

CORRIGENDUM

to the

REPORT

of the

Honorary Royal Commission

into

Matters Relating to the Retailing

of

Motor Spirits and Accessories

To His Excellency Lieutenant-General Sir Charles Henry Gairdner, K.C.M.G.,
K.C.V.O., C.B., C.B.E., Governor in and over the State of Western
Australia and its Dependencies in the Commonwealth of Australia:

May it please Your Excellency,

WE, the members of the Honorary Royal Commission appointed to inquire into and report upon matters relating to the Retailing of Motor Spirits and Accessories, have the honour to present to Your Excellency a corrigendum to our report as follows:—

That the paragraphs 31, 32 and 33 of Part IV, Section 4, Subsection (b), of the Report be deleted and the following paragraphs numbered 31, 32, 33 and 34 be substituted therefor:—

31. Allied to the restraint and included in the dealer agreement submitted by the Commonwealth Oil Refineries Ltd., which agreement was in common use until 1954, is a covenant by the dealer not to deal exclusively with any other wholesaler for a period of two years after the expiration of the agreement, which only expires by the giving of the requisite notice by either of the parties to the agreement. The average term of such agreement was a period of at least three years so that the term of a number of such agreements is still current. In addition, such agreements do not terminate by effluxion of time but notice by either of the parties is required to so terminate.

32. This covenant in itself is of no significance, but when viewed in the light of the evidence, means that the owner of a business must close such business for the period or be bound to this company for the same period. That this is so is clear from the policy of each wholesaler, namely, that it will supply only on an exclusive basis. This covenant is unreasonable in the extreme.

33. In addition to the agreement referred to in paragraph 31 above, the form of dealer agreement now current was submitted by the Commonwealth Oil Refineries Ltd. This agreement contains no such covenant as is found in the former agreement.

34. In view of the above and the evidence submitted that all dealer agreements do not terminate at the expiration of the term stated therein but only by the giving of notice to terminate, and to make for more equitable dealings between retailers and wholesalers, the Commission is of the opinion that each retailer should be entitled to terminate his agreement during the currency of the term stated therein by the giving of six months' notice to terminate and that all such agreements shall be deemed to terminate at the expiration of the fixed term stated therein.

L. C. DIVER,
Chairman.

E. M. HEENAN.

F. R. H. LAVERY.

C. H. SIMPSON.

L. A. LOGAN.