N. F. MOORE: Mr Dowding has perhaps made the point more clearly than I could have done. It is about a grand plan where we have a nice sounding title and then a draconian Bill. I doubt the Government will endeavour to implement the legislation. It will go to one or two retailers and tell them they are charging too much for a particular product and will prosecute those people just to restore a bit of faith in the public's eye and to let them know they are carrying out their election promises. The Government will not implement this legislation in the way it could be

implemented but will wait and allow the Canberra Government to do so when it has completely legislated for prices control throughout Australia.

The Hon. Peter Dowding: How is it going to do that?

The Hon. N. F. MOORE: I am talking about Governments throughout Australia rather than the Hawke Government.

The Hon. Peter Dowding: This is when Bjelke-Petersen falls, is it?

The Hon. N. F. MOORE: That is how I view the legislation. I will confine my remarks to the fruit and vegetable industry, particularly as it applies to producers in my province. Prices received by fruit and vegetable growers are essentially determined by a supply and demand situation. Carnarvon growers who operate in a remote area have high transport costs and fairly high infrastructure costs, and yet are surviving by selling their products on the Perth market out of season. At times the prices Carnarvon growers receive for their products would be considered by some people to be excessive because there is a shortage of that product and they are able to command a very high price. The price of tomatoes at many dollars a kilo in a time of shortage is a good case in point. Housewives could rightly say that they consider the price to be excessive; however, it is not an excessive price from the point of view of the grower because, being from Carnarvon, he is able to survive only as a result of the high prices he receives from selling produce out of season.

I appeal to the Government on behalf of those growers that when the Government gets to implement this legislation—assuming that it will—it will take into consideration the situation of Carnarvon growers.

I am concerned about this matter because the prices of fruit, vegetables, and groceries affect us directly. The Government will be endeavouring to win over the housewives and consumers in our society with this legislation. The prices which concern consumers are for those goods which are required every day—groceries, fruit, and vegetables.

It would be advantageous politically for the Government to interfere and control the prices of fruit and vegetables at a time when the prices in the metropolitan area are seen to be excessive. However the only way the producers in Carnarvon can survive is by growing fruit and vegetables out of season.

The Hon. Peter Dowding: Would the prices be excessive?

The Hon. N. F. MOORE: That would be a value judgment. What does Mr Dowding consider to be an excessive price for a pound of tomatoes?

The Hon. Peter Dowding: You are saying the producer needs these prices to have a viable profit.

The Hon. N. F. MOORE: Someone in the metropolitan area may argue that the price of tomatoes is excessive at a certain time of the year. However, I ask the Leader of the House to take this into account: The growers of fruit and vegetables who do not live in the metropolitan area must grow fruit and vegetables out of season in order to survive because they have the high costs of living in remote areas.

It would be a welcome move if we could obtain some sort of assurance that the prices obtained by the Carnarvon fruit and vegetable growers will not come under the auspices of this legislation.

**THE HON. H. W. GAYFER** (Central) [9.31 p.m.]: I will not oppose the passage of this legislation; indeed, I believe this is the general opinion. However, I do not think the legislation will accomplish anything other than to create more unemployment. It is much better that the Labor Party members be hoist with their own petard than that we try to convince them that this legislation, when proclaimed, will push them into a corner.

I wish to comment about one or two matters which stick in my craw. I noted in the 20 March 1983 issue of the *Sunday Independent* a front page story which stated—

Meanwhile unionists, lawyers, churchmen and civil rights workers are waiting eagerly on the Burke Government to wipe out much more legislation from the Charles Court era.

They refer to laws passed by the Court Government during 1979 and 1980, a time when Sir Charles Court feared widespread union and public reaction against his plans to build a nuclear power station near Perth, and over other environmental issues.

These laws include:

- Section 82A of the Police Act, which since 1980 makes the simple act of trespass punishable by a \$500 fine or six months goal.

- The State Energy Commission Act, as amended in 1979, to give SEC officers the same rights of arrest as police officers for such offences as trespass.

- Section 34 of the Police Act, inserted in 1980 to give a magistrate the right to appoint responsible citizens (SAS soldiers, private se-

curity agents) as "special constables" on receiving any report suggesting that riotous behaviour is likely.

- Section 36 of the Mental Health Act, which allows a single magistrate to commit a person to a mental institution on his own non-medical opinion—and keep him there if the head of the institute agrees.

- The Fuel and Energy Act of 1974, which allows the Government to suspend Parliament and all civil rights—and rule by decree for periods up to six months.

"We've got to keep them honest," one prominent lawyer said this week. "Too often an Opposition will decry and denounce repressive legislation—and then, when they become the Government, find that it suits them very nicely to keep it."

This Bill, with its provisions for fines and penalties smacks equally of the type of legislation which the Labor Government wishes to have removed.

The second point I wish to make is we have heard comment in this Chamber that Austria has a remarkably good set up for excessive prices control. This was mentioned in the Chamber several times this evening so I referred to today's issue of *The Australian* in which an article dealt with this matter. It said in effect that when this control was implemented a lecture was given by Ludwig von Mises at the University of Vienna. He said—

"... charging more than a certain price is prohibited, but production and sales have not been made compulsory. There are no longer any sellers and the market ceases to function.

"A government that sets out to abolish market prices is inevitably driven towards the abolition of private property.

"It is gradually forced towards compulsory production, universal obligation to labour, rationing of consumption and, finally, official regulation of the whole of production and consumption...

"During thousands of years in all parts of the inhabited earth, innumerable sacrifices have been made to the chimera of just and reasonable prices.

"Those who have offended against laws regulating prices have been heavily punished.

"State agents have certainly not been lacking in zeal and energy. But for all this, economic affairs cannot be kept going by magistrates and policemen."

Under the legislation we are debating, if we understand it to include that the commissioner, with respect to any declared goods or declared

services, by order published in the *Government Gazette* may affix a maximum price at which any declared goods may be sold or the maximum rate at which any declared services can be supplied, surely under such a system the fear of von Mises would be a reality in this State.

It is obvious the Labor Party believes its mandate covers prices control legislation. Nevertheless this could cover a far wider area than just excessive prices, and if that is what the Government believes it is not for us to interfere unduly with that cause, unless something within the legislation is particularly abhorrent.

Some areas not originally within the legislation caused some alarm; however, amendments were included in another place which allayed that fear. However, I direct the attention of the Leader of the House to the fact that no provision has been made yet for the right of appeal against any order that may be instituted.

Such a right should be provided so that a company or individual has some chance of appeal before being named in the *Government Gazette*. A right of appeal to the Minister should be available before publication in the *Government Gazette* of the name of a company, individual, or product. This should be done if only to uphold the statement made by the now Premier when debating the wages freeze legislation on 22 December 1982. His comment is reported on page 5953 of *Hansard* of 23 December 1982 as follows—

We are talking about the ability to control excessive prices. We are not talking about what someone else must have mentioned to the Premier when he spoke about rigid price controls. We are simply saying that any Government venturing into these waters without the ability to protect the public—which is what this Government intends to do—is absolutely lunatic.

If members of the public have some right of appeal to the Minister or some other person—but preferably to the Minister—before an order is finally gazetted, this legislation will not cause me much worry.

I have said before that I do not believe the legislation will work. If I were to voice my arguments as to why it will not work I would only be repeating what has been said already in this Chamber.

However, it is our right to endeavour to have the legislation brought to a standard whereby the people of Western Australia will receive a fair go when it is finally implemented.

I can but appeal to the Leader of the House, who is in charge of this Bill, to ascertain if, in

fact, it is possible to include a provision for the right of appeal in the framework of the legislation. This would protect the public. The commissioner's findings should not be published in the *Government Gazette* until after the appeal is heard. There may be good reason not to include an appeal provision. However, a person could be named and as a result his name would appear in the *Government Gazette* and subsequently there could be a witch-hunt against that person's profession simply because he has been named. The public has the right to be protected against such naming and I believe an appeal provision should be included in the Bill. However, as Mr Moore has said this legislation may not be promulgated.

The Hon. N. F. Moore: It will be proclaimed but it may not be implemented.

The Hon. H. W. GAYFER: I do not intend to oppose the legislation but I would like consideration given to the point I have raised.

**THE HON. I. G. PRATT** (Lower West) [9.43 p.m.]: This piece of legislation and the promises that were made before it was introduced have resulted in an extremely callous exercise in obtaining votes under false pretences.

The Hon. D. K. Dans: We learnt it from you.

Several members interjected.

The Hon. I. G. PRATT: The Hon. Garry Kelly will perhaps make a speech in a moment.

The Hon. G. E. Masters: He is not allowed to.

The Hon. I. G. PRATT: As part of my daily routine I walk around the local supermarkets, glance around the prices of the goods, and talk to the shoppers. I make this a daily practice, whether I am in Mandurah, Kelmscott, or in other areas of my electorate.

I spoke to numerous people before and after the election and it was made clear to me that many of the suburban housewives who normally vote for the Liberal Party voted for the Labor Party because of its promises. No one can dispute that.

The Hon. D. K. Dans: Both State and federally?

The Hon. I. G. PRATT: I am referring to this legislation. The interpretation that people have placed on the promises of the ALP is that it will cause prices to drop. Perhaps Mr Dans might say that that is not what his party said, but that is how it was accepted by the public.

I challenge any member to take a stroll around the supermarkets and ask people how they interpreted the ALP's policy in regard to prices control. That party gained votes under false pretences.

I refer to an article which appeared on the front page of tonight's *Daily News* and was headed "Petrol Price May Drop". The Minister who has the responsibility of implementing this legislation said, "Petrol prices should come down, and under this legislation they will."

The Hon. Fred McKenzie: Who made that comment?

The Hon. I. G. PRATT: It was made by Mr Tonkin, the Minister in charge of this legislation. Those women who gave their vote to the Australian Labor Party in the hope of obtaining cheaper goods in the supermarkets were conned.

The Hon. Fred McKenzie: We have the highest petrol prices in the country.

Several members interjected.

The Hon. I. G. PRATT: Perhaps the honourable member would like to further interject by saying that he agrees with Mr Tonkin that petrol prices will go down.

The Hon. Fred McKenzie: Yes, I agree with him.

The Hon. I. G. PRATT: The Minister's next quote in the article I have mentioned was, "Declaring petrol would not necessarily lead to price cuts ..." Firstly the Minister says it will—the Hon. Fred McKenzie agrees with him—and then the Minister says it will not. In actual fact the Government will not bring prices down because nothing in the legislation will reduce existing prices. It will stop prices going up, and that is a different matter. The Government conned the public by making them believe that prices will be cut when, in actual fact, some prices may not go up. The word "some" is an interesting one.

The Hon. Garry Kelly: Petrol is an important one.

The Hon. I. G. PRATT: Mr Tonkin said that this legislation would not necessarily lead to price cuts.

Several members interjected.

The Hon. Peter Dowding: He will control prices.

The Hon. D. K. Dans: Read the Bill.

The Hon. I. G. PRATT: It will not reduce the price.

Several members interjected.

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Order! The Hon. Ian Pratt has the call.

The Hon. I. G. PRATT: If that is the case, could we have a declaration from the Leader of the House, or the Minister speaking on his behalf,

that the Government will actually bring down the prices of goods in supermarkets? Could we have on record that the belief the housewives had when they voted for the Labor Party will be realised and the Government will bring prices down?

Several members interjected.

The Hon. Peter Dowding: Who would believe you?

The Hon. P. H. Lockyer: You said that you would bring down prices and if this does not happen the Government will suffer.

The Hon. I. G. PRATT: Government members who have been interjecting on behalf of their leader have said that the Government will bring prices down. Mr Tonkin has said the Government cannot do that. Let us have an undertaking from Government members in this House that prices will be brought down in supermarkets.

Let us get some consistency into the arguments put forward by the Minister responsible for the Bill, the Leader of the House, and his other spokesman. Perhaps they will get their act together. This legislation is a tremendous hoax.

Several members interjected.

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Order! I shall not intervene in this debate again.

The Hon. I. G. PRATT: The point that concerns me in the ALP attack on excessive profits is that the profit on an individual item differs between a supermarket and a small store. Government spokesmen have said several times by interjection that they are interested in excessive prices, not excessive profits. Perhaps Mr Dowding will explain how he will decide that a price is not excessive without considering whether the profit on the item is excessive. Perhaps the Government will follow the line of various arbitration judgments that the ability to pay, or the cost value, will not be considered. Perhaps one price will be set for a supermarket item and the fellow in the corner store will be told, "It does not matter that you are not making a profit because we are interested in the end profit, not whether your profit is large or small."

If any credibility is to be attached to the comments of the Leader of the House about excessive profits and excessive prices, he must answer the question I have raised.

The Hon. D. K. Dans: Are you telling me what I have to do?

The Hon. I. G. PRATT: Yes.

The Hon. D. K. Dans: I am not going to take any notice.

The Hon. I. G. PRATT: Then the Leader of the House will have no credibility. We will tell the business people he has been wooing, which is exactly what he has done. He cannot separate a judgment on excessive prices from a judgment on profits, excessive or otherwise.

The Hon. Peter Dowding: Says who?

The Hon. I. G. PRATT: Anyone with common sense, which Mr Dowding probably would not understand.

Several members interjected.

The Hon. Tom Stephens interjected.

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Order! I direct the Hon. Tom Stephens to Standing Order No. 91 as I have done with other members.

The Hon. I. G. PRATT: I felt it necessary to highlight the hoax played on the people of Western Australia, particularly housewives who are worried about the day-to-day running of a household.

A number of interjections have been made about Government members' new-found joy and pleasure at being in Government. They will find it is not a permanent situation. I suggest they enjoy their glory because legislation such as this will ensure they do not have it for more than three years.

THE HON. D. K. DANS (South Metropolitan—Leader of the House) [9.53 p.m.]: I have had to listen tonight to the greatest number of red herrings I have heard in 12 years in this Chamber. By design or intent an attempt has been made to strike fear into the hearts of the people of Western Australia. The last speaker and many others tried to say we won the last election with a record majority in the State and the Commonwealth Parliaments because we carried out an election promise to institute excessive prices legislation. If that is correct we wasted an awful lot of money on other things. If members opposite believe that, they believe in fairies.

Members fail to take into account that during the debate in the Legislative Assembly on the pay pause legislation we told the then Government we would go along with the Bill if the Government would entertain a Bill or amendments to give some measure of protection against excessive prices. The then Leader of the Opposition (Mr Brian Burke) moved an amendment, but the Government was not prepared to accept it. Do members opposite remember that? As a result of that we had to put the matter to one side. At the time we promised the people of Western Australia we would proceed with the other option—to support wages moderation in return for some form of

prices moderation. This Bill deals with that. It does not deal with the price of chewing gum in Poland or of jeans in Russia or the sale of cattle or vegetables through the auction system.

Mr Medcalf and some other members opposite would know that a very effective prices control system operated during the war years. It was necessary and desirable, and I admit it was unfortunate that some unpatriotic individuals resorted to some forms of black-marketing. Just as that legislation did not interfere, so this legislation will not interfere with the auction system for fruit and vegetables and other products. The legislation controlled prices in the retail stream, so members opposite should not go on with so much nonsense.

I have found it difficult tonight to take seriously some of the comments made by some speakers. Everyone in this Chamber is sensible and is dedicated to the job he has to do. But members opposite cannot expect me to believe some of the tripe they have dished up. A surprising feature of the debate was that with three exceptions, no-one mentioned consumers. Mr Wells should mark that well. He made a fleeting reference to consumers on two occasions, and Mr Lewis made a passing reference on one occasion.

The Hon. A. A. Lewis: You have not read it. Be accurate; tell the truth.

The Hon. D. K. DANS: Some consumers in the community are businessmen. This legislation does not seek to put businesses out of operation. It seeks only to give some measure of confidence to the population of Western Australia. It does something that Mr Masters and his colleagues were not prepared to accept—in return for some price moderation we will go along with some form of wage moderation. I have been quoted in the newspapers as saying I detected some acceptance in the community of wage moderation provided there were some trade-offs.

Before I deal with the specific questions raised by Mr Medcalf, I want to refer to the way that members opposite staggered up to the line on the question of the wages freeze. Members on that side talk and bellyache about market forces and the cost of this, that, and the other thing, but they are not prepared to let market forces decide the most essential of all commodities, the price of labour.

The Hon. P. G. Pental: Are we not talking about minimums there?

The Hon. D. K. DANS: Give me time.

The Hon. P. G. Pental: You have all night.

The Hon. A. A. Lewis: You can have as long as you like on this subject.

The Hon. D. K. DANS: Let us look at the wages pause in Western Australia. Mr Masters spent some time trying to mislead the House, claiming that because of actions by me, the wages pause would collapse. I ask members to turn their minds back to a couple of days ago when the former Premier of this State, now the Leader of the Opposition, made that absurd remark. I did not have to answer him; he was answered by Mr Lambert from the Confederation of Western Australian Industry (Inc).

The Hon. P. G. Pental: Mr Dowding joked about the confederation, and now you use them as a great source. Come on!

The Hon. D. K. DANS: Mr Lambert, of the Confederation of WA Industry, revealed the stupidity of the former Premier's argument. Any informed industrial adviser, or anyone in the community with a sense of fair play and proportion—

The Hon. A. A. Lewis: Come on. You cannot bluff your way through.

The Hon. D. K. DANS:—would be of the same opinion.

Let us consider Mr Masters' Bill—the Bill for the wages pause or the wages freeze. We had the situation in which the wages freeze or pause—call it what one likes—was inflicted on the public sector in this State for a period of 12 months. When the question of the wages pause or freeze was put to the commission, it imposed a freeze on the private sector for a period of six months.

The Hon. G. E. Masters: To start with.

The Hon. D. K. DANS: It imposed a period of six months. If one goes through the various Acts in the States of Australia and the Commonwealth legislation, what a horrible mix-up one finds. I do not think Tasmania has any wages freeze-pause legislation yet. Surprisingly enough, the most flexible wages pause in Australia is in Queensland.

In this State, the only way that people in the public sector who have been disadvantaged can obtain redress is by reference to the Minister. Let us consider how people in the public sector would have been affected had Mr Masters remained the Minister—they would have had an appeal from Caesar to Caesar. At the same time, anyone in the private sector, who thought he had a case—who thought he had been disadvantaged—could go to the Industrial Commission in court session, put his case, and obtain relief. Mr Masters knows as well as I do that that sort of transaction is taking place on almost every day of the week, but it does not rate a headline in the Press.

The only areas in which our Government has acted are those areas which have been disadvantaged severely, which fall within the power of the Minister. Mr Masters would know I am referring to section 13(2). Of course, he never exercised that himself.

Let me give an example of the ridiculous state of this legislation. I would rather speak about the Prevention of Excessive Prices Bill; but Mr Masters introduced this subject. The first task that I had to perform was in regard to a federally-registered union—the Australian Bank Officers Union. Mr Ferry would be interested in this. The private banks had negotiated a shorter working week, with other conditions, for the staff of the major trading banks of Australia, as a trade-off for longer bank trading hours. On the day the new arrangements were to come into operation, it was discovered that section 11 of the Rural and Industries Bank Act provided that the R & I Bank had to remain open for the same hours as the major trading banks. At the same time, it was found the bank could not give to the bank staff and to the messengers the conditions that had been negotiated by the respective Federal bodies.

I would have been remiss in my duty had I said, "Well, that is what is happening in the private bank system. What would my predecessor do if he were here? He would have said, 'To hell with the R & I Bank', notwithstanding that it does 25 per cent of the banking business of Western Australia. I will not exercise my rights under section 13(2)." As a consequence, the R & I Bank would not have been allowed to trade, and chaos would have resulted in the banking industry in Western Australia, and particularly in the R & I Bank. The disadvantage to the State would have been tremendous.

Many other examples can be given. What would have happened if the previous Government had taken the advice of John Cain? Let me be honest and forthright: The pay pause legislation was an afterthought. "How are we going to win the Flinders by-election? We will have to think up something." The previous Government and its Federal counterpart were "rabbit out of the hat" people. "We are going badly; what is the next trick? Bring on Mandrake!" The Federal Government asked Sir Charles Court to go to Canberra, and he said, "Well, this is it. This will do the trick."

When the idea was floated, it had some attractions. John Cain pointed out those attractions and said, "We need to get all the horses on the line"—I am directing my remarks particularly to Mr Masters—"before we start any form of wages pause." I am hopeful that before the summit con-



ference, most of the awards and agreements in Western Australia will, somehow or other, line up behind the barrier.

The legislation does not deal with new agreements. I have in mind one of the agreements that falls under the direction of my colleague, the Hon. Peter Dowding. That is the agreement to build the pipeline; the whole thing has been shot full of holes from the word "go".

Let me scuttle a surphy that has been bandied around here tonight—that somehow this legislation is part of a great conspiracy to go to the summit conference in Canberra, and because we have introduced this legislation in Western Australia, Bob Hawke, the Prime Minister, will say, "Well, try this in Western Australia. Try this on, and if you are successful we will have a pay pause and prices control system for the whole of the Commonwealth."

The Opposition cannot have it both ways. Mr Moore suggested that we had a Neville Wran approach; but previously the Hon. Phillip Pendal had said that under the Wran Government in New South Wales, the prices commissioner had resigned his job because he had no work. Yet, Mr Moore went on to say that we will have a Wran-type Government.

Let me assure the Opposition that this is the first Burke Government, standing on its own two feet. It will be here for a long time. We did not win the election because of this Prevention of Excessive Prices Bill. We won the election because the people had had enough of the Liberal Party. If members opposite want verification of that, they should consider the deficit of \$21 million about which they knew 16 days before the election. They should consider the \$9 billion deficit in the Federal sphere. If the Opposition wants to talk about slipping one over, it would have nothing to learn. We could learn from members opposite.

The Hon. P. G. Pendal: There is a time and place for that.

The Hon. D. K. DANS: This is not the time and place.

Opposition members interjected.

The Hon. D. K. DANS: Tonight we saw a deliberate attempt to start a fear campaign. None of the things that this legislation is supposed to do will happen. Mr Wells referred continually, as did other speakers, to prices control.

The Hon. Garry Kelly: And black markets.

The Hon. J. M. Brown. At length.

The Hon. D. K. DANS: The black market Government! I must confess it was refreshing to

be called a black market Government, instead of a "reds under the bed" Government, or some other kind of Government.

Members opposite should not get it into their heads that we won the election because of this legislation.

In the session prior to the election members opposite had the opportunity to act in a principled manner. They had the opportunity to accept our amendment and incorporate it in the prices pause legislation with perhaps some amendments. I cannot recollect members opposite accepting any of the amendments we have put forward, regardless of their effectiveness.

I know sensible members opposite from time to time said, "That is not bad. Let us go ahead with it", but the old diehards—the ultra-right wing section of the Liberal Party—who run the party in this State said, "You cannot do that."

Let us return to some of the issues in the prices control legislation. I travelled around this State, not among small businessmen, because that was not my role, but in other areas and it became clear to me that if any one aspect of the previous Government's performance helped us towards victory, it was some of the legislation brought into this place by the Hon. Gordon Masters and in relation to which he refused to listen to anyone. The Hon. Gordon Masters flatly refused to listen to sound reason.

The Hon. G. E. Masters: To whom are you listening in regard to this legislation?

The Hon. D. K. DANS: It was not necessary to listen to anyone in relation to this legislation, because when the then Leader of the Opposition in the other place moved our amendments to the wages and salaries legislation he promised the people of Western Australia that we would enact this legislation as soon as possible. That commitment was made in the House and, our having made it, does the Opposition expect us to talk our way out of it? The Government is to be commended not only for bringing this legislation before the Parliament, but also for doing so with such speed.

The Hon. G. E. Masters: I thought your policy was one of consultation.

The Hon. D. K. DANS: That is right, but we did not need to consult anyone on this Bill. I believe most members of this Chamber understand that, because we moved an amendment in the Assembly and members opposite were not prepared to accept it.

The Hon. G. E. Masters: That was not the same amendment.

The Hon. D. K. DANS: Let us look at the difference. I assure members there is a sunset clause in this legislation. An amendment to that effect, along with other amendments, were moved by the Opposition in the Legislative Assembly and we accepted them.

The Hon. G. E. Masters: Not all of them.

The Hon. P. G. Pendal: You preach about it *ad infinitum*. It is sloppy legislation. Mr Berinson must be ashamed of it.

The Hon. D. K. DANS: Much has been said about the length of time the committees will remain in operation. Mr Wells referred to a figure of \$250 million. Had the honourable member taken the time to read the amended Bill—

The Hon. P. H. Wells: I have.

The Hon. D. K. DANS: What does it say?

The Hon. P. H. Wells: I cannot remember the clause exactly, but I have read it a number of times. Are you insinuating that I have not read the Bill?

The Hon. D. K. DANS: As amended in Committee?

The Hon. P. H. Wells: Yes, I have gone through it thoroughly.

The Hon. D. K. DANS: Well, at least you have proved you can read.

The Hon. G. E. Masters: That typifies the speech we have heard so far.

The Hon. D. K. DANS: Let us put to rest all the rubbish that has been spat out here tonight under the guise of debate.

The Hon. P. H. Lockyer: What will you be like at the end of three years?

The Hon. D. K. DANS: I have been in much tighter situations than I am ever likely to encounter in this House. I have never ended up a nervous wreck, but people who have dealt with me have ended up as nervous wrecks, with a gutful of ulcers.

The Hon. G. E. Masters: Or concrete boots!

The Hon. P. G. Pendal: I can understand their having a gutful.

Several members interjected.

The Hon. D. K. DANS: I shall read the sunset clause to members in order that they understand the position. It reads as follows—

35. (1) The provisions of this Act other than this section shall cease to have effect—

(a) on such day as is specified in a resolution passed by each of the Houses of Parliament;

That could occur if accord is reached at the national summit conference at which all sections of the community will be represented. I doubt that agreement would be reached at the first meeting, but at least the ground rules may be set. To continue—

or

(b) if no such resolution is passed prior to 31 December 1983, on that day.

We are now in the third month of the wages freeze, so if it lasts for its full duration we have approximately nine months more to go; however, I doubt that it will last that long.

I repeat to the House that we accept a policy of wage moderation. I am sure the trade union movement and industry share that attitude. We accept that on the basis that price moderation also is instituted where possible, along with certain trade-offs in respect of taxation and possibly some other conditions particularly in the area of health. Those sorts of provisions are necessary; we are not in the business of putting people out of work.

As I said, the wages freeze has been in operation for approximately three months. Given that most States will have it for six months, one could expect to see some moderation in prices, but that has not occurred. If members do not believe me, they should ask their wives. There may be good reason for that. We have been told that, as business becomes more profitable, it will relieve unemployment. However, unemployment has marched on to unexpected heights in the last three months. I do not damn the wages freeze legislation for that occurring, but if we deal with this matter in an organised manner we may be able to achieve something. Members do not have to take my word for it; the evidence is there for them to see.

This Bill is designed to prevent excessive prices. I go along with that wily bird, the Hon. Graham MacKinnon, because some of the comments he made were very true. As a result of an investigation by the commissioner it could be found that excessive prices for some commodities were justified. In fact, quite a few of them might be justified. When people understand that, they are more likely to accept the position. However, members cannot back away from the obvious, which is that within the community a few rip-off merchants and fly-by-nighters still exist. They do not exist in the legitimate business community. I am fully aware that market forces today are keeping prices as low as possible but, for reasons outside our control, prices are rising.

At home we drink decaffeinated coffee and my wife informed me that, in the space of two or three weeks, the price of a jar of that coffee had increased by 32c. There may be good reason for that. I do not believe business people increase prices haphazardly; but so far the wages pause has not increased employment, nor has it stopped increases in prices.

I turn now to a comment made by Mr Gayfer to the effect that he would be very happy to see an appeals clause inserted in the Bill. I thought he referred to an appeal to the Minister, but I take it he meant an appeal to the court.

The Hon. H. W. Gayfer: No, not to the court; to the Minister, because I believe the Minister is supreme over the court. There should be an appeal to the Minister from the commissioner's decision.

The Hon. D. K. DANS: That applies now.

The Hon. H. W. Gayfer: It does not.

The Hon. D. K. DANS: We can get back to this during the Committee stage. My colleague the Hon. Joe Berinson indicates that clause 13 gives the Minister power to suspend an order of the commissioner.

The Hon. H. W. Gayfer: But it does not provide an individual with a right of appeal to the Minister.

The Hon. D. K. DANS: What is to stop a person going to the Minister? We have open Government.

The Hon. Tom Stephens: Our Ministers will be accessible to the people.

The Hon. D. K. DANS: Some members seemed to be confused; they did not understand the difference between declared goods and controlled goods, and perhaps this would be best dealt with during the Committee stage. There is a clear difference between the two.

The overriding aspect of this legislation is that it deals with excessive prices. I have the utmost confidence that the commissioner and his committees will operate sensibly. At the same time, if the legislation were suspended before 31 December it is only logical to assume the committees would cease to operate. If the legislation were repealed three months from now it stands to reason the committees would disband.

The Hon. A. A. Lewis: Then why not limit the time of those people?

The Hon. D. K. DANS: Definitely not. I have had to seek advice to provide answers to some questions posed by Mr Medcalf. One of his questions referred to the application of services provided by statutory corporations. Whether an

order would apply to a statutory corporation would depend on whether the corporation was a Crown instrumentality. Acts only bind the Crown if they are expressed to do so or if this is a necessary implication of their provisions. It is doubtful whether clause 4 would have the effect of making this Act bind the Crown.

If a statutory corporation is not bound by an order and the Government wishes to control the rates at which it provides services, the Government could have the necessary power to do so under the Act constituting the corporation. If a statutory corporation were bound by an order and the Government did not wish a particular order to apply to it, this could be achieved by limiting the ambit of the order under clause 12.

I refer now to the term of office of committee members dealt with in clause 9(1). No reason exists to modify this provision by reference to clause 35. When the Act ceases to have effect the committees would lose their statutory backing and would therefore cease to exist.

The Hon. I. G. Medcalf: Not if they were appointed for three years. They might have a claim.

The Hon. D. K. DANS: They might have a claim for some payment. My colleague the Attorney General is better versed in these matters, and he mentions that they are appointed for a maximum of three years.

So many questions were asked, only some of which were valid. Some I could not soak up and we will have to get to them during the Committee stage, which is the right time to do so because we are dealing now with the principles of the Bill rather than the detail.

The Leader of the Opposition asked about local government rates and charges. A local authority does not carry out its normal functions in the course of an industrial, commercial, business, profit-making, or remunerative undertaking. Therefore these services are not services for which rates can be regulated under the Act. Local authorities have powers to carry on trading undertakings and to the extent to which such an undertaking offered controlled goods or controlled services, the local authority would be bound by the Act unless the control order excluded from its ambit the sale or supply of goods or services by local authorities.

As for interest rates, the lending of money would not be the provision of a service within the meaning of this proposed Act. The Victorian Supreme Court in 1975 and the High Court in 1965 considered the scope of the expression "service". Both courts came to the conclusion that the provision of a service involved some positive

physical act by the provider. The mere lending of money or entry into some other commercial transaction would not, without some further acts being involved, constitute the provision of a service. It may be noted that for this reason the provision of lodging and accommodation has been specifically included in the definition of "service".

I have provided answers to the main queries of which I took note. During the Committee stage we will be able to consider other questions.

Question put and passed.

Bill read a second time.

## QUESTIONS

Questions were taken at this stage.

### PREVENTION OF EXCESSIVE PRICES BILL

#### *Procedure: Point of Order*

The Hon. G. C. MacKINNON: Before you proceed, Mr President, could I ask you for my guidance in the future, if it is the normal procedure to abandon the usual procedure of dealing with a Bill—that is, the movement from the second reading stage into the Committee stage—and interpose other business between two steps without any direction being sought from the House; or is it more usual to ask for the Committee stage to be taken at a later stage of the sitting so that other business can be introduced such as we have just seen happen, and subsequently move for the item, which would then be on the notice paper, to be considered? For instance, the Leader of the House could stand up and say, "I move that we proceed forthwith to the Committee stage of the Bill." Mr President, I ask purely and simply for guidance because it does seem a little irregular to me and I want to know the correct procedure. Do I make myself clear?

The PRESIDENT: You do; you make yourself very clear. The position is that the Leader of the House announced at the conclusion of the second reading stage that he was then in a position to answer questions.

The Hon. G. C. MacKINNON: I heard that.

The PRESIDENT: Perhaps I erred by not putting the question. I simply proceeded to call for the Minister, to answer questions. Perhaps I should have sought from the Leader of the House a motion to that effect; I did not do so and perhaps I erred. It is perfectly legitimate for the procedure to be interrupted between speakers during the second reading stage. In other words, if the Leader of the House felt inclined, after you completed your speech on the second reading, he

could have proceeded to answer questions subject to obtaining the approval of the House to do so.

The Hon. G. C. MacKINNON: I am sorry to persist with this. The important point, I take it, was the last phrase "subject to obtaining the approval of the House". I do not want to make an issue of it; it is just a minor matter, but in the early stages of a new Government and a new Parliament, I thought it appropriate to highlight the issue, and that the direction of the House should be sought. Thank you.

The PRESIDENT: The honourable member is perfectly correct, and he knows he is perfectly correct. He also knows I am the one who erred; it was not the Leader of the House.

#### *Committee Stage*

THE HON. D. K. DANS (South Metropolitan—Leader of the House) [9.45 p.m.]: I seek leave of the House to proceed with the Committee stage of the Bill.

Leave granted.

#### *In Committee*

The Chairman of Committees (the Hon. V. J. Ferry) in the Chair; the Hon. D. K. Dans (Leader of the House) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Definitions—

The Hon. A. A. LEWIS: During the second reading stage I alerted the Leader of the House to that part of the clause on which I wished to speak; namely, page 3, lines 6 to 8, relating to the definition of "services". Are the words in brackets necessary, because the provision was clearly aligned with the wages pause? Could those words be deleted now?

The Hon. D. K. DANS: No, this is quite different from the issue that was raised with me. I do not see any reason that those words should be deleted.

The Hon. A. A. LEWIS: I will explain it again to give the Leader of the House plenty of time to take advice on this matter. He made a definite point about the provision's being attached to the wages pause; I think the Leader of the House said that under clause 13(2) he had the power to deal with this sort of thing if the commission made judgments, etc. Could the Leader of the House tell me the reason the words are required to be left in this legislation? It really affects wages and any type of service being offered by an employer.

The Hon. D. K. DANS: If those words are deleted, it will allow the commission to set wage

rates, and under those circumstances the words must remain.

The Hon. A. A. LEWIS: Has not the commission agreed to a wages pause for six months? The Leader of the House also said that under clause 13(2) he had an overriding power, once the commission accepted it, to "even things out", as he put it. The wages pause appears to cover this provision. I do not know whether it does, and I am not trying to hold back the Leader of the House. It seems to be verbiage we do not need.

The Hon. D. K. DANS: Mr Lewis is a very reasonable person, but I think he is getting his facts mixed up. The member is referring to the Industrial Commission, to which I alluded, which is the wage fixing authority and regulatory body in terms of industrial matters in this State, and the prices commission.

The Hon. A. A. Lewis: No.

The Hon. D. K. DANS: This deals with the duties of the prices commissioner and has nothing to do with the Industrial Commission. That is as I understand the member's question. If those words were deleted it would allow the prices commissioner to set wage rates.

The Hon. A. A. LEWIS: I might be awfully dumb. The Leader of the House might be right, but I do not think he is.

The Hon. J. M. Berinson: I am sure he is. Does that help you?

The Hon. A. A. LEWIS: I will take the Minister's word. The Leader of the House's second reading speech was bound up with the wages pause and the reason that it was necessary. Maybe he over-emphasised some points closing that speech and maybe he tried to make a political point.

The Hon. D. K. Dans: I doubt that.

The Hon. A. A. LEWIS: He did not make a political speech, we realise that. It seems to me that we are dealing with two people. The Industrial Commissioner sets wages and now I am told that if those words are removed, the prices commissioner also can set wages. Surely if he is to set everything else—assuming it is declared—these services could be included. It may be a good idea to give the prices commissioner the lot.

The Hon. D. K. DANS: This involves two separate questions. After looking at the constitutional questions that will arise with people who are subject to Federal awards, surely the member is not suggesting we should give the power with regard to State awards to the prices commissioner.

The Hon. J. G. MEDCALF: I appreciate the fact that the Leader of the House has endeavoured to answer the questions I raised about which particular bodies were included in this legislation, and I did note his comments. While I appreciate them, I believe that the definition of "services" which appears in the Bill has been rather too readily adopted from the 1972 Bill in which it appears in much the same form. Perhaps it has been adopted too quickly without a thought being given to the differences between the Bills. Whereas the 1972 Bill excluded a number of bodies, this Bill does not exclude those bodies—and the definition of "service" here refers to services provided by a person, and a person includes a corporation or a municipal body under the Local Government Act. To say that a municipal body does not carry on a remunerative undertaking is perhaps a matter of opinion.

It is a matter of opinion also to say that a local authority does not carry on any kind of remunerative undertaking. I do not wish to debate this with the Leader of the House, but I want to point out that the position is rather unsatisfactory, not only in relation to the fact that some local authorities are said to be excluded when they are carrying out certain enterprises, such as selling goods, but also where there is no reference as to their position under the Bill when disposing of rubbish, and so on. It is unsatisfactory to say that local authorities may be included when they are doing certain things, but not when they are doing other things, because they are not carrying out a remunerative undertaking; otherwise they would come within the definition.

Likewise, it is rather unsatisfactory that some statutory corporations might be excluded and others may not, depending on all sorts of things which the average member of the public would not know because he would not know about the regulations, rules, or Statutes which govern that particular authority.

It is rather unfortunate that this is so loosely expressed so that we do have some local authorities sometimes included and at other times not. Perhaps we could take the example of one authority, the City of Stirling, which comes under the purview of the legislation when it is selling something, but not when it is sending out a rate notice. It comes under the legislation again when providing a fee for a charge for some kind of separate remunerative undertaking. Likewise, it is equally unfortunate we have this dichotomy in relation to Government or semi-Government corporations.

The definition has been accepted rather quickly and it will pose some problems. I did not receive an answer to the question of whether trade unions were to be included. We would have to decide in the first place whether they were bodies corporate and whether they were carrying on some remunerative undertaking. Perhaps we would receive a similar answer to that given in relation to local authorities.

Altogether I feel this matter is fraught with problems. This is not good legislation and I think it is the obligation of this place to point out where problems are likely to arise and where matters may confuse the public. The only good thing the Minister said earlier was that this legislation would expire by 31 December, and that takes away many of my arguments.

The Hon. NEIL OLIVER: I wish to ask a question regarding associated corporations. This matter is somewhat unusual and peculiar to Western Australia. It is usually associated with charitable or sporting organisations. To my knowledge this is the only State in Australia which includes such bodies under the Associations Incorporation Act. I would like the Minister to deal with that aspect.

The Hon. D. K. DANS: As I understand they are non-profit bodies and would not be included in this definition.

The Hon. NEIL OLIVER: I am uncertain about that because they are profitable bodies.

The Hon. D. K. Dans: Profits are recycled back to the members.

The Hon. NEIL OLIVER: Profits are incurred in trading areas, but not recycled back to members, but create a surplus which in many instances are exempt from taxation. Is that correct?

The Hon. D. K. Dans: I said those bodies would be exempt.

The Hon. NEIL OLIVER: I now refer to the definition of "landed cost". I have already mentioned the variations associated with landed costs. A bill of exchange may be discounted over a certain period. How will the commissioner investigating this matter reach a conclusion when an excessive cost is involved, particularly if one takes into account the movements in exchange and discount rates if the items are imported?

The Hon. D. K. DANS: The commissioner can call for the necessary documents and find out for himself. He will be able to investigate the matter and find out the true position and make his decision based on the information obtained. That is his role.

The Hon. NEIL OLIVER: What happens if the bill of exchange is discounted? The cost of imported goods is reduced. Remember, one is dealing with large financial sums in this instance. In respect of raw material a person may have a price advantage over another person. I believe this is unfair and that the Government would not wish this to occur.

The Hon. D. K. DANS: As I understand it "landed cost" means the actual cost of the goods landed. I cannot go beyond that.

The Hon. NEIL OLIVER: This is a very difficult area and the Leader of the House cannot comprehend. Fortunately, the legislation contains a sunset clause.

The Hon. P. H. WELLS: A definition of the word "excessive" is not considered important enough to be defined in this legislation, yet it refers to the High Court interpretation. I ask the Leader of the House why a definition for this word has not been included in the legislation. What does he understand the word "excessive" to mean?

The Hon. D. K. DANS: The Hon. Peter Wells asked me previously to research the Commonwealth Law Reports. I have not had the time to do this because I have not been able to leave the Chamber. Of course, the member knows where the library is. However, I do have an explanation for him. It reads as follows—

The Shorter Oxford Dictionary definition of the term "undue" which appears in s. 58 (a) includes—

"2. Not appropriate or suitable; improper;

3. Not in accordance with what is just and right; unjustifiable;

4. Going beyond what is appropriate, warranted or, natural; excessive."

(Compact Edition, Vol. 2, p. 3498.)

The word cannot be read, as the appellants seek to read it, as if it referred only to economic considerations from the point of view of the manufacturer or retailer. It must be read as referring to what is appropriate or warranted having regard to the interests, not only of manufacturers and traders, but of consumers and the community generally. The policy declared by s. 58 (a) is that the commission will so exercise its discretion as to fix prices which are appropriate or warranted in this sense. For example, the commission may conclude that it is appropriate to deny to manufacturers the full recoupment of increased costs because it considers that

existing prices yield too high a margin of profit or because it is of opinion that costs could be reduced by more efficient management or manufacture or because the increase sought is so large that it will reduce public demand. It is to act in accordance with its view of what is just and right in the circumstances. In doing so, it will prevent undue increases in the price of declared goods. We do not think it helpful to attempt a more specific definition of the policy in par. (a).

The Hon. I. G. PRATT: That appears vague to me. Mr Dans has given us to believe that before his party was elected to Government it had received numerous complaints about prices of goods. I take it that the Government researched the area of prices concerned and decided they were unjust and that is probably the reason for this legislation. Perhaps the Minister would give us some examples of the complaints and to what extent the costs have been excessive.

The Hon. D. K. DANS: I do not think that question refers to this clause and I have no intention of answering the speculative question raised by the honourable member.

Clause put and passed.

Clause 4: Relationship to other Acts, etc.—

The Hon. I. G. MEDCALF: During the second reading debate I raised matters in connection with this clause without specifically mentioning it was clause 4. This clause provides that if the commissioner makes an order it will override any other Act or law. It does not matter what that Act or law is in relation to the power of a person to fix prices or rates for goods and services.

If the particular Act or law is inconsistent the commissioner's order will apply. This is a complete departure from the 1972 legislation which provided that nothing in the Act should be construed to affect certain other Acts which Mr Wells has already quoted. A number of Acts were not affected by the 1972 legislation and they included various court Acts. In other words, where judges made orders in relation to the rates for services paid to legal practitioners, they were exempted. Under this legislation they are to be overridden and the orders will be made by the commissioner. This is a decision that has been made by this Government.

While in theory it may be desirable to bring more consistency into this area, one has to contemplate what may be the result of the commissioner's making an order overriding an order of a judge. The commissioner is, after all, unqualified and the commissioner's order cannot be appealed from, whereas the order of a judge may

carry a right of appeal. It raises some rather horrendous questions when we place the commissioner in this position. To what extent has consideration been given to the possible implications of clause 4(1)? Has consideration been given to whether a conflict exists between an order made by a commissioner and orders made by judges under the Supreme Court Act or Rules, or particular orders made by a judge?

The Hon. J. M. Berinson: Are you referring to orders based on the scale of costs?

The Hon. I. G. MEDCALF: Yes; I am talking only about costs. It is a matter of some concern that an unqualified commissioner possibly may make an order which will prevail over the order of a judge. There can be no appeal against the commissioner's order, but an appeal may be lodged against the judge's order. I do not know where we would end up. I do not think it is fair to ask the Leader of the House to explain this matter, but I think it should be looked at.

Legislation should be drafted carefully; I have always worked on the principle that if legislation has to be drawn up quickly one must burn the midnight oil to get it right. If one introduces inconsistencies like this, it casts doubts on the whole object of the legislation. These details add up when they are put with other matters in the Bill, and it helps to explain the observations made by many members today and tonight, and the fact that they are disturbed about the implications of the legislation.

The Hon. D. K. DANS: The Leader of the Opposition raises something which possibly could happen. I am informed that paragraph (b) on page 4 may deal with this. It states—

for the implementation of the object of this Act on behalf of and under the direction of the Commissioner by a person or authority empowered to fix prices or rates under any other Act or law; and

The Hon. I. G. MEDCALF: I was going to deal with that paragraph because unfortunately it introduces another problem inasmuch as a judge will be ordered by the commissioner and told what to do. This is a difficult situation. The Leader of the House's answer is it is not likely that the Government will declare this matter as being subject to the legislation.

The Hon. D. K. Dans: It would be most unlikely.

The Hon. I. G. MEDCALF: From a practical point of view I hope that will be so and that no declaration will be made because I cannot imagine the results which might ensue in certain circumstances. It is not a real answer, however, be-

cause the legislation is before us and it becomes our responsibility when we pass it. Long ago when I was a private member I felt I had a grave responsibility for this type of problem and the mantle is descending on me again. We should be extremely careful about passing legislation which may not be invoked because no declaration will be made. I rejected that answer years ago.

The Hon. D. K. DAns: Plenty of similar legislation went through when you were sitting on this side.

The Hon. I. G. MEDCALF: I do not regard that as an excuse.

The Hon. D. K. DAns: We had to bring the legislation back on a number of occasions.

The Hon. I. G. MEDCALF: It is a red herring in relation to the matter I have raised. It does not excuse the Chamber from agreeing to something which will create difficulties. I point out to the Government that this will not be tolerated in future and we will expect legislation to be more carefully drawn.

Clause put and passed.

Clause 5 put and passed.

Clause 6: Object and purposes—

The Hon. I. G. PRATT: I want to refer again to the reasons for this legislation. Clause 6 deals with the object and purposes of the Bill and states—

The object of this Act is to make provision by way of inquiry, investigation, price or rate fixing and enforcement procedures for the purpose of preventing—

(a) excessive prices being charged for the sale of goods, whether in relation to wholesale or retail trading; or

(b) excessive rates being charged for the supply of services.

I would like the Leader of the House to tell us what evidence the Labor Party had of excessive prices being charged which made it necessary to introduce this legislation. Can he give specific examples of investigations which were carried out and which justified this Bill being brought forward?

The Hon. D. K. DAns: I do not intend to give any examples. We are putting a principle into operation by introducing this Bill. It will restrain people from charging excessive prices.

The Hon. I. G. PRATT: The Leader of the House said his party had many complaints about excessive prices. I will not ask him for examples, but I ask whether he is able to give examples.

The Hon. G. E. Masters: The word "flood" was used.

The Hon. D. K. DAns: I object to being misquoted. If Mr Pratt looks at *Hansard* he will see I did not use the term "flood". I did not allude to complaints received at all. If Mr Pratt casts his mind back he may recollect who made that observation.

The Hon. I. G. PRATT: On whose staff was the young lady to whom complaints about pricing were directed?

The Hon. G. C. MacKINNON: I understand it was a person reporting to the Premier.

This clause is the nub of the whole political exercise. A series of statements have been made about excessive prices being charged. There is not one of us here whose wife has not come home at the end of the week any time in the last six months and said that prices are terrible. Occasionally when we have had to go to the supermarket we have come home and thought, "I will have to put up my wife's allowance because the prices are terrible."

I asked the Leader of the House by way of interjection whether he thought the Government was feeling a considerable amount of guilt for having created a psychological climate among ordinary people inasmuch as they are expecting this legislation to alleviate their financial troubles.

People have been saying to me, "Let us wait until this legislation comes in, and the price of bread will come down; the price of milk will come down." They generally run through a host of items which are controlled with the utmost rigidity already.

I ask the Leader of the House, whom I have always found to be an honourable and honest gentleman, if he does not feel qualms of conscience about the way people have been fooled by this clause. It is the nub of the Bill. Suddenly we will control excessive prices.

Petrol is excessively expensive because it cost me more this month than it did last month, and for no other reason. However, when I get down to tin tacks and look at the cost of petrol in 1950 as against my salary then, I know it is cheaper now than it has ever been in the history of the world.

The Hon. D. K. DAns: I would not go along with that. It is a matter of opinion.

The Hon. G. C. MacKINNON: I remember buying a dinner suit for £6.10s. and I thought that was expensive. My last one cost me \$300 or \$400.

The Hon. Fred McKenzie: I have only one!

The Hon. G. C. MacKINNON: What I am saying is that the Hon. Des DAns ought to be



giving Mr Ian Pratt the answer that the whole of clause 6 is a load of nonsense. Whether a price is excessive is a matter for a person's mind. If he has an income of \$1 000 a week, a price may not be terribly excessive. If he has an income of \$100 a week, whatever he pays is excessive.

What is happening to the community with this legislation? People think they will obtain relief. I am saying that they will obtain no relief on the prices being charged now.

The Hon. Garry Kelly: It will lower the inflationary expectations.

The Hon. G. C. MacKINNON: It will heighten their expectations which reality will shatter. I know old ladies who clean floors in hospitals, and they believe genuinely that this Bill will make their lifestyle a better one. The rot will set in for the Labor Party when those people find that the Government is not telling them the truth, and that it has been responsible for a myth being established in their minds. That is fraud of the worst possible type, for pure political advantage, to prove a point. It is a sad thing that a once great political party would do that sort of thing just to obtain extra votes. There is no doubt that the Labor Party is hoist with its own petard.

I emphasise that the myth of this price-fixing arrangement is embodied in clause 6. I have lived through it all. I have been through the stage where I said to my wife, "Where has the money gone?" At one stage, it went on chocolates which were under the counter; it went on cigarettes that were available for an extra couple of shillings because they were not on the shelf. We will not reach that stage again; but I have experienced it.

I tried to buy a house, and I was told by the reputable manager in the Commonwealth Bank that houses of that type were reserved for black marketeers and profiteers. He said, "I can only arrange it for £2 000 in single £1 notes." I had them in the case alongside me.

The Hon. Fred McKenzie: You were not a black marketeer?

The Hon. G. C. MacKINNON: Was I not? I would do anything to get a house as my wife was pregnant. That is prices control.

The Hon. Fred McKenzie: Do you not think the war had a lot to do with the shortages you mentioned?

The Hon. G. C. MacKINNON: There was not a shortage. I had looked at the house and I had asked people what the house was worth. I was told it was worth £3 780. The price-fixing commissioner had fixed the price at £1 500; and I had to find the balance. I had the balance because I

had just sold a house that my wife bought during the war. I hope the Statute of limitations has run by, in case somebody wants to put me in gaol for that.

The Hon. Fred McKenzie: I thought you were an honest man, and you have let me down badly.

The Hon. G. C. MacKINNON: I am as honest as the next man; but I wanted to buy a house for my wife and my family.

The Hon. D. K. Dans: You are as honest as the day is long—but that happened to be a short day.

The Hon. G. C. MacKINNON: Members of the Labor Party should read that clause well, because by it they are implying to the average citizen that prices are excessive. I refer to the sort of people whom Mr McKenzie looks after assiduously; I know of people living in his area who would like to improve their lifestyle. They are looking at this legislation and saying, "There must be excessive prices, because the Labor Party says so in this Bill." They must be there; but what are they? Mr Dans cannot tell us one.

Let us deal with the supply of services. If one has a leaking tap, one must pay a plumber \$20 to fix it. The Labor Party will be able to say that is excessive under clause 6(1)(b), and it will fix it. The people expect the Parliament to fix the problem for them. How many members have fixed taps in pensioners' cottages to save them that kind of money?

The Hon. A. A. Lewis: That is illegal, too.

The Hon. G. C. MacKINNON: Of course it is illegal, but I bet that most members have done that sort of thing because their hearts are in the right place.

Mr McKenzie mentioned people being ripped off during the war years. We were ripped off in Darwin when the waterside workers would not load the .303 ammunition on the Army boat, and we had to load it ourselves because we wanted to move our stuff.

Mr Dans cannot give us one case of that sort of thing happening. The psychological effect of the operation of that clause is sad. We will all share the blame, and we will all live to regret it. I hope that the perpetrators of the measure will regret it the most.

The Hon. N. E. BAXTER: It is passing strange that the Hon. Mr Dans cannot answer the questions raised by Mr MacKinnon and Mr Pratt.

The Hon. D. K. Dans: Why don't you ask me to explain the theory of relativity!

The Hon. N. E. BAXTER: If the Leader of the House keeps quiet and listens to what I have to say he will understand the question I am posing.

whether in fact the prices in question were excessive. That is the reason for the appointment of a commissioner. It will be his job to prevent excessive prices being charged.

The Hon. NEIL OLIVER: This morning I asked a first-year economics student to explain the word "excessive". He replied that he did not know how to describe "excessive" because he did not know how it could be quantified; he felt it was impossible to quantify it. I thought he was wrong and so rang a senior lecturer at the University of Western Australia.

The Hon. D. K. Dans: What is his name?

The Hon. NEIL OLIVER: Alexander. He said it was difficult to quantify "excessive".

Mr Dans has said that he does not intend to say any more on this clause and I presume it is because he cannot answer queries such as mine.

The Hon. D. K. Dans: I do not mind answering reasonable questions. I would not make a habit of quoting economists, because every economist in the world, and not just first-year economics students, has egg on his face. Some people love to quote Professor Galbraith, but I find that every couple of months he has a different theory. An 80-year-old lady economist in Britain recently tore up her degree after she had come to the conclusion it was all bunkum. This clause outlines the principle around which we shall operate.

The Hon. I. G. PRATT: I will be very careful not to misquote Mr Dans. He finished answering my last question by saying that a commissioner would be appointed to see what was the problem. This indicates we have been brought back to this Parliament, with all the expense that involves, with the expense of having this Bill drafted, and with the future expense of employing a commissioner, merely to find out whether a problem exists. I ask members: What are we doing here?

The Hon. D. K. Dans: The same thing as we were brought back for with the wages pause.

The Hon. G. C. MacKINNON: Unlike Mr Pratt I do not object to Mr Dans misrepresenting me, because I have come to expect the sort of nonsense he goes on with; it has become part and parcel of the life I expect here. But the explanation he gave of my analysis of this clause served to make me only more worried. I pointed out that hardly any person receiving less than the national average wage does not believe implicitly that many of the perfectly justifiable prices he is now being charged are not excessive.

The Hon. D. K. Dans: I do not disagree.

The Hon. G. C. MacKINNON: I am certain Mr Dans is reasonable enough to agree with me.

He went on to say that his party had received a considerable number of reports of excessive charges. But this is precisely for the reason I have given, which is that everyone thinks he is charged excessive prices, just like I think the price of petrol is excessive.

The Hon. D. K. Dans: I did not say "excessive".

The Hon. G. C. MacKINNON: We are entitled to know whether this avalanche—if that is not too harsh a word—or this multiplicity of complaints will be shovelled off to the commissioner to investigate.

The Hon. D. K. Dans: No.

The Hon. G. C. MacKINNON: Clause 4 (3)(a) states in part that regulations will be made "for the furnishing of information or documents obtained". This means that if the Labor Party does act on any of these many complaints it has received, quite a lot of small businesses could be hindered immeasurably by the need to supply many additional statistical returns.

In order to drive home my point, let me give the example of a pharmacy and compare some of the items it sells with those sold in a supermarket. Let us assume the pharmacy's customers believe its prices are excessive. That is all that would be necessary for complaints to be lodged.

The commissioner, in conjunction with the Minister, could decide to have a look at the prices charged by the pharmacy. As I understand it, the pharmacy business today is not looking all that rosy. A pharmacist could find himself having to put on an extra staff member and perhaps having to bring in his wife, all of which would add to his costs.

The Hon. D. K. Dans, instead of answering our queries, said that wherever he went, with the exception of Fremantle, he received many complaints about prices.

The Hon. D. K. Dans: I didn't receive any.

The Hon. G. C. MacKINNON: His party did. He has compounded my alarm, not allayed it. I voted for the second reading of his Bill and I now ask him to allay my alarm. The Government has introduced this Bill to let the people of the State think it is doing a great job, but he will not give us the assurances we desire. I agree with one of the red herrings Mr Dans introduced into the debate. I agree that Governments lose elections. I will withdraw my opposition to the Bill if Mr Dans is prepared to concede that we lost the election and that his Government has a mandate for nothing except to replace us on the Government benches.

Clause put and passed.

Clause 7: General administration, and the powers and duties of the Commissioner—

The Hon. I. G. MEDCALF: I drew attention earlier to one or two matters here and I propose now to reiterate them in more detail. I will emphasise the very extraordinarily wide powers given to the commissioner and the Minister under this clause. Admittedly, subclause (2) was amended in another place.

The Minister has wide powers to give directions to the commissioner. He can direct him as to the carrying out of any of his functions, and his functions are expressed in subclause (1) as administering the scheme of prices control and investigating contraventions. The Minister has wide powers to direct the commissioner in respect of not only his functions, but also the carrying out of his duties and the exercise of his powers either generally or in respect of a particular matter. I merely point out that this is an extremely wide power to vest in a Minister. It is paralleled only by the wide powers vested in the commissioner, the most offensive parts of which appear to me to exist in subclause (4)(d).

I do not necessarily expect the Minister to make any comment unless he wants to; I merely draw attention to the defiance of the ordinary rules of natural justice, a defiance appearing in clause 7(4)(d), where the commissioner may in respect of any investigation determine the extent to which he will hold proceedings in public and, more importantly, where he may determine the extent to which persons interested or claiming interest in a matter are allowed to be present or to be heard. The commissioner has the right to decide whether the people he is investigating and who are interested in the matter can be present and be heard in their defence. He can decide also whether these people are allowed representatives or to cross-examine witnesses or otherwise participate in the consideration of the matter.

It is regarded as quite elementary that where an important investigation is taking place the person being investigated should have the right to be heard, and the right to legal representation if he requires it. He should have the right also to have the officer or inspector making the complaint to be cross-examined by his legal representative.

These are rights which are well chronicled in various other Acts. I draw attention to the fact that they have been disregarded in this legislation. That is a matter of great concern when one realises that the Minister can intervene and give the commissioner direction at any stage in respect of allowing a person to be heard, and so on and so

forth. I draw attention to this flagrant defiance of natural justice and ask the Minister to bear it in mind when giving consideration to these types of things. It is not the kind of provision one can cheerfully pass; it requires serious consideration. If it were not for the fact that this legislation will expire on 31 December this year I would have more to say on this clause.

The Hon. NEIL OLIVER: I will add to the comments of the Leader of the Opposition. This clause is complementary to clause 13. To say the least, it is the biggest sledge hammer to crack a walnut that I have ever seen.

I referred to similar legislation to determine exemption powers held by people such as the Commissioner of State Taxation and the commissioner for valuations. In those provisions public hearings are not mentioned and a code of secrecy is applied.

Section 11(1) of the Land Tax Assessment Act states—

This section applies to every person who is or has been the Commissioner or member of the staff assisting the Commissioner in the administration of this Act.

Similar provisions apply to the staff of the Valuer General, the Commissioner of State Taxation, and others. Section 11(2) of the Land Tax Assessment Act states—

Subject to this section and section 12, a person to whom this section applies shall not, either directly or indirectly except in the performance of a duty under or in connection with this Act—

- (a) make a record, or divulge or communicate to any person any information concerning the affairs of any other person acquired by him by reason of his office or employment under or for the purposes of this Act; or
- (b) produce to any person any document furnished for the purposes of this Act.

Section 11(3) refers to that which a person to whom the section applies may do. Provisions with the same drafting appear in other Acts of Parliament. I can understand the requirement in the legislation before us for the commissioner to investigate and examine documents and to do all things necessary to administer the legislation in line with the intentions of the Government, but I cannot hold with the fact that justice may be seen to be done in a kangaroo court, not a court of law, and proceedings will be made public. No provision in the clause sets out the manner in which that

public investigation will take place or the manner in which the day-to-day operations will proceed. I do not know whether these matters will be set down by regulation, but certainly I would be interested to see a provision in this legislation similar to the provisions of other Acts.

The Hon. D. K. DANS: Precedence exists for the words used. Firstly, the Security Agents Act states—

6. (1) Subject to any specific or general direction given by the Minister, the general administration of this Act shall be vested in the Commissioner.

The Settlement Agents Act states—

The Minister may from time to time give directions to the Board with respect to its functions, powers and duties, either generally or with respect to a particular matter, and the Board shall give effect to those directions.

Even in the Consumer Affairs Act we see similar provisions. The 1978 Act states—

230(2) The Committee may determine its own procedure for considering any question, and in particular may determine—

- (a) the extent, if any, to which persons interested or claiming to be interested in a question are allowed to be present or to be heard, either by themselves or by their representatives, or to cross-examine witnesses or otherwise participate in the consideration of the question; and
- (b) the extent, if any to which the Committee shall hold its proceedings in public.

The Hon. J. M. Berinson: Which Government passed that legislation?

The Hon. I. G. Medcalf: It was the Tonkin Government in 1971.

The Hon. D. K. DANS: It was Mr Medcalf's legislation of 1978.

The Hon. I. G. Medcalf: But it was from the 1971 Act.

The Hon. D. K. DANS: The Act I quoted resulted from an amending Bill in 1978. The powers in clause 7(2) of the legislation before us are the same as those which appear in a number of Acts of Parliament and replace the term "subject to the Minister", which was customarily used in the past but is now avoided because of its vagueness.

In answer to Mr Oliver's question, which seems to relate to secrecy provisions, I refer him to

clause 33, which deals with secrecy. I remind him that section 81 of the Criminal Code deals very severely with public servants who disclose information. That section has been used.

The Hon. P. G. PENDAL: I want to raise two matters under clause 7: the first relates to subclause (3)(a) and the second to subclause (4) (b). Relating to the powers to be given to the commissioner subclause (3)(a) reads as follows—

(3) The Commissioner shall—

- (a) monitor and keep under continuous review the prices and rates applicable in the State to goods and services generally . . .

It then discusses the tasks he must perform. I seriously put it to the Leader of the House that the Government is really making a rod for its own back. The title of the Bill—and we have heard a lot about that tonight—is the Prevention of Excessive Prices Bill. The Government therefore will ask the prices commissioner to act not only in those areas where it becomes apparent that excessive prices are being charged—in other words, in specific areas of complaint—but also in a monitoring role which the commissioner cannot effectively perform without a large army of people. Consider the sheer generality of that part of the subclause. The commissioner's task will be to "monitor and keep under continuous review", so another great difficulty or responsibility is put on to him. He must not only monitor but also keep under continuous review, the prices and rates applicable to goods and services generally in the State. I am trying to be fair and helpful. I put it to Mr Dans that to that basic extent the provision takes the intention of the Bill far beyond that contained in the second reading speech.

I repeat that I understand the regulatory function that will rest with the commissioner. We have covered some of his powers so far and will come to others later, but it is almost an entirely different kettle of fish when a surveillance network will be set up on every conceivable product by the Minister, because the words used are "goods and services generally". I seek a comment from the Leader of the House on that point.

The Hon. D. K. DANS: To give the short answer to Mr Pendal, I can only repeat what the Minister in another place said—there will be a very lean staff. From my own experience, I do not believe this task will be performed by the commissioner. He is only there to inform the Minister. I assure him that I have used the research officer to do a number of other things in between; I never considered the task too onerous. He used to perform this function for me without many problems.

Prior to the election, strangers came into the Parliament, went up to the library, and used the photocopying machine to copy advertisements in the newspaper which related to the prices of various goods. This happened day after day, week after week, and the exercise was conducted for the benefit of the leader of the Labor Party (Mr Brian Burke). Perhaps Mr Burke is keeping all that information secret or perhaps Mr Dans and Mr Burke could not find anything in the advertisements to prove excessive prices were being charged.

Perhaps Mr Dans would like to comment on this, because these strange people came into the House and used the photocopying machine in the library for party political purposes.

The Hon. D. K. DANS: I compliment Mr MacKinnon: He is still the best story teller in the Parliament.

Clause 6 is virtually the nub of the Bill and, in my answer to Mr Pratt, I suggested we were establishing a principle and I am sure no member of this Chamber doubts that. I ask members to read the Bill again and I emphasise it relates to the prevention of excessive prices. We cannot prevent excessive prices being charged until the Bill is proclaimed. It has always been the intention of this Bill to prevent excessive prices being charged and I am sure it will work in the very limited areas at which we are looking.

In reply to Mr MacKinnon I point out we did not win the election on this issue or for that matter on any other issue. Mr MacKinnon has been here long enough to know that the Liberal-National Country Party coalition lost the election because people in this State lost confidence in it.

Mr Hawke's policy did not contain any promise of this legislation, yet the Liberal Party in this State lost five Federal seats because people had lost faith in the Government.

Mr MacKinnon said that he walks around supermarkets and goes here and there. The people of Fremantle are very vocal about most matters. My office is located opposite a very large supermarket in Fremantle, yet no-one from my electorate, or for that matter from any other electorate, has raised this question with me. The issue on which people have approached me has been the wages freeze. I explained previously the connection between prices and wages moderation.

In answer to Mr Baxter I indicate I was not one of the people using the photocopying machine in the library.

The Hon. N. E. Baxter: I did not say you were. I said that strange people used it.

The Hon. D. K. DANS: The girl who kept the prices watch for us was on my staff at the time. If Mr Baxter would like me to do so, I can give him examples of a range of complaints in this regard. I do not know whether these were the complaints to which Mr Burke referred, but I am certainly aware of them. In fairness, I do not know whether all the complaints made would in fact, upon investigation, indicate that excessive prices were being charged. However, people were exercising their minds about prices at the time the wages pause was in operation.

When I went to Bunbury I received a large number of phone calls from people concerned about prices. One pleasant phone call came from Hungry Jacks or Hamburger King and was to the effect that, because of the depressed state of Bunbury, the price of hamburgers had been reduced by 5c. That was one instance of the prices freeze operating in the reverse direction.

I have plenty of examples of this, although I do not have them with me now. I would not be able to judge whether in fact the prices charged were excessive, but people thought they were being ripped off. It is far fetched to assert that we won the election because of this legislation.

Clause 6 establishes a principle which is the nub of the Bill and I am sure it will operate successfully.

The Hon. I. G. PRATT: I am very particular about being misquoted and the Leader of the House said that I misquoted him. If that is the case, I apologise.

The Hon. D. K. Dans: Thank you. I have always found you to be honest.

The Hon. I. G. PRATT: It may be this clause establishes a principle, but a principle must be based on a reason. I shall not refer to the advertising campaign conducted by Mr Dans before the election; however, it is reasonable to expect at this stage that the Government would have some evidence on which to base its legislation. The Leader of the House is being assisted by officers from the department tonight and no doubt they will be able to give him some advice on that matter. Does the Government—not the Labor Party—have any evidence of excessive prices being charged and, if it does, can the Leader of the House give some specific examples?

The Hon. D. K. DANS: I do not intend to speak again on this matter. For the last time, I indicate this Bill establishes a principle for the prevention of excessive prices. I have explained to the Chamber already, and I will not do it again, that my office received a number of complaints. As I said previously, I am not in a position to decide

The Hon. G. E. Masters: Mr Burke did criticise the previous Government on that matter, but I suppose that is different.

The Hon. P. G. PENDAL: I appreciate the Minister's remarks. He could never really reject what a Minister in another place said. This Bill is not personally sponsored by him; he is representing someone else. I put it to the Committee that the very nature of the answer the Leader of the House has just given me is one of the indications to which I referred in my second reading speech. I find it hard to work out just how serious the Government is in terms of effectively monitoring and—

The Hon. D. K. Dans: You are entitled to say what you think and what you like.

The Hon. P. G. PENDAL:—acting against so-called excessive prices. The Leader of the House will not accept, nor will the Government accept, the responsibility and the need to have an effective staffing arrangement to do the job we are now empowering the commissioner to do. If they will not do that, the only other explanation which could come out of this is that they are not taking the matter seriously. However, the Leader of the House has already indicated that he is repeating the words of the Minister in another place.

The Hon. D. K. Dans: One man used to do that job effectively for me as well as doing many other jobs. He was very good. Mr Masters knows that.

The Hon. P. G. PENDAL: Under subclause (4)(a) the commissioner shall do certain things and under (b) he may do certain other things. This is not an original question because it has been asked in other sessions of Parliament, but I want to know why publicity by way of a newspaper is provided for in subclause (4)(b). Why should we use the word "may" there as distinct from the word "shall"? It seems that it paves the way for some form of secrecy where it is not warranted. I am not trying to bait the Leader of the House; I simply want to know the answer. Subclause (4)(b) provides—

(4) For the purposes of this Act, the Commissioner—

(b) may cause notice of his intention to inquire into or investigate any matter to be published in a newspaper circulating throughout the State for the purpose of enabling persons and bodies to submit to him representations concerning that matter;

I would have thought that that was a matter serious enough to warrant the use of the word "shall".

The Hon. D. K. Dans: Read it again, Mr Pendal, and you will get the answer. I am not going to tell you. You should know. It is very simple.

The Hon. P. G. PENDAL: I will use the words the Leader of the House has used in this place since I have been here; if we do not start to get a few answers, a few attitudes will change towards putting the legislation through.

The Hon. D. K. Dans: I tell you not to threaten. If you want to threaten, defeat this Bill.

The Hon. P. G. PENDAL: Do I have your protection, Mr Chairman, or not?

The CHAIRMAN: Order!

The Hon. D. K. Dans: You have no guts.

The CHAIRMAN: Order! The hour is late. The interjections are unruly.

The Hon. P. G. PENDAL: Let us start again. The Leader of the House may not know the answer to my question.

The Hon. D. K. Dans: You know the answer already; you are pathetic.

The Hon. P. G. PENDAL: I preface my remarks by asking why in this clause the Parliamentary Counsel or Cabinet has accepted the word "may". The onus is on the Government, and members of the Government can suit themselves. In the first part of the provision we are told that the commissioner "shall" do certain things. My concern and my question is why under the subclause the commissioner "may" only do certain other things.

The Hon. D. K. Dans: Read it again.

The Hon. A. A. LEWIS: It is interesting to hear the Leader of the House acting in such a cavalier fashion. I hope he will listen to what I have to say and give me an answer. I suggest that the first word in clause 7(4)(b) should be changed to "shall" and the first word in clause 7(4)(c) be changed to "shall" also, with clause 7(4)(d) to be deleted.

I asked the Minister a question during his second reading speech about clause 7(4)(d) because I think it is most unfair that a person's private business can be aired in public. I believe the amendment of those words should be taken into consideration. If that were done, it would not be embarrassing to this Government which wishes everyone to come together and prevent confrontation. I believe such wording would give the commissioner all the powers he requires.

The Hon. NEIL OLIVER: The suggestion put forward by the Hon. A. A. Lewis is reasonable.

The Hon. D. K. Dans: Make up your mind as to what you want.

The Hon. A. A. Lewis: An answer!

The Hon. D. K. Dans: Some want a private inquiry, and some want a public inquiry.

The Hon. NEIL OLIVER: I was hoping to make some contribution to the debate and that the Leader of the House may provide some reason for not accepting the suggestion of the Hon. A. A. Lewis. If the suggestion were accepted, clause 7(4)(e) would then become clause 7(4)(d).

The Hon. D. K. Dans: I can circumvent you with the answer "No."

The Hon. NEIL OLIVER: That is a short answer. The attitude of the Government is obvious to us when we hear such a response. I can recall many occasions when we accepted reasonable amendments from the then Opposition; but if this is to be the attitude of the Government, all I can say is this legislation will be extinguished, so do not bring it here again.

Clause put and passed.

Clause 8: Prices advisory committees—

The Hon. A. A. LEWIS: I wish to ask about the membership of the committee and the phrase "such other persons, if any, as the Minister determines". It seems the Leader of the House is not treating our queries as genuine queries. I am disappointed with his attitude because I thought he would be courteous to people who were trying to be constructive. If the Government is to continue in this way it will find that some awful things may occur. This clause provides that the Minister may appoint one or more prices advisory committees and I do not argue with that. However, the membership of these committees comprises not more than three trade representatives and three consumer representatives. Can the Minister tell me why the words, "such other persons, as the Minister determines," are necessary?

The Hon. D. K. DAns: Such persons would be those with expertise in certain matters. The commission may require advice when discussing a policy on, say, energy and the people on the committee may not have the necessary expertise. This person will be an adviser.

The Hon. A. A. LEWIS: It would seem that if a committee were appointed to inquire into energy, a trade or consumer person would be appointed and would be able to take an interest in that subject. Why is it necessary to have such other persons? I do not believe the commissioner or the Minister would be so silly as to choose three farmers to talk about energy generation.

The Hon. D. K. DAns: Of course a person as close as possible to that area would be chosen, but if, say, the committee were examining the price of petrol, the Minister would endeavour to obtain an energy economist to give advice on the subject.

The Hon. A. A. Lewis: Why could it not be one of the tradesmen or one of the consumers?

The Hon. D. K. DAns: Because he may have a vested interest. Therefore, in order to arrive at the answer, it would be necessary to have an adviser who has expertise in that area—the input would be much better.

The Hon. A. A. LEWIS: I thought that in dealing with petrol a retailer, wholesaler and probably someone from Mr Dowding's department would be the people who would be consulted. I accept the answer, but it is unfair to the consumer of petrol, because the experts have already made up their minds and have convinced the chairman and commissioner.

The Hon. D. K. DAns: The appointment of an adviser is to assist the consumer. I picked fuel because it is a vexed question. This matter has been considered by inquiries over the last few years. It is only a safety measure.

Clause put and passed.

Clause 9 put and passed.

Clause 10: Declaration of goods and services—

The Hon. H. W. GAYFER: This is one of the clauses in which I believe a right of appeal should be provided. During the second reading debate the Attorney General drew the attention of the Leader of the House to clause 13, which has provision for a right of appeal. However, I disagree; I do not read that provision into that clause. Nevertheless, as I can see the need for a provision of this kind in clause 10, it must be dealt with before clause 13 is dealt with.

I again repeat that it is of some concern to me that the decision may be made by the Minister, after having consulted with the commissioner, that certain things be published in the *Government Gazette* in order to cause embarrassment to the public.

The Hon. J. M. Berinson: How can a declaration cause embarrassment?

The Hon. H. W. GAYFER: It could cause embarrassment.

The Hon. J. M. Berinson: A declaration is no indication that a price is excessive. It is simply a declaration that it is an important enough good to be paid some attention.

The DEPUTY CHAIRMAN (the Hon. R. J. L. Williams): I remind the Attorney General that

if he wishes to make an explanation he must rise to his feet.

The Hon. H. W. GAYFER: I appreciate the interjection of the Attorney General.

Clause put and passed.

Clause 11: Procedure when increase in price or rate of declared goods or declared service proposed—

The Hon. A. A. LEWIS: I ask the Leader of the House if he would answer the question I raised during the second reading debate about the invoicing of goods when a price is not available. This happens quite often. It may not happen in the case of small businesses in the city but it certainly occurs in machinery spare parts businesses in the country. There are times when machinery from the United States or Europe arrives in WA and it is 10 days before an invoice is received showing the price of the goods. For instance, the last time a person purchased a certain piece of equipment it may have cost \$X, but in the meantime the article increases in price and the business is in no position to charge the previous amount. How can a business handle this sort of thing if the price has not been declared?

The Hon. D. K. DANS: This clause has been taken almost word for word from the Commonwealth petroleum legislation. The fact that a good is declared does not prevent a person from selling it at the increased price.

The Hon. A. A. LEWIS: I think I follow the Leader of the House. If the goods have been declared and the maximum price is set—

The Hon. J. M. Berinson: They do not go together. You can have a declared good without a maximum price.

The Hon. A. A. LEWIS: It can be done but I think it is unlikely in this case.

The Hon. J. M. Berinson: I think it is quite likely.

The Hon. D. K. Dans: Declared goods are not controlled goods.

The Hon. A. A. LEWIS: The Leader of the House is confusing me more and more in regard to services or goods that are declared. If this is the case the maximum price is being declared.

The Hon. D. K. Dans: No.

The Hon. A. A. LEWIS: What the Leader of the House is saying is that if the commissioner sets a maximum price two weeks prior and a person sells one bull hook which has a maximum price on it, he may import another part for which no price is set. He would be selling under the

order for the maximum price. I see a puzzled look on the Attorney General's face.

The Hon. J. M. Berinson: In such a situation you would apply for a variation and the commissioner would apply the variation powers. You are not dealing with clause 11.

The Hon. A. A. LEWIS: Clause 11 states that a notice under section 10 may require a person who is a manufacturer or seller of declared goods or a supplier of a declared service to notify the commissioner, not less than 14 working days prior to the day of the proposed increase. That is how I interpret clause 11(1) and I do not believe this could be applied. In another section of the Bill a person may be exempted from this provision if the goods are manufactured outside the State or the Commonwealth. I would like an explanation from the Leader of the House.

The Hon. D. K. DANS: I refer the member to page 2 of the Bill and to the definition of "controlled goods". It means goods the price of which is for the time being regulated under an order. "Declared goods" simply means a price notification. If the goods were controlled, clause 11 would not operate.

The Hon. A. A. LEWIS: Unfortunately the Leader of the House was talking to his adviser when the Attorney General and myself were having words. The point is that controlled prices are enforced a fortnight before an order is made.

The Hon. D. K. Dans: In that case clause 11 does not operate.

The Hon. J. M. Berinson: If you are referring to controlled prices they are covered by clause 12.

The Hon. A. A. LEWIS: If the good has only been declared and no maximum price has been decided why do I have to notify the commissioner 14 working days prior to the day of the proposed increase? If it is not controlled it is only declared.

The Hon. J. M. Berinson: A person does not ask for anything. Under clause 11 a person notifies an intention to increase a price.

The Hon. A. A. LEWIS: He notifies an intention and does nothing else unless the commissioner makes an order?

The Hon. D. K. Dans: That is right.

The Hon. A. A. LEWIS: Are we not getting more verbiage than we need?

The Hon. D. K. Dans: Yes, I would say we are, Mr Lewis.

The Hon. A. A. LEWIS: The average man in the street has to read this, not lawyers or Ministers with advisers. The Attorney has been saying



for years, "You must remember that people in the street have to understand this."

The Hon. J. M. Berinson: They will have no trouble.

The Hon. P. G. Pental: He is the Attorney now; he does not believe in that principle.

The Hon. J. M. Berinson: I do believe in it but I do not think they will have the trouble Mr Lewis anticipates. Most of them cannot understand plain English, anyway.

The Hon. A. A. LEWIS: That is fine for the Attorney. If a person is going to declare goods and all he must do is notify his intention, what is the use of declaring? Why declare unless a limit is to be put on the price?

The Hon. D. K. Dans: You cannot control the goods unless they are declared.

Clause put and passed.

Clause 12: Determination of maximum prices and rates—

The Hon. A. A. LEWIS: I refer to clause 12(5). Could a notice be placed in the *Government Gazette* or the newspapers when the commissioner transmits to the Minister a draft of a proposed order so that people affected by the order will be aware of it? That will give people a last chance to ask the Minister to order that the commissioner refrain from publishing the order. It would be of great benefit to industries to which the order applied.

The Hon. H. W. GAYFER: I return to my point about the right of appeal. It should be inserted in this clause.

The Hon. D. K. Dans: A right of appeal to the Minister?

The Hon. H. W. GAYFER: Yes. In support of my argument I said earlier that the Premier had stated that any Government venturing into these waters without the ability to protect the public as his Government intended to do, was absolutely lunatic. The Premier said the public needed to be defended at all stages. Surely a person could have a right of appeal to the Minister after the commissioner recommends to the Minister that that person be investigated. That right of appeal should be available before a notice is published in the *Government Gazette* or made public. The Attorney says such a provision is contained in clause 13, but I cannot see it.

I realise it is futile for me to press requests for fairness and a right of appeal because it is reported in this morning's paper that the Government will abandon this legislation if the Opposition-dominated upper House insists on an appeal provision. The paper says, "The Premier, Mr

Burke, said last night such a provision was designed to destroy the legislation."

The DEPUTY CHAIRMAN (the Hon. R. J. L. Williams): Order! In my opinion the member is in direct contravention of Standing Order No. 82 which states—

No Member shall read extracts from newspapers or other documents, except *Hansard*, referring to debates in the Council during the same Session.

The Hon. H. W. GAYFER: It is obvious an order already has been transmitted to the front bench that no right of appeal is to be inserted in this Bill. It is obvious that would cause the Bill to be thrown out the window and the Council would be blamed for interfering. This is absolutely crazy. It makes me think the Government desires the Bill to be thrown out.

The Hon. Peter Dowding: Rubbish!

The Hon. H. W. GAYFER: I believe it. I say also that the Attorney did not know what was in the Bill. He told us quite clearly that clause 13 contained an appeal provision. I have just quoted the Premier who said the Bill contains no right of appeal and that he did not want to see one.

The Hon. D. K. DANS: I refer Mr Gayfer to page 14, line 11 of the Bill where two safeguards are contained. I refer him to the passage which states, "If the Minister, in the public interest . . ."

In relation to the Premier's remarks about the right of appeal I point out that the provision mooted in another place was an appeal to a court and not to the Minister. I am informed that any person can contact the Minister to ask him to review a decision of the commissioner. The Minister can suspend an order or give directions to the commissioner. Formalising this procedure may only delay matters.

The Hon. H. W. GAYFER: I ask the Leader of the House to clarify that for me. Would the person or company affected always be aware that the commissioner had investigated the matter? Would the person or company have time to become aware of that before the commissioner reported to the Minister and before it appeared in the *Government Gazette*? Would the person concerned be notified?

The Hon. D. K. Dans: You will find all the answers in clause 13.

The Hon. A. A. LEWIS: I understand that the Leader of the House may ask the commissioner to look further at the matter. I am trying to short circuit the matter administratively.

When the commissioner transmits to the Minister the series of orders he intends to make, would

it not then be possible to advertise in some way the commissioner's decision to transmit the orders to the Minister? The Minister may issue an order, which would give the industry the time to reach the Minister instead of having to continue with the provisions applying to clause 13.

The Hon. D. K. Dans: I will consider that.

Clause put and passed.

Clause 13: Power of Minister to suspend order—

The Hon. P. G. PENDAL: I raised this matter during the second reading debate, and by way of answer either to clause 11 or clause 12, the Leader of the House indicated the response he would make to clause 13. If I recall correctly, he said that if we did what I suggested, matters would be held up. That was only part of the fear that I expressed during the second reading debate.

This clause deals with the Minister's power to suspend orders prepared by the commissioner. Once the Minister countermands an order, he then must publish notice of that in the *Government Gazette* so the public know he has countermanded the order. However, if my reading of the clause is correct, the Minister does not have to give any reasons. That is fundamental to ensuring that no abuse occurs, and no corrupt practice can creep in.

I was suggesting a formal approach, and I do not mean filling out forms in triplicate, lodging them with someone, and then going from there to some other point. However, if I recall correctly, I used the words, "the simple expedient of a letter"—a method by which an aggrieved party may approach the Minister and ask him to exercise his powers under this provision.

At the moment, the Minister does not even need to have the simple expedient of a letter. It may be that, in the worst circumstances, the aggrieved party, who may be a friend of the Minister—I am not talking about this Minister, but a Minister—would get in touch with the Minister. In other words he would use the loopholes within this clause to contact the Minister directly, to ask him to countermand the commissioner's order. All that the Minister has to do is to give notice of his action in the *Government Gazette*; he does not need to give any reasons.

The Hon. D. K. Dans: I will take that into consideration when I discuss it with the Minister.

Clause put and passed.

Clause 14: Offence to sell goods at price higher than maximum price or supply service at rate higher than maximum rate—

The Hon. P. G. PENDAL: During the second reading debate, I applied the term "paternalistic legislation" to this clause. We are creating the offence of selling goods at a price higher than the maximum set by the Act. Why do we need that paternalistic approach? Surely mature people can make a decision based on the knowledge that the commissioner considers a price to be a reasonable price. If the goods carry that price and the consumer is aware it is the suggested, recommended, maximum price, why is it not a good thing if the consumer, knowing that is the case, is still prepared to pay a higher price?

The example that happens every day of the week is someone buying a book from a bookshop. Paperback books normally carry the words, "Recommended \$5.95"; but very often the \$5.95 applies to the large outlet. It is the same as an earlier example of goods being sold at a large supermarket or a corner delicatessen.

The Hon. D. K. Dans: Are you talking about a buyer or a seller?

The Hon. P. G. PENDAL: I am talking about the consumer—the buyer of the book.

The Hon. D. K. Dans: Does not this clause talk about the vendor only?

The Hon. P. G. PENDAL: Yes. In any transaction, one has to have a buyer and a seller; otherwise one does not have a transaction.

The Hon. D. K. Dans: But the clause is talking about only one side of it.

The Hon. P. G. PENDAL: I appreciate that.

The philosophy of this part of the Bill is paternalistic, because even if we accept the Government's line of thinking behind the introduction of the legislation, the consumer knows the price of the book as it appears on the back cover is \$5.95. That is all very well if one buys the book at Angus & Robertson Bookshop in Murray Street. However, this Bill does not enable that same book to be sold at a small book outlet in, say, Booragoon for a price of \$6.95. That outlet might have only 10 per cent of the turnover of a large store like Angus & Robertson Bookshop; therefore, to make a living out of his business the owner must charge more for his goods.

We can go through the rigmarole of striking the differential rate that has been referred to in other parts of the Bill, but the question I ask is a philosophical one; that is, why are we being paternalistic to the extent that a person who knows the book is available at a lower price if he travels to town to buy it, but prefers to pay the higher price because it is convenient to buy the book locally, or for whatever reason, is prevented from

doing so under this legislation? I ask the Leader of the House whether any thought was given to that aspect.

The Hon. D. K. DAns: That would not be a problem to the consumer, but the vendor would be committing an offence.

The Hon. P. G. PENDAL: I appreciate that the vendor would be committing an offence.

The Hon. D. K. DAns: What is your question?

The Hon. P. G. PENDAL: If the Leader of the House listened instead of talking to the Ministers on the front bench, he would know what it was. I shall go through it all again. The Leader of the House has the black, shiny car power syndrome already.

The Hon. D. K. DAns: You will get nowhere with me that way. You can talk until dawn and I will not be on my feet to you again.

The DEPUTY CHAIRMAN (the Hon. R. J. L. Williams): Order! We will make better progress if we conduct this as an ordinary Committee debate instead of as a cosy chat between two members.

The Hon. P. G. PENDAL: I am aware of the last substantial comment made by the Leader of the House which was that the situation to which I referred resulted in the vendor committing an offence. I repeat the question: Why is this legislation, which is designed to check excessive prices and, therefore, by extension, to protect consumers against what Mr DAns would regard as being unscrupulous traders, so paternalistic? If a consumer makes a conscious decision that, in full knowledge of the recommended maximum price, for some reason or other he will pay more, why is it an offence for the vendor to proceed with the transaction?

Clause put and passed.

Clause 15 put and passed.

Clause 16: Alterations in mode of packing or recipe or formula—

The Hon. A. A. LEWIS: Goods may be imported in packs of twos, fours, or hundreds and then split up between businesses. Once the commissioner has made an order, can he convey permission in writing to all the retailers of that particular good to split it up as long as they do not exceed what may be regarded as a fair thing? This has particular relevance in relation to farm machinery or motor vehicle parts and it would appear to be desirable for the commissioner to provide a written exemption to allow such splitting up.

The Hon. D. K. DAns: Clause 16 says, "A person shall not without the consent in writing of

the Commissioner"; it is clear common sense would prevail. I do not intend to operate on the premise that most business people are crooks or lunatics.

The Hon. A. A. Lewis: I am not asking you to do that. I am just asking whether it is possible for them to do that.

The Hon. D. K. DAns: Of course they could do that.

Clause put and passed.

Clauses 17 to 19 put and passed.

Clause 20: Refusal to service at fixed rate—

The Hon. I. G. PRATT: Does this provision mean that, if mechanical repairs fall into the category of a controlled service, specialist mechanics engaged in this work will not be able to charge higher rates which people pay quite willingly in return for the mechanics' expertise?

The Hon. D. K. DAns: Firstly, that person would not be providing the same service. I give the example of a mechanic who services Alfa Romeos. Secondly, subclause (2)(b)(ii) refers to a person who "was acting in accordance with a practice for the time being approved by the Commissioner" and that clearly covers the situation.

The Hon. I. G. PRATT: Does that mean if he were offering a superior service he would not have to get approval from the commissioner to charge a higher price?

The Hon. D. K. DAns: He may have to get permission. If because of his greater skills he charged \$30 an hour rather than the normal \$20 an hour, that could be approved by the commissioner. We would have 'A'-grade and 'B'-grade mechanics.

The Hon. I. G. PRATT: So we would be classifying mechanics. Hairdressing would be another area where this sort of thing might occur, where we have varying degrees of expertise with people willing to pay higher prices. We will have classifications.

The Hon. D. K. DAns: We could have a junior and senior hairdresser. For obvious reasons, my barber charges me \$5.50 for a cut while the average charge is \$6.50.

The Hon. I. G. PRATT: I am not satisfied with the response of the Leader of the House but I will not take this point any further. We will have to wait and see what happens.

Clause put and passed.

Clause 21 put and passed.

Clause 22: "Offer" includes notification of price or rate—

The Hon. A. A. LEWIS: The furnishing of a quotation really worries me because of the import problem I raised about other goods. As the Leader of the House said, the quotations could be as they were on our old order form. We have a legal section on the back of them stating that the price of what is being bought will remain the same and that if the importer puts up the price we cannot be held to that.

The Hon. D. K. DANS: I refer the Hon. Sandy Lewis to clause 14(1). That clause as I read it is a definition clause.

The Hon. A. A. Lewis: I guess the Leader of the House is right, but this clause still worries me for the reason I mentioned earlier.

The Hon. D. K. DANS: You would seek a variation of the maximum price.

The Hon. A. A. Lewis: As I said when speaking about parts, it is not quite as simple as that. It seems easy sitting here, but in practice it is a lot more difficult. The Leader of the House accepted my argument about parts and I hope he accepts my argument in this case.

The Hon. D. K. DANS: You are presupposing that the prices commissioner will declare and control everything. If you are talking about farm machinery, I would imagine that would be the last thing on his list.

The Hon. A. A. Lewis: If the Leader of the House can guarantee that, I will sit down for the rest of the night.

The Hon. D. K. DANS: Unless some of your constituents think you are ripping them off.

The Hon. A. A. LEWIS: When I was dealing with them I am sure they did not think of that. If the Leader of the House can give me that assurance I will be prepared to take it in good faith. Nevertheless I am extremely worried about the wording of this clause. As the Leader of the Opposition said, this sort of wording cannot go on. I am still worried about this because another Minister might not be as soulful and nice as the Leader of the House, and things could blow up.

The Hon. P. G. PENDAL: In brief this clause refers to "offer" as including the notification of price or rate. I have been advised that this definition of "offer" is certainly contrary to the normal rules of contract in that it is not normal for an offer to be construed merely by notifying a prospective client of the price.

This information has been given to me by a number of legal people who are concerned about this. If their view is correct—that it is a change in the definition of an offer—I would like to know

why it has been necessary to change what is, I am told, a fundamental principle of law.

The Hon. D. K. DANS: Perhaps what Mr Pendal's legal friends have told him is correct. The clause makes this change to overcome the situation of people putting a dummy price tag on goods.

The DEPUTY CHAIRMAN (the Hon. R. J. L. Williams): It would help the Chair if members would call out when they want to speak rather than just stand up. It is sometimes difficult to tell if they are wanting the call or merely about to leave their places.

The Hon. NEIL OLIVER: This is mercantile law. I would have thought the normal common law understanding of this is that it is an invitation to buy, not an offer to buy. What the Government is doing by Statute is removing that common law interpretation. If the Government is wiping out that invitation to buy, what would happen to a person who has exhibited in his shop window a damaged kerosene lamp, with a price on it and with no other in stock? What happens if a person enters that shop under the invitation to buy?

Where does that situation place the vendor? The matter does not require the opinion of legal practitioners; it is basic to contract law and almost anybody could answer it.

The Hon. Peter Dowding: It is an offer to sell.

The Hon. NEIL OLIVER: The provision certainly is not desirable, but at least the legislation will remain in force only until December.

The Hon. I. G. PRATT: Where does that situation place the shopkeeper if the damaged article, as Mr Oliver said, carries the price of the general stock? I take it that the shopkeeper is obliged to sell at the price on the tag. Under the legislation we are told that a product cannot be of inferior quality, but he is obliged to sell the product at the price listed.

The Hon. D. K. DAns: If the buyer insists, the shopkeeper would be doing very well.

The Hon. P. G. PENDAL: The Leader of the House responded to my query by saying that, as I half-expected, one of the intentions of this provision is to guard against dummy price tags. That was the point I tried to raise and the point of concern of the people who raised the matter with me. Therefore the question to be raised is how highly the Government will regard other important principles of law, if this principle is to be glossed over by simply saying, "Oh, well, we are going to change what has been regarded as one of the basic tenets of contract law because in this case

we are trying to overcome the problem of people coming up with dummy price tags." I appreciate that the concern is genuine, but surely it must be weighed with the concern for applying the proper principles of law. I have learnt from at least two of the gentlemen on the front bench of this Government that we must maintain those principles of law. I have heard those gentlemen refer to those principles as being most important.

What is to be the balance? How highly does the Government regard essential principles of law making when it comes to overcoming what is, after all, a fairly trivial concern such as the use of dummy price tags?

Clause put and passed.

Clause 23: Power of Commissioner to inquire, investigate, and obtain information—

The Hon. I. G. MEDCALF: I draw attention to a matter to which I referred during the second reading debate. It is the very strict requirement that a person must give any information that the commissioner seeks, which would include the answering of any question put to him. As I had mentioned, presumably this would include the divulging of trade secrets because clause 16(1)(c) specifically makes it an offence to change a formula or recipe. I hoped that in the normal course there would be a provision to enable a person to protect his trade secrets. While undoubtedly occasions will arise when it is necessary to obtain detailed information, a person would be put in a difficult situation if he were forced to divulge trade secrets.

Clause put and passed.

Clauses 24 to 26 put and passed.

Clause 27: Power of Commissioner to require returns—

The Hon. P. G. PENDAL: I raised this matter during the second reading debate, and I said that the commissioner could bring about a Government-ordered stocktake. In some considerable detail the clause lists the sorts of particulars that a vendor or trader is required to furnish to the commissioner. I did put it to the Leader of the House that this provision could be a serious imposition on traders, but he did not answer that point when he responded to the second reading debate. I now put it to the Committee that this provision in many cases will become a serious imposition in terms of time, particularly on small traders. They may be asked by the commissioner under this clause to furnish details as set out in the clause.

This imposition should be obvious to anyone. The trader may well have to spend a lot of time preparing the return. We must bear in mind that,

if nothing else, one of the basic intentions of the previous Government—I believe it completed its task towards the end of its term—was to find ways of minimising the red tape confronting the business sector, particularly the small business sector, in this State. Returns required by the Commonwealth and the State Governments cost businesses a lot of manpower. I appreciate the legal obligations of all traders to prepare in their own time taxation and payroll tax returns and respond to a host of other Government demands. Now there seems to be some unanimity amongst political parties all over Australia that these burdens need to be taken off small businesses as far as possible.

I appreciate that the Leader of the House is acting for a Minister in another place, but I ask him to at least ask that Minister whether the Government will consider providing some compensation to small businesses for the time they must spend in furnishing the details of the report required under this clause. I do not expect this Minister to give a unilateral decision that he will do this or that.

The Hon. D. K. DAns: I have already written a note to that effect in the margin, and I will take up the matter with the Minister.

The Hon. A. A. LEWIS: I have something else for the Leader of the House to write in his margin. In these unusual cases—

The Hon. D. K. DAns: It would be a rather rare case.

The Hon. A. A. LEWIS: It would be a rather rare case that a farm machinery dealer—

The Hon. D. K. DAns: Anyone.

The Hon. A. A. LEWIS: —would have an order against him. My reading of the provision indicates—and the Attorney may be able to help me—the commissioner may issue a notice requiring a person to furnish details to him. I guess that the notice could cover a percentage of the products held if the commissioner so wished.

If a person had 4 000 lines in his total spare parts stock the commissioner could say, "Give me a rendering of, say, five or 10 per cent." The Hon. Phil Pendal suggested similar action. If it were done in bulk it would reduce the pressure on individual businesses to cross every "i" and dot every "i".

The Hon. D. K. DAns: I say "Yes" to that.

The Hon. P. G. PENDAL: Subclause (3) requires a trader to furnish a return along the lines I expounded earlier and it must then be verified by way of statutory declaration. If it is accepted there is some validity in my earlier comments, it

may be difficult for some people to get access to the sort of person who must witness a statutory declaration.

The Hon. J. M. Berinson: A wide group of people can witness the declarations.

The Hon. P. G. PENDAL: I accept that.

The Hon. Peter Dowding: The list includes public servants and postmasters.

The Hon. P. G. PENDAL: In some cases it could still prove difficult. Why is it not possible, instead of there being a requirement for a statutory declaration, for the person to be simply asked to provide a signed letter which is then submitted to the commissioner? If it is found that he gave misleading, false or untrue information, that person could be prosecuted to the full extent of the law as would happen in other circumstances such as when a policeman asks a person for information and he is given false information; the policeman can then charge the person with giving false information.

It is one of the Government's objectives to cut down the paper work of the small trader who may be caught in that situation.

We are now looking down the barrel of legislation that will be on the Statute books for no longer than nine months anyway, so it is not a piece of law that I could take to the Minister saying, "Next time we are having a look at this will you take that into account and perhaps we can get rid of that provision?" This is one of the disadvantages under which we are presently labouring. I do not know what we can do about it in the circumstances. Perhaps the commissioner could wind it down.

The Hon. NEIL OLIVER: I agree with the remarks of the Hon. Phil Pendal regarding the information that is required. Is this an extract from the 1972 legislation? I am referring to the notice under paragraphs (a) to (f); frankly it provides for a massive return, incorporating requirements to identify various suppliers and different amounts and it will require a major effort on behalf of any business, no matter how small it may be, to comply with that requirement.

The Hon. D. K. DANS: Mr Oliver, how many times would this happen? The member is talking about a fellow who would already be in a cell by the time he approached this situation.

The Hon. NEIL OLIVER: How often is it intended to be called for? Is it an annual or quarterly return? What is the proposal? A small businessman would need to stop working for a week, if he had a small hardware shop, to provide

all that information, and the information could never be correct. The fact that it must be substantiated by statutory declaration would mean that a hardware merchant would not be prepared to make a return on that basis. Think of the thousands of nuts and bolts he would need to account for.

The Hon. I. G. PRATT: I ask the Leader of the House whether the return mentioned in this clause could become part of evidence before a public hearing.

The Hon. D. K. DANS: The short answer is, "No, it cannot be."

Clause put and passed.

Clauses 28 to 33 put and passed.

Clause 34: Regulations—

The Hon. P. H. WELLS: I ask Mr Dans if the Minister has been provided with the proposed set of regulations and, secondly, if he is prepared to make that set of regulations available to the Opposition so members can look them over and if we discover a weakness we could get in touch with the Government?

The Hon. D. K. DANS: No regulations are presently proposed.

Clause put and passed.

Clause 35: Expiry of this Act, and of orders, etc.—

The Hon. P. H. WELLS: As the sunset provision is in this clause, I use it to raise the question of the possible exclusions of small business from this Bill. A South Australian Act contains a similar provision. We must consider the difficulty small businesses would have in trying to achieve a balance between the two.

The Hon. D. K. Dans: You are talking about your own amendment.

The Hon. P. H. WELLS: I have not put forward an amendment. There is no exclusion of small businesses. I suggest that small businesses require special consideration under this Bill.

The Hon. D. K. DANS: This is an amazing request because the member is talking about the amendment moved in another place. It would be a better proposition for the member to ask the Leader of the Opposition that question.

The Hon. P. H. WELLS: I used this clause as a vehicle because I could not find the exclusion. A problem with small businesses exists in that there is difficulty between large businesses and small businesses, and I refer to businesses such as delicatessens employing only one person. The South Australian legislation included a clause allowing businesses earning under \$50 000 and employing

only one person to be exempt from the prices control legislation.

The Hon. D. K. Dans: You are proposing another clause for the Bill?

The Hon. P. H. WELLS: I am asking the Leader of the House to look at the problem associated with small businesses in terms of definitions. This request was made of a similar Act in the Eastern States. As the situation develops problems could arise.

Clause put and passed.

Title—

The Hon. I. G. MEDCALF: With your indulgence, Mr Deputy Chairman (the Hon. R. J. L. Williams), I mention that the Opposition has had some difficulty due to the time factor in relation to this legislation in assimilating exactly what were the amendments in the other House.

I had a contretemps with Howard Sattler this morning who reported on his programme that I had not read this Bill. My statement to him was that I had not read the amendments. I still had not read the amendments when we came into the House today and I pointed out that fact to the Leader of the House in the hope that there could be a short adjournment.

Members of the Opposition met at nine o'clock this morning to read the amendments, but we did not have a complete copy of them and were not certain they were correct. It did appear that most of the amendments in which we were interested had been moved in the Legislative Assembly. However, one amendment dealing with the right of appeal which had not been moved in the other place was one to which we gave consideration.

We were not in favour of the wording of the proposed amendment and at a later stage in the day—at 7.00 p.m.—the members of the Opposition met again and decided not to move for the right of appeal for two very good reasons: One was that if one was to appeal against the decision of the commissioner in relation to an economic or commercial matter, some kind of independent tribunal would be needed and it would be impossible for the Legislative Council constitutionally to put forward such an amendment.

The other was that members of the Opposition were not in favour of the proposal to have an appeal to a magistrate because a magistrate would have been a most inappropriate person to give consideration to matters of economic but not judicial concern. Those were the reasons that we decided to reject any amendment for a right of appeal.

I am setting this down on record because my attention was drawn, an hour ago, to the fact that the Premier had made a statement which appeared to be a threat that if the Opposition inserted a right of appeal in the Bill he would drop the Bill. It is an extraordinary statement; but that is his business and he is entitled to make his own statements. The Premier's threat was not known to us.

In our view the proper course would have been for the Government to give consideration to the question of an appeal in this case. It is not a matter which should rightly be dealt with by the Legislative Council.

Title put and passed.

### *Report*

Bill reported, without amendment, and the report adopted.

### *Third Reading*

Bill read a third time, on motion by the Hon. D. K. Dans (Leader of the House), and passed.

## **ACTS AMENDMENT (PREVENTION OF EXCESSIVE PRICES) BILL**

### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by the Hon. D. K. Dans (Leader of the House), read a first time.

### *Second Reading*

THE HON. D. K. DANS (South Metropolitan—Leader of the House) [1.34 a.m.]: I move—

That the Bill be now read a second time.

This Bill is complementary to the Prevention of Excessive Prices Bill.

It repeals those provisions under the Salaries and Wages Freeze Act 1982 which were ineffective in relation to the monitoring of prices and in relation to charges for professional services. They are replaced by new provisions included in the Prevention of Excessive Prices Bill which the Government believes will have a much greater chance of success in containing excessive prices for goods and services.

The Bill also contains consequential amendments to the Consumer Affairs Act to enable a free flow of information between officers of the Bureau of Consumer Affairs in the exercise of their duties under the Consumer Affairs Act and officers acting under the prevention of excessive prices legislation.

I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. D. K. Dans (Leader of the House), and passed.

**ADJOURNMENT OF THE HOUSE:  
SPECIAL**

**THE HON. D. K. DANS** (South Metropolitan—Leader of the House) [1.37 a.m.]: I move—

That the House at its rising adjourn to a date to be fixed by the President.

Question put and passed.

**ADJOURNMENT OF THE HOUSE:  
ORDINARY**

**THE HON. D. K. DANS** (South Metropolitan—Leader of the House) [1.38 a.m.]: I move—

That the House do now adjourn.

*Uranium Mining: Beverley and Honeymoon*

**THE HON. N. F. MOORE** (Lower North) [1.39 a.m.]: I regret I must delay the House but I wish to speak on the adjournment debate about a matter of great importance which I raised during questions without notice today.

I trust the Minister for Mines will be here for a few minutes to bear what I have to say because this matter is of great importance to my electorate, Western Australia, and Australia generally. This matter concerns the mining of uranium. I express my concern about a veto placed on the mining of uranium at Honeymoon and Beverley, in South Australia, as announced in this morning's Press

Ostensibly this decision was made by the South Australian Government, but I think additional pressure was applied by the Federal Minister, Senator Walsh, a "great supporter" of Western Australia, who is now in charge of resources development and who, in my opinion will be the greatest disaster for resources development in the history of Western Australia.

Senator Walsh has used his influence—and I use that word lightly—on the South Australian Government to get it to veto these two projects. Senator Walsh and the South Australian Govern-

ment have decided that the economics of the two projects are suspect at present.

The project developers have said they wish to go ahead with the project and they are prepared to spend over \$300 million which will create 500 jobs. They are prepared to spend their own money, yet Senator Walsh and the South Australian Government told them they cannot do that.

They have been told by bureaucratic advisers that the spending of money on the development of those two projects is not viable. I suggest that companies which are prepared to spend money on projects are in a better position to understand the viability of those projects than is Senator Walsh.

Senator Walsh said also that there would be only one other uranium project in Australia in the next decade and that would be at Roxby Downs in South Australia.

*Uranium Mining: Yeelirrie*

**The Hon. N. F. MOORE:** Where does that leave Yeelirrie which is located in my province? It is a project Western Australia badly needs and it has needed it for a long time.

Today during questions without notice I asked the Minister for Mines several questions in the hope that I would obtain a suitable answer from him. I asked him whether this State Government would resist the request by Senator Walsh not to proceed with any new projects. I had hoped that the Western Australian Government would be in favour of the project at Yeelirrie where several hundred jobs would be available. However, I received some garble that the economics were not right. I then asked if he could encourage the development of the project when the economics were right. The Minister said he could not make judgments on what would happen in the future.

I want some indication from the Government that it is prepared to support the development of a uranium mine at Yeelirrie. I also want to know whether this Government will stand up to the Federal Government which has given a clear indication that its attitude towards resources development will be to the detriment of the Australian economy. I ask the Minister for Mines to give an indication to this House as to whether the present State Government will adopt the attitudes of the previous State Government and support vigorously the development of the Yeelirrie uranium project. It is something Western Australia badly needs. I hope to receive a positive response from the Minister.



**THE HON. PETER DOWDING** (North—Minister for Mines) [1.42 a.m.]: I do not wish to detain the House for any length of time except to say to the Hon. Norman Moore that we in this State and Australia generally need to ensure that when there are suitable opportunities for resources developments those opportunities will be taken.

One of the things that impinges upon our prospects of developing major resources at this time of economic hardship in Australia and throughout the world is the level of confidence that the investors at home and overseas have in our country.

I appreciate that an election campaign is the time for people to become excited about policies and to test and make comments about personalities and their attitudes towards those policies. However, the Federal Government was elected on 5 March and it is, in my respectful view, unfair to start judging a particular Minister before he has the opportunity to prove himself. Since 19 February the Hon. Norman Moore has done nothing but carp about what a disaster certain people are in the Ministry. He is doing Western Australia and Australia a disservice because these attitudes are being expressed during a transitional period before the Government has had a chance to prove itself. This will do nothing to ensure that we are regarded at home and overseas as a country that has a stable economic base in a climate in which investors who care about stability can invest. The Hon. Norman Moore shall not shout me down—

Several members interjected.

The PRESIDENT: Order!

The Hon. PETER DOWDING:—any more than he will write my speeches for me.

For the sake of Western Australia and Australia I would urge the Hon. Norman Moore to reconsider the carping and critical attitudes he has adopted in the first few days of two new Governments, at a time when Australia's position in the world, *vis-a-vis* the confidence other people have, is critical. People who lose elections should be a little more magnanimous and give the Government a go.

**THE HON. P. H. LOCKYER** (Lower North) [1.45 a.m.]: I do not want to delay the House but I will not let it pass without saying a few words when a Minister of the Crown criticises a member of this House because he has brought to the attention of the Parliament the concern he has for a part of his electorate.

The Hon. Norman Moore should be commended for taking this opportunity to bring this question to the attention of the House. The Minis-

ter may make obscure comments, but I hope sincerely that he will face the facts concerning the uranium project at Yeelirrie.

If the Hon. Peter Dowding chooses to leave the House at this moment he will precipitate the wrath of the Opposition. During questions without notice tonight he evaded the questions put to him by the Hon. Norman Moore and has continued to do this in the adjournment debate.

We may not sit again in this Parliament for some time but I can promise the Minister that along with the Hon. Norman Moore I will pursue him and his Government on this subject. The Government need only answer "Yes" or "No" in regard to whether it supports the Yeelirrie project or uranium mining.

I put it to you, Mr President, that the Federal Labor Party and its South Australian counterpart have just given away 500 jobs in South Australia and if the Minister for Mines was worth his salt he would be trying to persuade investors to invest in Western Australia. That would solve part of the unemployment problem in this State. If the Minister will not do that he should say so. If he is to pursue the projects in Western Australia—I have no doubt he is a competent man in this area—he should do so. If he evades questions by acting as an errant schoolboy he will make things worse for himself. I will not sit in this House and allow the Minister for Mines to criticise a member of this Parliament for bringing to the attention of the House matters concerning his electorate. I hope the Minister will give us answers in order that we are aware of the Government's intention in this area.

Question put and passed.

*House adjourned at 1.48 a.m. (Thursday)*

## QUESTIONS ON NOTICE

### STATE FINANCE

#### *Financial Institutions Duty*

1. The Hon. I. G. MEDCALF, to the Attorney-General representing the Treasurer:

- (1) Has the Government given any consideration to the introduction of financial institutions duty of a similar type to that in force in Victoria or New South Wales?
- (2) Is there any likelihood of such duty being introduced in Western Australia during the term of the present Parliament?

- (3) Is the Government aware that there are depositors' funds in Western Australia which are subjected to this duty in Victoria or NSW?
- (4) Is the Government aware that the financial institutions duty on short-term money market companies is disadvantaging Western Australian based financial institutions which wish to expand to the Eastern States?
- (5) Has the Government been approached by the Victorian or NSW Governments with a view to supplying information to either of those Governments in order to assist them in the collection of the duty?

The Hon. J. M. BERINSON replied:

- (1) No.
- (2) A number of financial institutions have expressed concern about the impact on the financial markets in Western Australia of the introduction of the duty in New South Wales and Victoria and the associated abolition of certain stamp duties in those States. The Government will monitor this situation to determine whether any changes, including the introduction of such a duty, are necessary.
- (3) This is theoretically possible, but the overall effect on Western Australian depositors' funds should be negligible.
- (4) Yes, although the Western Australian based financial institutions which expanded to the Eastern States would only pay the same duty as other financial institutions based in those States.
- (5) No.

#### UNION: BUILDERS LABOURERS' FEDERATION

##### *Deregistration Proceedings*

2. The Hon. G. E. MASTERS, to the Minister for Industrial Relations:

- (1) Why has the State Government withdrawn from deregistration proceedings against the Builders Labourers' Federation?
- (2) Has the Minister read the sections of the Winneke report relating to blackmail, standover tactics, and criminal activities of the BLF both in the Eastern States and Western Australia?
- (3) What action does the Government intend to take to protect the public from such activities?

- (4) Will the Government take action to prevent the BLF from conscripting members and extorting funds by threats, intimidation, and standover tactics as described in the said report?

The Hon. D. K. DANS replied:

- (1) The withdrawal of the State Government from the deregistration proceedings against the Builders Labourers' Federation was consistent with the Government's spirit of conciliation. The Government had no intention of unnecessarily interfering in the normal processes of industrial relations.
- (2) I have read the Winneke report.
- (3) There is ample legislation in Western Australia to deal with anyone who resorts to such behaviour.
- (4) The Government views such action with concern and will take appropriate action as it sees fit; however, it will not use the BLF as a tool for political expediency as did the previous State Government.

#### RACING: RAWLINNA

##### *Electrical Devices*

3. The Hon. P. H. LOCKYER, to the Minister representing the Minister for Police:

- (1) Is it correct that in January this year a member of the Criminal Investigation Bureau accompanied the Western Australian Turf Club's course detective to Rawlinna while he interviewed one of the witnesses in the WATC inquiry initiated by a Mr Gordon Jennings against a registered horse trainer for alleged use of electrical devices on race horses?
- (2) If so—

- (a) who initiated the move to include the member of the CIB in the inquiry, and why;
- (b) what was the outcome of the inquiry; and
- (c) is it intended that any further police action is contemplated in this case?

The Hon. J. M. BERINSON replied:

- (1) Yes. However, the inquiry also related to alleged illegal use of drugs on horses.
- (2) (a) The WATC;
- (b) the person interviewed substantiated the information initially supplied;

- (c) no; the matter has been referred to the WATC for further inquiry as the information obtained did not warrant any further police action.

### GAMBLING: TWO-UP

#### *Kalgoorlie, and Country Race Meetings*

4. The Hon. P. H. LOCKYER, to the Minister representing the Minister for Police:

- (1) Is it the intention of the Government to introduce legislation to legalise "two up" in Kalgoorlie and after country race meetings?
- (2) If not, why not?

The Hon. J. M. BERINSON replied:

- (1) and (2) This matter will be considered by the Government in the near future.

### QUESTIONS WITHOUT NOTICE

#### MINISTERS OF THE CROWN

##### *Number*

2. The Hon. G. E. MASTERS, to the Leader of the House:

As the ALP was bitterly opposed to an increase in the number of Ministers from 13 to 15 by the O'Connor Government to the stage of spending thousands of dollars of public money in opposing those two extra appointments, is the appointment of Mr Dowding as the fifteenth Minister a temporary appointment, or has the ALP changed its mind on the question of 15 Ministers now that it has gained power?

The Hon. D. K. DANS replied:

The appointment of Mr Dowding is permanent, and that statement would answer the latter part of the question.

### MINING: URANIUM

#### *Lake Way and Yeelirrie*

3. The Hon. N. F. MOORE, to the Minister for Mines:

The Minister will be aware of the decision by the South Australian Labor Government to veto the development of the Honeymoon and Beverley uranium projects. He will be aware also that the Federal Minister for Resources and Energy (Senator Walsh) has stated that he "expects other Governments in Aus-

tralia to behave in a similar manner". I ask—

Can the Minister advise the House whether the State Government will accede to Senator Walsh's request with respect to the Yeelirrie and Lake Way projects in Western Australia?

The Hon. PETER DOWDING replied:

I am advised by my department that the state of the uranium industry is such that the prospect of any new uranium mine being a viable operation is extremely remote. Any decision in relation to uranium mining in an economic context must be seen in that light.

The uranium mining policy of the Labor Party and the Government of this State has been enunciated over many months and is quite clear. But I make the point that I believe the first element that will play the biggest part in relation to Yeelirrie is simply the economic state of the uranium mining industry.

### AGRICULTURAL MACHINERY

#### *Height: Consultations*

4. The Hon. A. A. LEWIS, to the Minister for Fuel and Energy:

I refer to the Minister's letter in last Sunday's edition of the *Sunday Independent*. What sections of the farm machinery industry did he consult about the height of machines?

The Hon. PETER DOWDING replied:

I do not have the letter in front of me, but the member will know it was a matter of some concern to the State Energy Commission that there should be a proposal to charge the population of the State a considerable sum of money in order to ensure that, on the relatively few occasions that farm machinery, particularly high farm machinery, travelled on our roads, the machinery would be able to pass under electricity wires. I was advised by the commission—and I have no reason to doubt the information—that it would represent an untenable charge on the community to spend a considerable sum of money to increase the height of power poles simply for that purpose.

I had the commission make inquiries in order to ensure the best information was

available for that judgment to be made, and I am satisfied the commission did make those inquiries and that the judgment in its advice to me was properly made. On that basis the public were informed of our position.

#### AGRICULTURAL MACHINERY

##### *Height: Consultations*

5. The Hon. A. A. LEWIS, to the Minister for Fuel and Energy:

The Minister has not told me who amongst the farm machinery industry was consulted. Does he know or does he not?

The Hon. PETER DOWDING replied:

I am sorry that the honourable member is finding it difficult to understand what I have said to him; namely, that the commission was asked to look carefully into the matter. I have no reason to doubt that that was done and that its inquiry was made genuinely of people who had the information available to them. If the honourable member believes he has information from his many years of experience in the farm machinery business—

The Hon. P. H. Lockyer: Stop patronising him.

The Hon. PETER DOWDING: Does the member want an answer or does he not?

The Hon. P. H. Lockyer: Yes, he does.

The Hon. PETER DOWDING: Then this member should shut up.

The PRESIDENT: Order!

The Hon. PETER DOWDING: I am merely saying that if the honourable member believes from his many years in the farm machinery business that the advice I received was incomplete, I invite him to supply me with that information at the earliest opportunity and, if he does, I assure him that the issue will be reviewed.

#### AGRICULTURAL MACHINERY

##### *Height: Consultations*

6. The Hon. A. A. LEWIS, to the Minister for Fuel and Energy:

This Minister when in Opposition said that Ministers in previous Liberal Governments had not had a grasp of their portfolios. I asked this Minister

who he consulted in order to write a letter to a newspaper. He wrote the letter, not I. I ask—

Did he consult anybody in the farm machinery industry before he wrote the letter? His department did not write the letter. He signed the letter. Will he tell me who he consulted? It is no use his passing the buck to anybody.

The Hon. PETER DOWDING replied:

As the Hon. Sandy Lewis will know if he reads his newspapers, in the five days prior to the weekend concerned I was endeavouring to give assurances to a number of foreign banks and enterprises that the new Government of Western Australia had the economic interests of Western Australia at heart and did not intend to detract from programmes already entered into. I regret that the opportunities were limited for me to personally contact various officers or people in the private sector who sell farm machinery.

The phones between Korea and Western Australia operate reasonably well, but I really was not in a position to do the work myself. Although the honourable member may not know, I arranged for my department to make the inquiries. I wish that point to be clear to him. If he has any genuine belief that the information contained in that letter or the advice I received was not correct, he is, as I informed him earlier, welcome to supply me with that information when we rise in due course, and I will have the issue reviewed. He is either interested in having the issue reviewed or he merely wants to score the odd point. I invite him to do either, but I think I have answered his question as well as I can.

#### AGRICULTURAL MACHINERY

##### *Height: Consultations*

7. The Hon. A. A. LEWIS, to the Minister for Fuel and Energy:

Would the Minister concede in hindsight that it may have been better for the head of the SEC to write the letter instead of the Minister's trying to make political points over his own signature when he was so busily assuring people in banks and other institutions?

The Hon. PETER DOWDING replied:

No, he was overseas as well.

# AGRICULTURAL MACHINERY

## *Height: Consultations*

8. The Hon. A. A. LEWIS, to the Minister for Fuel and Energy:

Surely somebody composed the letter. This Minister is the one who told us last year that a Minister should have control of his department and the facts within it. Does he concede that somebody else—maybe not the chief commissioner or the deputy commissioner—might have been the better person to sign the letter? Has he tried to wiggle his way out of a mistake? Has he tried to gloss it over?

The Hon. PETER DOWDING replied:

I have the responsibility for the commission. I do not accept that any mistake was made. Quite often I act on the advice of my officers and to date I must say I have the utmost confidence in them and that they have shown themselves very able to provide me with proper advice. Therefore in those circumstances the reflection the member makes is quite inaccurate. The proper procedures were adhered to.

# MINING: URANIUM

## *Yeelirrie*

9. The Hon. N. F. MOORE, to the Minister for Mines:

Following on from my earlier question, will the Government encourage the de-

velopment of the Yeelirrie uranium project when in the opinion of the Government the project becomes economically viable?

The Hon. PETER DOWDING replied:

I am not really in a position to start dealing with hypotheses on the point I have made. I have had advice from my department as to the economic state of the uranium industry and, based on that advice, I have given an answer to the Hon. Norman Moore.

The Hon. G. E. Masters: It is pathetic.

The Hon. PETER DOWDING: I do not believe that, in an answer, I can discuss further implications in relation to that advice. I have no doubt that further down the track we will have the opportunity to discuss the issue again.

# PREVENTION OF EXCESSIVE PRICES BILL

## *Marginal Notes*

10. The Hon. PETER WELLS to the Attorney-General:

Will the Attorney-General look into the possibility of implementing the excellent suggestion made earlier this evening by the Hon. Graham MacKinnon to the effect that we return to the practice of putting origins of legislation in the margins?

The Hon. J. M. BERINSON replied:

I am prepared to undertake to consider that matter, although naturally without any commitment.