

Legislative Assembly

Tuesday, 24th November, 1953.

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QUESTIONS.

RAILWAYS.

As to *Mundaring Service and Substitutes*.

Mr. BRADY asked the Minister for Railways:

In regard to the discontinuance of rail transport to Mundaring, will he state—

(1) The main expenditure shown as a cost in conducting rail services on the Mundaring run about to be closed?

(2) The main expenditure involved in conducting—

(a) a tramway road service;

(b) a railway bus road service?

(3) The total joint receipts from road and rail services for the six months from January to June, 1953?

(4) Is it proposed to—

(a) charge a fee to the Beam Coy. for the new run;

(b) fix a goodwill fee in the event of the new diesel train service being found capable of running the old service; or

(c) the Government deciding to take over the new road service?

The MINISTER replied:

(1) The total expenditure on the Mundaring branch for the year ended the 30th June, 1953, including interest and depreciation, was £47,623.

(2) (a) and (b) Apart from the capital cost of new vehicles, the main item of expenditure for a substitute road bus service would be wages.

(3) £8,454.

(4) (a) Beam Transport Ltd. pays fees based on gross earnings, and this same principle would apply to earnings from any extension of its route to Mundaring in the event of such an extension being approved.

(b) and (c) It is not clear what is meant by a "goodwill fee" but whether the Mundaring service is ultimately conducted by Beam Transport Ltd. or is run by the Government, either by road or rail, the matter of goodwill or any payment for same will not enter into consideration.

NATIVE WELFARE.

As to *Number of Half-caste Children*.

Hon. Dame FLORENCE CARDELL-OLIVER asked the Minister for Native Welfare:

(1) What is the number of half-caste children in this State?

(2) How many were born with—

(a) an Asian parent;

(b) a British parent;

(c) a foreign white parent?

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

The MINISTER replied:

(1) The Registrar General's office could not provide this information. For its census purposes children are not segregated from adults.

The Department of Native Affairs keeps records only of native children receiving welfare assistance in institutions, Government and mission, for subsidy and relief purposes.

It has been the practice in the past for police officers to furnish to the department annually population figures for the districts under their jurisdiction, but in most cases these are guesswork and approximations only.

According to latest returns available by this means, the number of children other than full-bloods is 3,177.

(2) (a), (b) and (c) This information is not available in the vital statistics of any people, white or coloured. Particulars of race and nationality are not sought when births are registered.

LAND SETTLEMENT BOARD.

As to Settlers and Acreage.

Mr. PERKINS asked the Minister for Lands:

(1) How many settlers have been settled on Crown land which has been cleared and developed by the Land Settlement Board—

(a) dairying;

(b) cereals and sheep;

(c) others?

(2) What acreage is contained in the foregoing?

The MINISTER replied:

(1) and (2) Settlers on holdings from undeveloped land—

(a) Crown—

	Farms.	Acreage.
Dairying	2	1,220
Cereals and sheep	67	68,000
Other	5	922

(b) Acquired—

Dairying	120	38,000
Cereals and sheep	61	126,000
Other	24	4,000

Uncleared land on which development is well advanced.

(a) Crown—

Dairying	8	4,300
Cereals and sheep	143	254,500

(b) Acquired—

Cereals and sheep	24	24,600
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INDUSTRIAL ACCIDENTS.

As to Report of Committee.

Mr. JOHNSON asked the Minister for Labour:

(1) Has he received any report from the committee set up to investigate industrial accidents?

(2) Will an amount of money from the compensation fund be made available for the study of the causes of industrial accidents?

The MINISTER replied:

(1) Yes.

(2) The matter is receiving consideration.

EDUCATION.

As to Removal of School, Young's Siding to Borden.

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

(1) Has a commencement been made by the successful tenderer on the work of removing Young's Siding school to Borden?

(2) When is the work likely to be completed?

(3) If the answer to No. (1) is in the negative, when will work commence?

The MINISTER replied:

(1) Yes. The building has been demolished and is now being transported to Borden.

(2) The contract provides for completion by the 31st January, 1954, and on present indications it looks fairly certain that the work will be completed on that date.

(3) See answer to No. (1).

TRANSPORT.

As to Request from South Stirling Settlers.

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

(1) Has a request been received from settlers at South Stirling for extension of subsidised road transport facilities to them?

(2) If so, when?

(3) Has the request been favourably received? If so, when is a service likely to be inaugurated?

(4) If the request is not viewed favourably, will he lay the file on the Table of the House?

The MINISTER replied:

(1) and (2) On the 30th March, 1953, the secretary of the South Stirling Settlers' Association wrote expressing the hope that a subsidised service would be provided for the district. At that time none of the farms was occupied.

(3) Although no definite request has been submitted, the question of subsidised road transport to the South Stirling settlement has been viewed favourably and is to receive attention as farms are taken up. Present advice indicates that only six farms in the new South Stirling area are occupied at present and it will be at least 12 months, and probably two years, before the full 28 farms are taken up.

(4) Answered by No. (3).

HOUSING.

(a) *As to Applications and Programme, Kondinin.*

Mr. PERKINS asked the Minister for Housing:

(1) How many applications are there at Kondinin for—

(a) rental homes;

(b) workers' homes;

(c) war service homes?

(2) What is the tentative Housing Commission programme for Kondinin?

The MINISTER replied:

(1) (a) Six applicants, of whom two are well housed and one 1951 applicant not known, presumed to have left district.

(b) Three.

(c) Nil.

(2) Two houses under construction—one State Housing Act, one Commonwealth-State housing agreement.

(b) *As to Homes Erected and Vacant, Collie and Albany.*

Mr. WILD asked the Minister for Housing:

In view of his stating in reply to a question on the 17th November that Collie and Albany were two towns that the officers of the Housing Commission were now canvassing for clients, because of the ill-planned programme of the past Government, will he state—

(1) How many houses were erected by the State Housing Commission under Commonwealth-State rental, war service and workers' homes conditions in 1948, 1949, 1950, 1951, 1952 and 1953?

(2) How many houses are now vacant in each of these two towns?

(3) Are no more houses to be erected in 1953?

(4) How many houses are under construction at Collie and Albany, and

(a) when were the contracts let;

(b) when did building commence?

The MINISTER replied:

(1) The details are as follow—

Western Australia.

STATE HOUSING COMMISSION.

Houses Built in Collie and Albany, 1948-49 to 1952-53.

Authority.	1948-49.		1949-50.		1950-51.		1951-52.		1952-53.		Total. 1948-49 to 1952-53.	
	Collie.	Albany.	Collie.	Albany.	Collie.	Albany.	Collie.	Albany.	Collie.	Albany.	Collie.	Albany.
C.S.R.H.	38	12	45	20	30	37	54	47	85	55	252	177
W.S. Homes	6	1	10	1	20	9	19	6	12	7	75	24
S.H. Act ....	.....	.....	2	.....	.....	.....	19	3	91	32	112	35
Total	44	13	63	27	50	46	92	56	188	94	437	236

(2) Collie: Three Commonwealth-State rental houses recently allocated but not accepted by approved applicants. Advice received late last week in respect of these three houses which are now being re-allocated. Albany: One-house under State Housing Act.

(3) A considerably reduced programme was planned for both centres for 1953-54 and in respect of Albany a recent review of the application position has led to a further reduction in the programme. At Collie the programme is at present under review.

(4) The details are as follows:—

Western Australia.
STATE HOUSING COMMISSION.

Houses under Construction in Collie and Albany,
as at 31st October, 1953.

Authority.	Under Construction at 31-10-53.	Date Contracts Let. (a)	Date Contract Started. (b)
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Commonwealth-State Housing Agreement.

Collie	3	23-4-51	Sept., 1952
	1	16-2-53	March, 1953
	4		
Albany	0	2-11-52	Nov., 1952
	5	1-12-52	Jan., 1953
	6	4-12-52	Feb., 1953
	1	18-3-53	March, 1953
	3	5-5-53	July, 1953
	3	7-5-53	July, 1953
	16	27-6-53	June, 1953
	8	June, 1953	June, 1953
	51		

War Service Homes Act.

Collie	Nil		
Albany	3	July, 1953	1 Aug., 1953 1 Sept., 1953 1 Oct., 1953
	3		

State Housing Act.

Collie	2	24-6-53	20-7-53 20-8-53 14-7-53 17-9-53 13-8-53 10-7-53 18-8-53 11-8-53 8-9-53 24-7-53 10-9-53 2-7-53 5-8-53 29-9-53 1-10-53 15-7-53 29-7-53 10-7-53 21-7-53 2-10-53
	2	13-7-53	
	1	7-7-53	
	2	24-6-53	
	2	4-8-53	
	2	24-6-53	
	1	21-9-53	
	1	21-9-53	
	2	24-6-53	
	1	10-7-53	
	1	29-9-53	
	19		
Albany	1	21-4-52	9-6-52 17-8-52 1-9-53 4-9-53 8-9-53 1-10-53 (3) 6-7-53 1-8-53 (2) 15-8-53 1-10-53
	7	1-7-53	
	4	3-7-53	
	1	26-7-53	
	13		

Total under Construction at 31st October, 1953.

Collie	23	
Albany	67	

(c) As to Applications, Kellerberrin, Merredin, Pinjarra and Northcliffe.

Mr. WILD asked the Minister for Housing:

Will he lay on the Table of the House the State Housing Commission files in connection with applications to the State Housing Commission for homes at Kellerberrin, Merredin, Pinjarra and Northcliffe?

The MINISTER replied:

Yes, in respect of Northcliffe, but not for Merredin and Kellerberrin State Housing Act applications, since it would be necessary to table a number of individual applicant's files and not for Pinjarra since this is a War Services Homes file which can only be tabled with the approval of the War Service Homes Director.

(d) As to Survey of District Needs.

Mr. WILD asked the Minister for Housing:

(1) Is it the policy of the State Housing Commission to erect houses in country towns before making a survey of the needs of the district?

(2) If "No" is the answer to No. (1), how were determinations made to erect houses in Albany, Cranbrook, Broomehill, Kellerberrin, Merredin, Wongan Hills, Northampton, Pinjarra, Collie, Northcliffe, Ardath and Three Springs?

The MINISTER replied:

(1) No.

(2) Prior to planning the programme a careful survey of all applications pending at the date is made. In spite of this it has been found that not all of the applicants are prepared to proceed when houses are offered.

(e) As to Evictees and Qualifications for Assistance.

Mr. WILD asked the Minister for Housing:

(1) How many families were evicted in the metropolitan area during the month of October?

(2) How many of these evicted families received orders of eviction from the court?

(3) What is the present interpretation of the State Housing Commission for a person to be eligible as an evictee and thus qualify for assistance?

The MINISTER replied:

(1) Not known. For four weeks ended the 31st October, 1953, 40 cases were heard by the metropolitan courts and in respect of these cases 32 orders were made.

(2) See answer to No. (1).

(3) There must be a family to be housed with at least three units including at least one child, in the case of a male, under 18 and in the case of a female, under the age of 21.

PRICES CONTROL.

As to Goods and Services Recontrolled and Decontrolled.

Hon. A. V. R. ABBOTT asked the Minister for Prices:

What goods and services since he took office have been—

(a) recontrolled;

(b) decontrolled?

The MINISTER replied:

List of goods and services removed from the recontrol since February, 1953—

Goods.

Coffee, with or without chicory.
Coffee beans.
Coffee essences.
Cocoa.
Lead.
Zinc.
Tin.
Non-ferrous alloys other than those containing substantial portions of copper.
Iron and steel tubes, pipes and fittings other than galvanised water pipes and fittings.
Iron and steel sheet other than galvanised.
Sheet metal products used for building and roofing, made from other than galvanised iron.
Cement, bricks and cement building blocks.
Cement pipes.
Limestone and sandstone.
Manufactures of concrete for building purposes.
Concrete or cement roofing tiles.
Corrugated fibro cement roofing sheets.
Latex.
Belting of leather, rubber, canvas or composition.
Rubber and plastic hose.
Calico bags.
Metal kegs and casks.
Rope, cordage and twine.
Tyre cord and tyre fabric.

Services.

Laying and construction of foundations for dwellings.
Tiling of roofs.

List of goods and services recontrolled since February, 1953—

Goods.

Meals served in hotels.
Youths', boys', maids', girls' and infants outerwear clothing except—
(a) bathing costumes and trunks;
(b) gloves and mittens;
(c) headwear;
(d) ties, scarves and neckwear;
(e) bath robes and beach robes;
(f) made to measure garments;
(g) evening and dance dresses;
(h) slacks for maids and girls;
(i) nursery squares and diapers;
Men's shirts and pyjamas.
Men's trousers of cotton tweed, drill or denim.

Men's, youths' and boys' socks and stockings.

Women's, maids' and girls' socks and stockings other than pure silk or nylon.

Knitted outerwear garments.

Blankets, bunny rugs, bush rugs and travelling rugs.

Ice.

Services.

Hotels tariffs.

Plumbing services.

Electrical installation services.

Services relating to manufacturing or making-up of recontrolled clothing and softgoods.

CRATES, EMPTY.

As to Transport Arrangements for Return.

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

Referring to crates containing Bristol prefabricated school units and the answer No. 3 (b) to a question on Thursday last on this matter, is it not a fact that crates frequently lie unopened on school sites for some time pending commencement of erection, and if so, how is it possible, as stated, for the truck which takes them to the school to return with the empties without incurring expense?

The MINISTER replied:

(1) All Bristol prefabricated school units in the country areas are now erected by the departmental construction organisation. In no case do crates lie unopened on school sites pending the commencement of erection of the school.

(2) The weight of these crates is such that they cannot be manhandled from the truck, and the cases must be opened on the truck and the components removed before the crate can be shifted.

(3) Two loads are required to transport the components necessary for one school unit. The empty crates from the first load are, in some cases, returned on the first truck. In other cases the empty crates from the first load are allowed to wait on the site until the second load is delivered, when the second truck transports both loads of crates to Perth.

(4) At the commencement of the Bristol prefabricated programme, six units were erected in country areas by contract. In some of these cases the contractors did arrange for a crane to unload the full crates, and it is possible that some unopened cases remained on the site pending the commencement of erection.

(5) For the last 18 months all these units have been erected by the departmental construction organisation in the manner outlined in the first paragraph of the answer.

BUS SERVICES.*(a) As to Week-end and Holiday Arrangements, City Beach.*

Mr. NIMMO asked the Minister for Transport:

(1) Will he state whether arrangements are being made for the week-end and holiday bus services to operate to City Beach from Victoria Park, embracing Subiaco, Leederville, Wembley Park and Floreat Park en route?

(2) If so, will a time-table be published in the Press?

The MINISTER replied:

- (1) Yes.
(2) Yes.

(b) As to Purchase of North Beach Coy's Rights.

Mr. BRADY (without notice) asked the Minister for Transport:

Will he place all files relating to the purchase by the Government of the North Beach Bus Coy's interest in the North Beach bus route on the Table of the House?

The MINISTER replied:

I have no objection to tabling the papers.

WATER SUPPLIES*As to Percentage of Rates Collected.*

Mr. NIMMO asked the Minister for Water Supplies:

(1) What percentage of water rates has been collected this financial year?

(2) What are the total collections to date?

(3) What is the increase over those of last year?

The MINISTER replied:

(1) Percentage of estimated year's rates collected to date—the 19th November, 1953—is 60 per cent.

(2) Total rates collections to date—£611,326.

(3) Increase over corresponding period in previous year, £186,633.

Information is not available showing collections of water rates as distinct from sewerage and drainage rates.

In connection with question No. 1, I should have stated that the information is not available showing collections of water rates as distinct from sewerage and drainage rates.

IRRIGATION.*As to Charges for Waterings.*

Mr. MANNING (without notice) asked the Minister for Water Supplies:

(1) What charge is made for water used on land in excess of the rated area—

(a) First watering,
(b) additional waterings,
for the 1953-54 irrigation season?

(2) What charge is made for water used only for early germination and softening—

(a) First watering,
(b) additional waterings,
for the 1953-54 irrigation season?

The MINISTER replied:

On the 20th November, 1953, the Governor in Executive Council approved of amendments to the irrigation by-laws to provide for the following charges for accommodation water:—

Water supplies within an irrigation district to a non-rated area or acreage in excess of the rated area to be 11.3d. per acre for each of the first two waterings, with subsequent waterings 3.9d. per acre, subject to the following proviso, that if surplus water is available it may be supplied as from the beginning of the last zonal watering period in February of each year to above-mentioned areas for establishing new pasture at 11.3d. per acre for the first watering and 3.9d. per acre for all subsequent waterings.

DEATH DUTIES.*As to Concessions to Beneficiaries.*

Mr. HUTCHINSON (without notice) asked the Premier:

(1) If the Death Duties (Taxing) Act Amendment Bill becomes law, and where the widow, widower, or children are beneficiaries, is the tax position as stated in the following table, correct:—

Value of Estate.	Duty Payable.
£6,000	£150
£6,001	£360
£7,500	£480
£7,501	£528

(2) If these tax figures are correct, does he not think that a more equitable method of increasing this duty should be found?

(3) If the figures are incorrect, will he supply the correct ones?

(4) Where the widow, widower, children, etc., are beneficiaries, will he consider amending the appropriate Act to give half duty up to £7,500 and then apply full duty only to the excess over and above that figure?

The PREMIER replied:

(1) Yes.

(2) The method is considered to be equitable in that it allows a substantial concession to the beneficiaries referred to in Question No. 1, where the net value of the estate does not exceed £6,000. The concession is in the main much greater than those allowed by any other State in Australia.

(3) See answer to No. 1.

(4) No, but under the amending Bill now before Parliament such estates up to a net value of £7,500 will be exempt from the increased rates proposed.

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

- 1, Supply (No. 2), £9,000,000.
- 2, Hospitals Act Amendment.
- 3, Dairy Industries Act Amendment.
- 4, Collie Club (Private).

BILLS (3)—RETURNED.

- 1, Matrimonial Causes and Personal Status Code Amendment.
- 2, Rural and Industries Bank Act Amendment.
Without amendment.
- 3, Administration Act Amendment (No. 1).
With amendments.

BILLS (3)—THIRD READING.

- 1, Royal Visit, 1954, Special Holiday.
- 2, Veterinary Medicines.
Transmitted to the Council.
- 3, Local Authorities, Royal Visit Expenditure Authorisation.
Passed.

BILLS (2)—REPORT.

- 1, Kwinana Road District.
- 2, Cremation Act Amendment.
Adopted.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Recommittal.

On motion by the Minister for Labour, Bill recommitted for the consideration of a proposed new Clause 16.

In Committee.

Mr. J. Hegney in the Chair; the Minister for Labour in charge of the Bill.

New clause:

The MINISTER FOR LABOUR: I desire to move for the inclusion of a new clause to stand as Clause 16. This is identical with the clause in the printed copy of the Bill. Members will realise that as the explanation of its inclusion has already been submitted to the House and the Committee, reiteration of arguments in favour of the re-insertion of the clause is unnecessary.

Mr. Yates: The Committee threw it out once.

The MINISTER FOR LABOUR: There is always a second time.

Mr. Yates: There may be a third.

The MINISTER FOR LABOUR: I move—

That a new clause be inserted as follows:—

16. The principal Act is amended by adding after section seventy-one the following section:—

71A. Where preference of, or in employment in an industry is mutually agreed by the parties to an industrial dispute or other matter before the Court, or where an application for preference of, or in, employment in an industry is made to the Court by an industrial union of workers, the Court shall grant preference of, or in, employment to members of the industrial union of workers concerned, and may grant preference of, or in, that employment to members of such other industrial union or unions of workers as the Court thinks fit and in any case may, in granting the preference, impose such conditions as the Court thinks fit.

Hon. A. V. R. Abbott: Has notice not to be given for the recommittal of a Bill? The Standing Orders have not been followed.

The CHAIRMAN: That is only on the third reading.

Mr. YATES: I object very strongly to the tactics of the Minister in recommitting the Bill to insert one of the clauses which was fully debated by members in this Chamber only a few days ago. After due consideration, it was voted out. The stand-over tactics of the Government are indicated by the pressure brought to bear on one of its supporters. That is sufficient to show that it is not the intention of the Government to allow a member of this Chamber, after due consideration, to vote for the welfare of the people of Western Australia, but to compel him to vote on party lines. The party machine is so vicious that it compelled a certain member to toe the line in another organisation not connected in any way with Parliament. That organisation gave a direction to this member to come back to this Chamber to vote opposite to the way he did on a previous occasion. It is quite evident that the member has been influenced to change his mind, otherwise the Bill would not have been recommitted. It is therefore expected that the member in question will change his vote, not because he wants to, but because he has been forced to do so by the various organisations he represents in Parliament. It was often said to us when we were in power that we were voting the same way, and that we had to follow the Government blindly.

The Minister for Mines: That is quite true.

Mr. YATES: That is untrue. I have voted against the Government on several occasions. The member for Mt. Lawley abused me once when I voted against his Bill. However, I felt I would be doing the right thing in voting against a clause, and I did so.

Hon. J. B. Sleeman: You did not feel that way very often.

Mr. YATES: I did on several occasions. If the hon. member had been present, he would have known those occasions. The then member for West Perth, Sir Joseph Totterdell, and I crossed the floor of the House on one occasion to vote against a clause. Evidently, members of the present Government are bound to vote for everything in the Bill, whether it is right or not.

Hon. J. B. Sleeman: You know that is not right.

Mr. YATES: It is absolutely right. The Minister proved it tonight in moving to reinsert a clause that was thrown out a few days ago.

Mr. Ackland: That is nothing new for Trades Hall.

Mr. YATES: The member for South Fremantle was very courageous in crossing the floor. I know what the party machine is.

The Minister for Railways: You should do!

Mr. YATES: Pressure was brought to bear on all parties. We all know that too well. The member for South Fremantle was courageous in crossing the floor of the House to vote in the interests of the unions in the electorate he represents. What has Trades Hall to say to that? I can see the time arriving when the Fremantle unions, assisted by the unions at Kwinana, will break away from Trades Hall and form their own association.

The CHAIRMAN: I might draw the attention of the member for South Perth to the fact that he has to discuss the clause introduced by the Minister for Labour.

Mr. YATES: It all has to do with preference. The clause was sufficiently important for the unions at Fremantle to discuss the matter. Not only was the member for South Fremantle present, but also other members from this Chamber and another place. They fully discussed the action of the member for South Fremantle.

Mr. Lawrence: How did you know that?

Mr. YATES: According to Press reports.

Mr. Lawrence: You are making a misstatement of facts.

Mr. YATES: The Press said the unions endorsed the hon. member's action. If the position was misrepresented, I am sorry. Whether it is right or wrong has

no bearing on what took place in this Chamber. Members decided that they did not want the clause retained, so the Committee voted against it. Here we find, only a few days later, that the Bill is re-committed, so as to reinsert the clause. I strongly condemn this action and shall vote against its inclusion.

Hon. A. V. R. ABBOTT: The matter of preference to unionists should have been left, as I said before, in the hands of the court. Of course it gives the court an additional advantage. That was how the watersiders' strike was broken in New Zealand. The workers had the benefit of preference to unionists for a long time, and when the union was deregistered, small unions were at once formed in each port. As the unregistered members were not entitled to work on the wharves, while there was anyone willing to take employment, the strike was broken, to the great advantage of many unionists. So today in New Zealand there is no longer a watersiders' union.

The Minister for Labour: But there is preference, and that is the point we are discussing.

Hon. A. V. R. ABBOTT: There is preference but there is no watersiders' union enjoying preference. There are small unions operating in each port. It is not to be wondered at that the member for South Fremantle was a bit doubtful and asked for time to give consideration to the clause, because at present he represents an unregistered union. I can see this clause being a dead letter to this union.

Mr. Lawrence: How do you know I represent an unregistered union?

Hon. A. V. R. ABBOTT: I meant the members; they live in the hon. member's electorate.

Mr. Lawrence: Do they?

Hon. A. V. R. ABBOTT: Most of them.

Mr. May: Some even live in Mt. Lawley.

Hon. A. V. R. ABBOTT: Some might. I wish to give the court discretion in some cases not to enforce preference. It means that a large number of workers will not get employment, and they will not appreciate it. They must join the A.W.U. I think that is a very good union, one of the biggest and most powerful of them all. In this case they won the fight.

The Premier: You were Minister for Fisheries in the last Government.

Mr. May: And he is still fishing.

Hon. A. V. R. ABBOTT: That is the position; the A.W.U. won this fight, and the little union went out of existence. I do not say that the little union did not deserve what it got. It was extremely foolish and was badly led, otherwise it would have been in existence today.

Hon. J. B. Sleeman: What right have you to discuss the union now?

Hon. A. V. R. ABBOTT: I am discussing the result of preference to unionists.

Hon. J. B. Sleeman: You are discussing the status of a union before the court.

Hon. A. V. R. ABBOTT: It is not before the court.

Hon. J. B. Sleeman: Yes, it is. It is waiting for a decision.

Hon. A. V. R. ABBOTT: Then I will not discuss that aspect any more. All I can do is to discuss unregistered unions. An unregistered union has no hope because any other union must, at law, be given the work. I feel a little doubtful of the value of this clause. I do not like the discretion taken away from the court. Preference to unionists is a good thing under proper conditions.

The Minister for Labour: Then leave it to the court.

Hon. A. V. R. ABBOTT: But the hon. member does not leave it to the court.

The Minister for Labour: We do.

Hon. A. V. R. ABBOTT: The hon. member uses the word "shall".

The Minister for Labour: I refer to the conditions.

Hon. A. V. R. ABBOTT: I know about them, but the court has no discretion as to whether or not it will give preference. So I think the Bill would be better without this provision, and propose to vote against it.

Point of Order.

Hon. C. F. J. North: I would draw your attention, Mr. Chairman, to Standing Order 181 which reads as follows:—

No question shall be proposed which is the same in substance as any question which, during the same session, has been resolved in the affirmative or negative.

I understand that the words of this clause are identical with those of the clause considered the other evening, and I want to make sure that the provision is in order.

The CHAIRMAN: I would direct the hon. member's attention to Standing Order 299 which deals with the recommitment of a Bill on the motion for the adoption of the report. It is as follows:—

On the motion for the adoption of the report, the whole Bill may, on motion, be recommitted, and further amendments made, but a subsequent day to that in which the second report is brought up shall be fixed for moving the adoption of such second report; and the Bill as reported with such further amendments shall, in the meantime, be printed. If no amendments have been made the report may be at once adopted.

Standing Order 301, which deals with the Bill at the third reading stage provides that—

No amendment shall be made in, and no new clauses shall be added to any Bill recommitment on the Third Reading, unless notice thereof has been previously given.

That, however, is at the third reading stage. We are not at that stage yet, and that is why no notice was required. We are dealing with the Bill at the recommitment stage, and I rule that the amendment is quite in order.

Debate Resumed.

Mr. BOVELL: The Committee was kept here until almost 5 a.m. the other day to deal with this measure; and on that occasion, this clause was defeated. I want to voice my protest that the Minister should feel disposed to recommit the Bill for the inclusion of a clause with identical wording. The action is an outrageous example of a party political machine exercising its will on the freedom of members of this Chamber. In my seven years in this place, I have never before seen such an example of dictatorial action by a party.

I do not know the reason for the mirth of the Minister in charge of the Bill, but what I have said is an absolute fact. If he wants to say anything about my actions, I will remind him that on two occasions, while Government Whip, I crossed the floor of the Chamber to vote against the Government on measures which I did not feel were in the best interests of the people of the State. There were other occasions, but two in particular.

One was in connection with the position of people employed on mines, but not underground, who were suffering from silicosis. I voted against my own Government on that measure because I considered any person working in the mining industry and suffering from silicosis should receive compensation.

The Premier: Did you vote against your Government on the Industrial Arbitration Bill?

Hon. Sir Ross McLarty: Why should he?

Mr. BOVELL: The second occasion was in connection with the increase in the margarine quota. I led the attack on my own Government—and I was the Government Whip. Those are examples of where, when we were in office, the party machine was not all-powerful and could not dictate to members that they should vote in favour of something they considered not in the best interests of their electors and of the people as a whole. I voice my protest against what is taking place because I feel that this is the worst example of socialistic dictatorship that has ever been evident in Western Australia.

The CHAIRMAN: The hon. member is quite out of order.

Mr. PERKINS: I cannot recollect any similar experience to this since I have been a member of the Legislative Assembly and I doubt whether the Minister can name a similar instance.

The Minister for Labour: In the last 12 months!

Mr. PERKINS: After a great deal of debate, we passed the Bill, and one clause was defeated. Now the Minister has moved to recommit the Bill for the purpose of reinserting that clause, but he makes no attempt to justify its reinsertion, and he does not try to convince the member who voted against the clause previously and who, he hopes, will vote differently on this occasion.

Mr. Ackland: Both were given their instructions—or else!

Mr. PERKINS: He has just pitched the clause into this Chamber. We know from the Press that certain action has been taken by the political machine with which the Government is associated; but surely if Bills are going to be logically discussed by this Chamber, the arguments should take place here and not outside. Otherwise what is the purpose of Parliament? The rest of us might just as well go home—

The Premier: Good-bye!

Mr. PERKINS: —and leave the Government to carry on. If the Premier will have a second look at the question, I think he will realise that his Minister has not done the right thing in pitch-forking this clause back at the Committee without justifying his action. Dealing with the principle involved, if every measure has to be supported in toto by members sitting behind the Government, what is the purpose of having an Assembly at all?

The Minister for Mines: You did that right throughout the last session.

Hon. Sir Ross McLarty: Nothing of the sort! Name an instance!

Hon. L. Thorn: The Minister is better informed on shags!

The CHAIRMAN: I would ask members to keep order. The member for Roe has the floor.

Mr. PERKINS: The Minister for Mines must know different from that. He knows that many members on this side who sat behind the previous Government voted against that Government on vital questions, and the Government was forced to accept that vote. I have no doubt that was very unpalatable to members of Cabinet at that time, and there were very hard feelings on occasions.

But I think that the then Government realised that members had their own individual ideas on certain questions; and surely when we are elected to Parliament we have a right to use our own judgment on some matters. I view this question most seriously; and if this is a taste of how the present Government intends to

govern in the next three years, we will see a rather peculiar set of circumstances introduced into this place.

Hon. L. Thorn: Dictatorship!

Mr. PERKINS: Apparently certain things have taken place outside, and the Government thinks it has the numbers to carry this clause, irrespective of what any of us thinks about it. Maybe that is so; but I would like to stress the very undesirable principle that is being introduced, and I hope the electors will not forget it when the time comes for them to pass judgment on this Government.

The member for South Fremantle has been mentioned, and we presume that he intends to vote differently from the way he did a few nights ago. Any member who decides to change his ideas is entitled to do so, but he should give his reasons for his action, and that is the second point I want to stress. I will be interested to hear what the member for South Fremantle now thinks about this clause, because it is worded in exactly the same way as the one which was defeated, and it is quite obvious that if a certain decision was right four or five nights ago, the same decision should be registered on this occasion, unless some other factor has entered into the situation, in which case the Committee should be told something about it.

Some members on the Government side appear to be treating this question with a certain amount of mirth. I can hardly imagine anything which there would be less justification for regarding in that way. The clause deals with one of the most vital questions this Committee can consider—that of industrial relationships. Many of us believe that the maximum judgment should be left to the Arbitration Court which is composed of men who make a very close study of industrial relationships and who have been appointed because of their suitability to deal with such questions.

My view is that Parliament should leave decisions of this kind to the court rather than bind it to decisions made by Parliament which limit its freedom of action. Members of Parliament probably have prejudices one way or the other, according to their background, but the court is supposed to approach such questions without any prejudice at all. For that reason it seems to me appropriate that all decisions of this kind should be left to the court.

Hon. D. BRAND: I regret that the Minister did not see fit to further explain the situation as it now exists. I have heard him, when sitting on this side of the Chamber, actually demand explanations from the Government. The member for South Fremantle the other evening requested the Minister to report progress in order that his particular grievance might be considered by Cabinet

and the matter adjusted, perhaps, to suit him. But the Premier rose to the assistance of his Minister and further explained the position.

No doubt he did it to show that this was a matter the Government was taking very seriously, but I am pleased to say that the member for South Fremantle felt that a bird in the hand was worth two in the bush, and voted against the Government while he had the opportunity. Since then, certain meetings have taken place, and, according to what we have read in the Press, the member for South Fremantle, although he has the support of his friends in his district, per medium of the wharflies and other unionists, is now going to support the Government on this amendment which is exactly the same as the one which was thrown out.

I think that what is being done is to let the back-benchers know exactly where they stand with respect to their support of the Government. They are being told that, despite the courageous action of the member for South Fremantle, he is being brought to heel, and the amendment will be passed as it was originally included in the Bill.

Mr. Hutchinson: Or else!

The Minister for Lands: I think you are at your best when you are funny.

Hon. D. BRAND: On the other hand, if the member for South Fremantle feels he has something to tell the Committee, we will be pleased to hear him.

Hon. J. B. Sleeman: Your debating is not very good.

Hon. D. BRAND: It would at least be in line with most of the hon. member's efforts. I feel that the member for South Fremantle has a good story to tell, and members on this side of the Chamber, and even the Press, would be very interested if he would only explain to us what strange change has taken place so that over the week-end he has seen fit to indicate his support of this clause relative to preference to unionists when he could not see fit to do so the other night.

Mr. McCulloch: You cannot change your mind?

Hon. D. BRAND: No, not in respect of a matter such as this. The member for South Fremantle has had a long association with very active and militant unions, and he knew exactly what he was doing when he opposed the clause.

The Minister for Lands: You are speaking on behalf of the hon. member are you?

Hon. D. BRAND: I think I could. I feel he needs some moral support when he sits among members who stand for such regimentation.

Mr. Lawrence: I can stand on my own.

Hon. D. BRAND: I hope so. We will be pleased to hear what the hon. member has to say with regard to preference. We

think that the preference to unionists clause and compulsory unionism are just Tweedledum and Tweedledee. We are opposed to any suggestion of compulsion when a man is seeking a job.

The Minister for Labour: I think you are opposed to unionism generally.

Hon. D. BRAND: The Minister would like to think that. I represent just as ably and impartially the unionists in my country electorate as he does those in his.

Mr. HUTCHINSON: I find myself for the second time opposing this amendment. I feel disturbed at the ignominious position in which the Committee has been placed in that it fills a subservient role to another body in the State. The voice of this Chamber no longer holds sway, but we are controlled by an outside body; and that is not in the best interests of the State. The member for South Fremantle did not vote against the clause for the same reason that the Opposition opposed it. The position of the unions whose cause he tried to represent, is still the same as when the hon. member appealed to the Minister, but since then the whip has been cracked by the back-room boys—the real power behind the Government. The ruler of this State is not the Labour Government, sitting opposite, but Trades Hall.

Mr. May: You would like to think that.

Mr. HUTCHINSON: The hon. member cannot deny it. The Government, flagrantly, has brought forward exactly the same clause as was defeated here some few days ago. It appears that the Labour Government and the Labour Press are mere puppets who dance and jump according to the way the puppet masters at Trades Hall pull the strings.

Mr. McCulloch: You were one of the big pups when you were over here.

Mr. HUTCHINSON: Oh, dry up!

The CHAIRMAN: Order!

Point of Order.

Mr. McCulloch: I object to the member for Cottesloe referring to members on this side of the House as pups.

Hon. L. Thorn: On a point of order, Mr. Chairman, could you supply an interpreter for the member for Hannans so that members could understand him.

Mr. McCulloch: I ask the member for Toodyay to withdraw that remark about an interpreter.

The Chairman: I point out to the member for Hannans that unless a remark is unparliamentary, the hon. member who made it cannot be called upon to withdraw it.

Mr. McCulloch: I think it is unparliamentary. I can speak English better than can the member for Toodyay.

The Chairman: I did not hear the member for Toodyay. I ask members to discuss this matter in a proper way. We cannot reach a conclusion with everybody interjecting. I want to be fair to all members. The member for Cottesloe may proceed.

Debate Resumed.

Mr. HUTCHINSON: I notice, Sir, that you have not asked me to withdraw my remarks about puppets because, obviously, they are not unparliamentary.

The Premier: No, just stupid.

Mr. HUTCHINSON: They are all too true. The Premier, I notice, has been moved to rather false laughter in the last few minutes. I cannot see that even he could be happy about the situation, where he, as Premier, leading a Cabinet and a Government of this State, can be dictated to by Trades Hall.

The Premier: That, like a lot of your statements, is not true.

Mr. HUTCHINSON: That is as it appears to me, and I am quite entitled to say it.

The Premier: It is untrue, and I am afraid, deliberately so in this instance.

Mr. HUTCHINSON: It is not deliberately untrue.

Hon. A. V. R. Abbott: Perhaps it is the reverse. Perhaps you did the intimidating through Trades Hall.

The Premier: Let the member for Cottesloe stick to the truth.

Mr. HUTCHINSON: If it is not dictation from Trades Hall, then at least Cabinet, in conjunction with Trades Hall, has so imposed its will on the member for South Fremantle as to make him toe the line and change his mind.

The Premier: That is not true.

Hon. J. B. Sleeman: How do you know he has changed his mind.

Mr. HUTCHINSON: Did he not have to face his masters the other night? Does not everyone in the State know that?

Mr. Lawrence: Neither you or anyone else is my master.

Mr. HUTCHINSON: Let the Premier tell us how the change of mind came about. The people should know who are the rulers of the State. The Premier says that my statements are untrue, yet he has not given the proper lie to them.

The Premier: The hon. member should stick to the truth, if he is capable of so doing.

Mr. HUTCHINSON: The people should be made aware of who are the rulers of the State when a Labour Government is in office.

The Premier: Not Amalgamated Collieries, anyway.

Hon. J. B. SLEEMAN: It seems to me that all the belly-aching—

Mr. Manning: That is not very parliamentary.

Hon. J. B. SLEEMAN: It is good English; in fact, the hon. member often does it himself. The belly-aching is because members are disappointed, and I offer them my deepest sympathy. They thought they had seen the last of preference to unionists. The policy of members opposite is to smash unions and unionists if they can. We have seen it in Fremantle. There was the Battle of the Barricades. What is wrong with preference to unionists?

Mr. Nalder: You were not very happy about this clause last week.

Hon. J. B. SLEEMAN: Whatever I thought about the clause I said it, and I always will. How many members opposite voted against their Government when it was in office? Members have short memories. It is only a few weeks ago that we crossed the House and defeated the first Bill that was introduced by the Government. It is a good thing that preference to unionists is coming back, and I hope it will be put on the statute book. The Government of the day, at about the time of the Colebatch Administration, took certain action at Fremantle, and so did the unions; and because of their action it cost them some £2,000 or £3,000. The union members refused to work with Germans, and for their loyalty to their country they were fined £2,000 or £3,000.

The CHAIRMAN: Order! We cannot discuss that at the moment.

Hon. J. B. SLEEMAN: I thought members might like to hear about it.

The CHAIRMAN: That might be so, but we are dealing with a clause dealing with the question of preference, and I hope members will stick closely to it.

Hon. J. B. SLEEMAN: The unionists deserve this clause. Our friends opposite would get rid of the trade unions because they are a thorn in their side as they stick up for the rights of the workers in industry.

Mr. OLDFIELD: I oppose the reinsertion of this clause. While listening to the debate the other evening, I was undecided how I would vote on this provision; but after listening to the reasons put forward by the member for South Fremantle, I decided to oppose the clause because I agreed with him.

Mr. Brady: What do the workers in Maylands want?

Mr. OLDFIELD: Like the member for South Fremantle, I have a large number of unionists in my electorate who belong to a union that at the moment is deregistered. In fairness to those people, and all my electors, whom I try to represent impartially, I voted against the clause on that occasion, and shall vote against it this time. Why should a lawfully elected

member of this Chamber be dictated to by a body of people from a hall across the railway line? During my first session in Parliament, I supported the then Opposition to defeat the pneumoconiosis Bill, which was sponsored by the then Attorney General; and this session, when a constitutional Bill was before the Committee, the member for Cottesloe and I supported the Government. We on this side do not toe the party line.

The Premier: I think you and the member for Cottesloe made the party line.

Mr. OLDFIELD: I vote in the best interests of the people whom I represent, and I hope I never again see the spectacle of a member voting in the best interests of the people he represents and then being forced by some moguls, who are not even members of this Chamber, to change his mind. Apparently the strings have been pulled, and the hon. member has been forced to toe the line.

Mr. Lawrence: You will have me in tears in a moment.

Mr. OLDFIELD: I oppose the clause.

Hon. Sir ROSS McLARTY: I think the protest that has been made by members on this side about this most extraordinary action of the Government is fully justified. It is of no use the Premier hurling interjections across the Chamber and saying that our statements are untrue. I challenge the Premier to read what has been published in the Press during the last few days. If he does so, he must come to the conclusion that our claim of undue outside influence is perfectly justified. It is not only outside influence, but also undue influence. If we consult Standing Orders, we find that there is, as I thought there would be, protection for members against this sort of thing. On page 204 of the Standing Rules and Orders of this House, we find this provision in Section 8 of the Parliamentary Privileges Act—

The assaulting, obstructing, or insulting any member in his coming to or going from the House, or on account of his behaviour in Parliament or endeavouring to compel any member by force, insult or menace to declare himself in favour of or against any proposition or matter depending or expected to be brought before either House.

No doubt we could find some precedents in "May" also. The Minister for Labour can laugh, but I am unable to see anything funny about it.

Mr. Bovell: The electors do not think it is funny.

The Minister for Housing: How would you know?

Hon. Sir ROSS McLARTY: I think that paragraph was inserted in the Act to give protection to members. I would say that the hon. member who is concerned in this

particular matter has had threats held over him and, in short, he has been menaced. Let the Premier laugh; he thinks it is a great joke!

The Premier: The member for South Fremantle also laughs.

Hon. Sir ROSS McLARTY: The Premier said that the statement of the member for Cottesloe was untrue and that outside influence was not responsible for the recommitment of this clause. I fully agree with the contention of the member for Cottesloe, and I challenge the Premier to deny it.

The Premier: It is untrue.

Hon. Sir ROSS McLARTY: This clause was recommitment because outside influence was brought to bear on a member sitting on the other side of the Chamber.

The Premier: That is deliberately untrue.

Hon. Sir ROSS McLARTY: I say it is true, and I challenge the Premier to deny it. Let the Premier get up and deny it if he can, and let the public of this country decide whether outside influence has been brought to bear.

The Premier: I am denying it now. It is deliberately untrue.

Hon. Sir ROSS McLARTY: It does not detract from the truth of the statement.

The Premier: The statement was deliberately untrue.

The CHAIRMAN: Order! While the debate is proceeding, I would remind the Premier that it is disorderly to interject continually. He should allow the Leader of the Opposition to state his case, and the Premier will have an opportunity to reply later.

Hon. Sir ROSS McLARTY: I do not want to repeat what I have already said. This is a most extraordinary happening, the like of which has never been seen before in this Parliament. I agree with members on this side, and if outside influence is to decide what action this Chamber shall take, things are coming to a pretty sorry pass. We have never before known of such an occurrence in this Chamber.

The Premier: Your Government was the tool of Amalgamated Collieries Ltd. for six years.

Hon. Sir ROSS McLARTY: The Premier can try to draw red herrings across the trail, but he ought to stick to the point.

The Premier: I will stick to that point.

Hon. Sir ROSS McLARTY: The Premier can say all he likes about that; we will let the electors judge for themselves.

The Premier: The electors had their say in February.

Hon. Sir ROSS McLARTY: You are there by the skin of your teeth.

The Premier: And you are there by less than the skin of your teeth.

The CHAIRMAN: Order! We cannot discuss that now.

Hon. Sir ROSS McLARTY: No. I wish to join in the protest that has been made, and there has been a good deal of public support for this protest. I do not want to deal with the question of preference to unionists at this time.

The Minister for Labour: That is the clause.

Hon. Sir ROSS McLARTY: I know, but I said something about that the other evening. I oppose it, not because I am opposed to unionism, as the member for Fremantle tried to make out; that is untrue. We believe that certain principles should be adopted as regards unionism generally. I wish to voice my protest at what the Government has done.

The CHAIRMAN: Before we proceed further, at the commencement of the debate some doubt was cast on the point as to whether this procedure was in order. There are a couple of precedents that will interest members. On page 56 of vol. 1 of the 1947 Votes and Proceedings, the Child Welfare Bill was before the Committee, and Clause 20 was being discussed. The Votes and Proceedings read as follows:—

Mr. Tonkin moved, to insert, in line 16, after the word "by," the words "or against."

Debate ensued.

Question put.

The Committee divided.

There were 20 who voted for the Ayes and 19 who voted for the Noes, and the words were thus inserted. Further on, during the same session, at page 133, the same Bill was being discussed, and the Votes and Proceedings read as follows:—

The Order of the Day for the consideration of the Committee's report upon this Bill having been read,

The Minister for Education moved, That the Bill be recommitted for the purpose of reconsidering Clause 20.

Question—put and passed.

Mr. Speaker left the Chair.

The Bill was recommitted, and the words previously inserted were struck out. There was also another precedent on the 1st November, 1910, during the consideration of a Bill to amend the Licensing Act, when much the same happening occurred. So there are two precedents to support the ruling I gave this evening.

Hon. J. B. SLEEMAN: Since I have been a member, there have been a number of such happenings, and when we tried to put women on juries the clause dealing with that provision was deleted, but was reinserted later.

Mr. BOVELL: Surely the Minister for Labour, the Premier or the member for South Fremantle will say something about the points we have raised. We are not going to sit here and see the spectacle—

The Premier: Good-bye!

Mr. BOVELL: The people will say good-bye to the Labour Government at the next election. By way of interjection, I said the electors would have their say about it, because they do not like the dictatorial attitude adopted by the Government, which has brought along the Trades Hall dictator to see that the measure goes through. He is an additional whip for the Government; in fact, he is the real whip of power behind this unfortunate Government which, as the Leader of the Opposition said, is there by the skin of its teeth.

The MINISTER FOR LABOUR: Mr. Chairman—

Mr. Bovell: He's up!

The MINISTER FOR LABOUR: Thank God, you are down!

The Premier: And out!

The MINISTER FOR LABOUR: I thought from the attitude of the member for Stirling that he intended to speak and I did not hurry because the other night I was accused of hurrying and thereby gagging members.

Mr. Bovell: You can speak as many times as you like in Committee.

The MINISTER FOR LABOUR: I did not interrupt when the member for Vasse was speaking.

Mr. Bovell: You had no grounds to interrupt, because you knew that what I said was true.

The MINISTER FOR LABOUR: There has been a concentrated effort, feeble though it was—

Hon. Sir Ross McLarty: In your opinion.

The MINISTER FOR LABOUR: —to try to embarrass members of the Government with regard to this clause.

Mr. Hutchinson: You are already embarrassed.

Mr. Ackland: You are embarrassed by Trades Hall.

The MINISTER FOR LABOUR: I have seen the member for Moore, when on this side of the House, fall to pieces when the Deputy Premier looked round at him. If the member for Stirling spoke the truth, he would agree with me.

Hon. D. Brand: That is deliberately untrue.

The MINISTER FOR LABOUR: It is obvious that members opposite are against the trade union movement as an organisation.

Hon. Sir Ross McLarty: Rubbish!

The MINISTER FOR LABOUR: The Leader of the Opposition tried to indicate that there is some outside body dictating to the Government. As I said previously, preference to unionists is part of the Labour Party's platform; it is clear and

distinct. For the past ten years the Liberal Party in Queensland has had, as its policy, preference to unionists.

Mr. Ackland: A number of us on this side are unionists!

The MINISTER FOR LABOUR: The Liberal Party in the New Zealand Government has a provision giving preference to unionists in the Industrial Arbitration Act of New Zealand. It is set out far more clearly and in greater detail than it is in our Act. Many employers give the union organisers right of entry; that is also part of the Labour Party's platform, and it has been written into the Bill. Because the Government has decided to recommit a particular clause there is a barrage from the Opposition to embarrass the Government. The Leader of the Opposition quoted Standing Orders and said that the member for South Fremantle had been menaced. Has anybody ever heard such imbecilic nonsense from a man holding such a responsible position?

Mr. Hutchinson: Why do you not explain the change?

The MINISTER FOR LABOUR: We have now the member for Cottesloe, who previously was a schoolteacher, which, of course, is a very noble profession. But during those years there was provision in the Act giving preference to unionists, and he did not object to it at the time. Is the Opposition against preference to unionists or not? Members on that side are trying to make out that there will be a different vote on this occasion from that which was recorded the other night. I would not be surprised if, after he has reflected and heard the explanation, the member for Cottesloe did not change his mind and vote with the Government.

Mr. Hutchinson: What explanation? This is no explanation.

The MINISTER FOR LABOUR: It is a more lucid explanation than that given by the Opposition. I hope the clause will be reinserted.

Mr. OLDFIELD: Though the Minister has spoken, he has not given any explanation as to why the member for South Fremantle changed his mind.

Mr. Lawrence: Do not you think that is my business?

Mr. OLDFIELD: The vote I recorded the other night on this clause was influenced to a great degree by the explanation given by the member for South Fremantle, and I would like to know the reason for his change of attitude. It is not fair to suggest that members on this side of the Chamber do not believe in preference to unionists. They do. As the member for South Fremantle pointed out, the clause gave preference to some unionists over others. This was explained very forthrightly by the hon. member. I have good unionists in my electorate and because of

them I would like to know the reason for the change in the attitude of the member for South Fremantle. It may very well influence my vote on this occasion.

Hon. L. THORN: The member for Fremantle has been alongside his colleague, the member for South Fremantle, during the entire dispute concerning preference. He supported the member for South Fremantle last week when the matter was being discussed.

Hon. J. B. Sleeman: That is a lie.

Hon. L. THORN: The member for Fremantle attended all the meetings that were called at Fremantle and supported the member for South Fremantle in his action. Now he seems to have left him stone-cold. We find that very interesting.

Hon. D. Brand: Read the "Daily News."

Hon. L. THORN: While it was very courageous of the member for Fremantle to support the member for South Fremantle when facing the unionists, we would like to hear what he has to say now. We on this side are also interested in the worker and in unionists. I will never forget the display put on by members on that side during the recent strike.

The CHAIRMAN: The hon. member cannot discuss that.

Hon. A. F. WATTS: I intend to oppose the reinsertion of the clause in the Bill for reasons that were explained at suitable length early last Thursday morning. The procedure this evening has been made extraordinary by the surrounding Press publicity. That is the point that has made the Government action so extraordinary. I am not suggesting that any pressure has been brought on the Government to recommit the Bill. No doubt a Government that cherished a Bill would wish to recommit a clause that had been defeated; I confess to having wanted to do so myself at odd times in the past. The Government did not vote against the clause; it quite naturally supported it. I am interested in the pressure that has been brought to bear on the member for South Fremantle. If no pressure was brought to bear, then he had better sue the newspapers because that is the impression they have given.

The Minister for Education: That is an interesting point. As a lawyer, can you give us an idea of our chances of success?

Hon. A. F. WATTS: They would not be very great. If there had been no Press reports and the member for South Fremantle had decided to change his mind, no doubt he would have told us why, because the case he put up last Thursday morning against this clause seemed to have a lot of substance in it, particularly from the point of view of some of those people who reside in his electorate and are engaged in waterfront activities. But the hon. member does not say a word,

nor does he tell us why he has changed his mind. In the absence of his explanation we are left with the impressions given us by the newspaper reports; unless, of course, the newspapers are incorrect.

The Minister for Housing: Which they usually are.

Hon. A. F. WATTS: In this evenings issue of the "Daily News" we find the following:—

Port Union Supports Lawrence.

Maritime Services Union members today supported the stand of South Fremantle M.L.A. P. R. Lawrence in crossing the floor of the Legislative Assembly to vote against the Government.

On the invitation of the union, Messrs. Lawrence and Sleeman M.L.A.'s addressed the dockworkers at their pick-up at 7.30 a.m.

The men decided that, having heard the reasons why Mr. Lawrence voted against Clause 16 they heartily endorsed his action.

His action, they said, was one which was calculated to protect the interests of unionism generally.

"We commend his action to the rest of the Labour members of the Fremantle district and, indeed the whole Parliamentary Labour Party," said the resolution.

"We urge the Government suitably to amend Clause 16 to the effect that the traditional rights of all unions, including those which may for the time being be deregistered, may be safeguarded."

That simply lends colour to the newspaper allegations that pressure has been brought to bear on the member for South Fremantle. That is what worries me. If there is some other logical reason which has caused, or is likely to cause, the member for South Fremantle to vote differently from what he did on Thursday morning, I wish he would tell us.

Sitting suspended from 6.15 to 7.30 p.m.

The PREMIER: It was very refreshing to listen to the calm and rational approach by the Leader of the Country Party to the matter before us, certainly most refreshing after the hysterical approach by some members of the Liberal Party. Obviously the question of preference to unionists is a vital item in Labour Party policy and has been for as far back as I can remember. The member for Cottesloe should know that because his father was a great fighter for the principle for years.

If the Government brings forward an important item of policy and it is defeated, the Government certainly has the right and the duty to try to have it put back

in the Bill. That is exactly what we are doing. We are entitled to do that by the rules of the Chamber, and we are obliged to do it because of our belief in the principle of preference to unionists and because of its being an important item in our policy. Therefore there can be no possible objection on rational or logical grounds to our attempting to do that. This was the argument of the Leader of the Country Party and it was thoroughly well-based, and I am sure that on reflection, the member for Mt. Lawley would agree that we are entitled to make this attempt. I do not mind any member of the Opposition disagreeing with the principle or voting against it. Every member of the Opposition is entitled to do so if that is his view.

Now let us consider the other angle about which some considerable warmth developed. The member for South Fremantle, who voted against the clause in question, has, since he cast that vote, we are told, been menaced and had imposed upon him undue influence and pressure. I do not know how many members opposite have a reasonable understanding of the set-up of the Labour movement. Those who have will know that the movement, in regard to its platform, is controlled—if that is the correct word—by a congress which is held every two or three years, and there is provision in the constitution of the party for special congresses to be called on requisition.

These congresses are constituted of members of every affiliated trade union and every affiliated branch of the A.L.P., the delegates being democratically elected by their own organisations. On attending a congress, they have before them an agenda containing items that have been submitted by the affiliated organisations and thus, by a majority in the congress, the policy of the Labour Party is developed and from time to time expanded.

The principle of preference to unionists was placed in the Labour platform by congress and has been confirmed by succeeding congresses from time to time. Labour members of Parliament, before being endorsed as candidates, subscribe to the Labour platform. There is no secret about that; the electors understand the situation and know that Labour candidates are pledged to items contained in the democratically-framed platform of the party. Outside of such items, members of the Labour Government and those supporting it are quite free.

The defeat of the preference to unionists clause in the Bill, was, for the Labour Party as a whole, a very serious matter, because it represented the defeat of an important principle of the party. The State executive of the A.L.P., which is also democratically elected by the affiliated organisations, is, between congresses, under the constitution, the governing body of

the movement in regard to items in the platform and cardinal well-established principles of Labour policy. Thus it was natural in the circumstances that the State executive would desire to know from any Labour member, who had voted against an item in the Labour policy, the reason for his action. Quite properly it asked the member for South Fremantle to attend a meeting held last night to give his reasons for voting as he did in the division.

Those members who remember the debate on the clause will recall that the member for South Fremantle expressed some doubts as to the wording of the provision, not as to the principle of preference to unionists. He doubted whether the wording of the clause, particularly the second part of it, might not be capable of interpretation in such a way as would impose a penalty upon members of a particular union.

Hon. Sir Ross McLarty: Which was unregistered.

The PREMIER: Which was and is unregistered. The member for South Fremantle desired that progress should be reported unless his doubts were either confirmed or removed. We, as members of the Government, did not want to adopt that course because, on such a contentious Bill, the more often the debate is adjourned, the longer it takes to complete consideration of the measure. The Leader of the Opposition smiles very knowingly at that remark. He had six years of experience when his Government had to handle some extremely contentious legislation, and on those occasions he did exactly what we did the other morning. He kept members in session until the Bill had been finalised.

Hon. Sir Ross McLarty: It was the Opposition that kept us in session.

The PREMIER: I am prepared to concede that point if the Leader of the Opposition will concede that the Opposition was the cause of the long sitting last week.

Hon. Sir Ross McLarty: No, we did not stonewall your Bill. You cannot make that charge.

The PREMIER: The member for South Fremantle attended before the State executive and expressed his doubts as to how the second part of the clause might be interpreted. There was discussion, and the Minister for Labour explained the interpretation according to his own view and the views of the Crown Law officers and the officers of the Department of Labour. Finally, the member for South Fremantle agreed to support the placing back in the Bill of a preference to unionists clause and to accept the decision of a meeting of the Parliamentary Labour Party to be held this afternoon to decide the wording of the clause.

This afternoon we discussed the wording of the original clause and the angles from which doubt had been raised. We considered whether there should be any alteration to the original wording, and it was finally decided that an attempt should be made to have the original clause reinserted. The decision regarding the recommitment of the Bill and the actual wording of the preference clause to be placed in the Bill is the decision of the members of the Parliamentary Labour Party at a properly constituted meeting held this afternoon.

Hon. Sir Ross McLarty: And as a result of outside influence—you admit that?

The PREMIER: Not at all. Does the Leader of the Opposition seriously think that if the State executive had not called upon the member for South Fremantle for an explanation of his action we, at the Parliamentary Labour Party meeting this afternoon—a regular meeting held every week on Tuesday afternoons—would not have discussed this matter and reached a decision as to the recommitment of the Bill in an endeavour to place back in it the preference clause? As I said earlier, the policy of preference to unionists, irrespective of whether members opposite think it right or wrong, is a foremost item in Labour policy and has been so over the years. Obviously at our meeting this afternoon we would have discussed and decided that matter.

Hon. Sir Ross McLarty: Would that have bound the member for South Fremantle?

The PREMIER: Of course it would because, as I said earlier, every man or woman endorsed for Parliament by the Labour Party binds himself or herself to support in Parliament all legislation that deals with items in the Labour platform.

Mr. Hutchinson: Whether or not any particular provision of that legislation is right or wrong in his or her own view?

The PREMIER: The point there is that the decision of a majority of members of the Parliamentary Labour Party prevails. Even though the member for Cottesloe has not been in Parliament very long, I think he has had some practical experience of the operation of the same principle. When the majority of members of a party decide at a party meeting that a certain provision must be supported as a matter of party policy, all members of that party are in honour bound to support the decision of the majority.

Mr. Hutchinson: Yes, but is it not feasible that when a measure is in Committee a point may crop up that could not have been covered at the meeting?

The PREMIER: Yes, and that is exactly what happened in this instance.

Mr. Hutchinson: Then why did not the Minister agree to report progress?

The PREMIER: I have already explained that—

Mr. Hutchinson: But you have not satisfied us.

The PREMIER: I would not attempt to satisfy the member for Cottesloe on all points. I repeat that at a meeting of the Parliamentary Labour Party this afternoon this matter was discussed and decided, the decision being that the Bill should be recommitted and that the original clause with regard to preference to unionists should be placed back in it.

Mr. LAWRENCE: I am somewhat surprised at the attitude of the Leader of the Opposition and his fellow travellers.

Hon. Sir Ross McLarty: I do not like that term.

Mr. LAWRENCE: Probably not, and neither do a lot of other people. The attitude adopted suggests to me that on the one hand members opposite say I should not have the right make up my own mind and express my own opinion and, on the other hand, their argument seems to suggest that the reverse should be the case. I am at a loss to understand that attitude and it appears to me that members opposite are simply making political capital out of this matter and the fact that the other morning I crossed over to vote with the Opposition. They are trying to suggest—as some of the newspapers have suggested—that I do not believe in preference to unionists.

Hon. Sir Ross McLarty: No one has suggested that.

Mr. LAWRENCE: I honestly and sincerely believe in the policy of preference to unionists. I will not dwell at length on the question, but I give the lie to any statement that pressure was brought to bear on me. As the Premier has pointed out, I was asked to attend a meeting of the State executive of the Labour Party last evening and, after discussion, I did not say that I would vote for this clause if it were brought forward again in the same form, but, after I had heard the explanation of the Minister for Labour, I said I would guarantee to vote for it and I intend to do that because the doubts I had at the time when I crossed the floor and voted with the Opposition have been dispelled. As the Premier has said, the matter was further discussed at the Labour caucus meeting today, the unanimous decision being that the measure should be recommitted. In the circumstances, I feel that I am fully justified in exercising my vote now in the way that I desire. I take umbrage at some of the remarks hurled across the Chamber this afternoon and this evening. Perhaps the time will come—

Hon. D. Brand: A weak small voice—

Mr. LAWRENCE: Perhaps I am a small boy.

Hon. Dame Cardell-Oliver: He did not say that.

Mr. LAWRENCE: I am sorry if I have offended the hon. member. As the Leader of the Opposition knows, I am entitled at any time to raise in caucus any matter that I think is contentious or that I do not understand and ask the appropriate Minister for an explanation of it. That is what happened this afternoon, and I now feel completely justified in making up my own mind and voting as I think fit.

New clause put and a division taken with the following result:—

Ayes	.....	22
Noes	.....	21

Majority for 1

Ayes.

Mr. Andrew	Mr. Lawrence
Mr. Brady	Mr. McCulloch
Mr. Graham	Mr. Moir
Mr. Hawke	Mr. Norton
Mr. Heal	Mr. Nulsen
Mr. W. Hegney	Mr. Rhatigan
Mr. Hoar	Mr. Rodoreda
Mr. Jamieson	Mr. Sleeman
Mr. Johnson	Mr. Styants
Mr. Kelly	Mr. Tonkin
Mr. Lapham	Mr. May

(Teller.)

Noes

Mr. Abbott	Mr. Nalder
Mr. Ackland	Mr. Nimmo
Mr. Brand	Mr. Oldfield
Dame F. Cardell-Oliver	Mr. Owen
Mr. Court	Mr. Perkins
Mr. Doney	Mr. Thorn
Mr. Hearman	Mr. Watts
Mr. Hill	Mr. Wild
Mr. Hutchinson	Mr. Yates
Mr. Manning	Mr. Bovell
Sir Ross McLarty	

(Teller.)

Pairs.

Ayes.	Noes.
Mr. Guthrie	Mr. North
Mr. Sewell	Mr. Mann
Mr. O'Brien	Mr. Cornell

New clause thus passed.

Bill again reported with a further amendment.

SCHOOL-CHILDREN AT PARLIAMENT HOUSE.

Announcement by Mr. Speaker.

Mr. SPEAKER: I have an announcement to make. I must appeal to any member who desires to bring school-children to inspect Parliament House during the day-time to refrain from doing so on sitting days. Monday would be quite a suitable day for such an inspection, as would Tuesday morning and also Friday, but for the fact that, from a remark the Premier made a little while ago, it seems that we will probably be sitting on Fridays in the near future.

Members will understand that such inspections on sitting days interfere greatly with the work of the staff. Towards the end of the session there is a tremendous amount of work involved in relation to new Bills and other matters; and if there are children in the building on sitting days, their presence interferes with the work of the staff.

BILL—RENTS AND TENANCIES EMERGENCY PROVISIONS ACT AMENDMENT.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

Second Reading.

THE MINISTER FOR HOUSING (Hon. H. E. Graham—East Perth) [7.57] in moving the second reading said: For 15 consecutive years, including this year, legislation has been introduced in this House to deal with the principles embodied in the measure which we are now about to consider. Prior to two years ago that legislation, by means of its title, deluded a great many people—possibly including members of Parliament—into believing that it was in some manner related to the war and its effects.

Such, of course, is not the case. It is legislation designed to deal with a certain situation. I contend that a situation exists today in regard to some cases as it did to a lesser degree in 1939. I think I can fairly say that no political party in this Parliament desires to institute or continue controls merely for the sake of doing so. It is only because of circumstances that create difficulties and indeed hardships for many people that the Government of the day, irrespective of political colour, has deemed it necessary to introduce legislation providing some safeguards for tenants both with regard to evictions and rentals charged.

Recently an all-party committee in South Australia investigated control legislation and it arrived at a conclusion somewhat similar to that which I have just expressed, namely, that, irrespective of the general principles on which one might oppose controls, there are circumstances where, in the best interests of the public, controls should be enforced. So the Bill seeks to extend, for a further period of 12 months, legislation similar to that which we have known over the last few years.

I will first deal with the question of evictions. Unfortunately, there is a feeling abroad that the housing position has improved to such an extent that there is not the necessity to protect tenants today. Although the Bill is not mine, but that of the Chief Secretary, I, as Minister for Housing, can give members some idea, from official figures, of the impact of evictions upon the activities of the State Housing Commission. In fact, they are so tremendous in their implications that practically all the rental houses allocated today are being granted to people who are in evictee camps in order to make available accommodation for more evictees.

Although I trust the position will shortly be changed, it can be said, to all intents and purposes at present, that, as regards Commonwealth-State rental homes, there are as many people being evicted and in need of accommodation as there are houses being built under that scheme. Since the amended legislation came into force on the 1st July, 1951, which allowed, in certain circumstances for more or less automatic evictions, there have been registered with the State Housing Commission no less than 2,210 notices to quit. Those are the figures obtained from the courts.

Of that number, 1,805 have been brought before the various courts in the metropolitan area, which means, of course, that there are approximately 400 notices which have been registered but have not yet been dealt with by the courts. The number of orders that have been issued by magistrates totals 1,243. The aggregate number of dwellings provided by the State Housing Commission for evictee families in the metropolitan area only is 1,048.

Hon. Sir Ross McLarty: For what period?

THE MINISTER FOR HOUSING: From the 1st July, 1951; a period of just over two years. From the 14th September to the week ended the 21st November of this year, accommodation has been found for 120 families. I hasten to point out that these are not the only people who are evicted and who come to the State Housing Commission to be provided with accommodation. Many of those who are evicted are denied assistance by the State Housing Commission because of its necessity to deal with those whose plight is worse and where families are involved.

From the figures I have just quoted, members can gain some appreciation of the situation that has confronted the State Housing Commission for the past two to two and a half years. This is also having a great effect on other sections of the community. Those people who lodged applications five years ago and who are living in circumstances of extreme hardship have continued to exist under such conditions, or even worse, for that period.

Should this increasing number of evictions continue, it would appear, under present circumstances, that their stay under those deplorable conditions is to be of even longer duration. There is some qualification to that, of course, and that is if I, on behalf of the Government, be allowed to proceed with streamlined building programmes, without interference from the Commonwealth Government.

If we are to lift the lid off controls from the 31st December, 1953, and allow no protection whatsoever to tenants, it does not require much imagination to appreciate the terrible problem that will confront

the State Housing Commission. One does not need much of an imagination to realise what the plight of perhaps thousands of families in the metropolitan area could be. It is, of course, impossible for one to judge how the members of the Legislative Council will decide on this piece of legislation. Already I have caused inquiries to be made with regard to temporary accommodation that might be called upon if the Legislative Council does not agree substantially at least to the Bill I am now introducing.

I am in a predicament somewhat similar to that which my predecessor was in when there was similar extreme uncertainty and when officers of the State Housing Commission had to make inquiries with regard to the possibility of using some of the sheds on the Claremont Show Ground. I would point out that I have discussed this matter with the same people this year. Those officers have also looked in various directions to ascertain, if the worst happens, if something can not be done to provide even the barest roof for these people because, after all is said and done, such accommodation is preferable to being out in the streets. That will be the lot of many people if this legislation is not passed.

At present there are many categories of tenants who have no protection. Generally speaking, the reason for that is appreciated. I will quote one instance. Where a person is in possession of a home, and such accommodation is provided as a condition of his employment, if he ceases to be employed by that firm, a week's notice can be given to that ex-employee. There are other cases which are akin to that.

Where an owner requires a house for himself or for his family, there are certain conditions necessary, but, broadly speaking, six months' notice is required to be given to the tenant. Where the tenant has committed some misdemeanour, that is to say, has damaged the property; has caused a nuisance; has been remiss in the payment of his rent; has engaged in some unlawful act and perhaps damaged the premises, then such tenant has limited protection in that he need be given only 28 days' notice.

There is a section of tenants who have no protection whatsoever. Peculiarly enough, from a seat on the other side of this Chamber, I was responsible for submitting an amendment which has brought about this state of affairs. The matter to which I refer is in respect of tenants who have occupied houses since the 31st December, 1950. If members will recall, the intention was to go step by step towards what we might call a normal period and so encourage many people to let their premises or part-premises, who previously were reluctant to do so because of the difficulty of evicting tenants. Because of

that reluctance, there were many places that could have been occupied by tenants, either wholly or in part, which remained vacant and that, of course, was an undesirable state of affairs.

However, experience has shown that there are certain weaknesses in that procedure. In other words, some owners or landlords have not played the game, and that is a pity. With nearly all legislation, restrictive action has to be taken that affects everybody because of the attitude or activities of a few. Therefore it is necessary for some action to be taken in order to protect the general public from the unscrupulous few.

I do not want it to be thought that I subscribe to the view that landlords, as a class, are unscrupulous. Generally speaking, they are just as decent as anyone else, and tenants usually are fair and reasonable. Unfortunately, there are a few on either side who go to extremes. For tenants who took possession of premises after the 31st December, 1951, there is no protection. All that is required is a week's notice to quit the premises. It will be seen that people in this category, who have done no damage, can be given one week's notice, yet tenants who were in possession of a property before that date and have caused damage or who have been remiss in payments of rents, are entitled under the Act to 28 days' notice.

Under the Bill, it is proposed that 90 days' notice shall be given in order to give tenants a reasonable opportunity of finding other accommodation. Unfortunately, the repercussions of the legislation giving no protection to tenants result in certain unscrupulous landlords taking advantage of the situation by imposing outrageous rentals. As soon as a protest is lodged by a lessee, he is given a week's notice. In many cases, because of the desire to retain a roof over their heads, tenants do not complain.

Hon. Sir Ross McLarty: Are not these tenants protected under the present Act against such increases in rents?

The MINISTER FOR HOUSING: No, for this reason: Under the Act, the rent inspector is not allowed of his own volition to make inspections and checks. He is not permitted to ask for documents. He can only take such action if requested by a landlord or tenant. If this is done by a tenant, the landlord immediately knows, because an inspector comes around. This results in one week's notice being given to the tenant. I can best describe the position by quoting the words of a report by a rent inspector, as follows:—

Unprotected tenants, mainly those occupying rooms and the like, furnished or unfurnished, rather than risk the threat of eviction, are prepared to pay exorbitant rentals. If they protest, out they go in favour

of somebody who will meet the demands. Every day there are complaints at the rent inspector's office, and the advice given to those complaining is that they should lodge an application for the determination of a fair rent, either to the court or, if part of premises are concerned, to the rent inspector. Invariably, the immediate reaction is one of alarm. To take such a course involves the sending of a copy of the application to the landlord and in many instances this results in a notice to the tenant to quit. Having nowhere to go and no time to consider, a tenant obviously is in no position to argue. He decides not to lodge an application.

Members will know from practical experience that there is necessity to protect people in the category I have mentioned.

Mr. Yates: Can you quote some of the exorbitant rentals?

The MINISTER FOR HOUSING: I shall give the House all the information if members will be patient. The member for South Perth is impatient, so I shall give the information at once. I have many examples of exorbitant rentals which have been charged.

Hon. A. V. R. Abbott: Are they not mostly in respect of rooms?

The MINISTER FOR HOUSING: The examples will speak for themselves. First of all, there is one from Leederville. A half-house, unfurnished—a normal 4-roomed or 5-roomed house—weekly rental £7 7s. A furnished house in North Perth, of four or five rooms, £8 8s. per week. These are actual cases where the names and addresses of the lessees and lessors and all relevant particulars are given.

Hon. A. V. R. Abbott: Is it not a criminal offence to charge those rents?

The MINISTER FOR HOUSING: It is certainly an offence under the Act. Another instance is three unfurnished bedrooms in Perth, a dining-room and kitchen, £7 a week, with £20 deposit.

Mr. Owen: Are these houses unfurnished?

The MINISTER FOR HOUSING: If the hon. member will only listen, he will know. In Perth, a double room at £3 per week, plus electric light, gas and wood. There is an interesting note regarding this instance. There are ten tenants paying a similar amount, which makes £30 a week for this house. Incidentally, the lessor pays £4 a week for the premises. Another one in Perth, four furnished rooms, £10 a week; upstairs also let for £13 weekly. In East Perth, a bedroom at £3 3s. a week.

Mr. Oldfield: There are a lot of profiteers out that way.

The MINISTER FOR HOUSING: Yes, we have a few Liberals in East Perth!

Hon. Sir Ross McLarty: That is a remark you should not have made. You are so full of party bias that you cannot introduce a Bill properly.

The MINISTER FOR HOUSING: One of the members opposite said there are a lot of profiteers in East Perth, and was slinging mud at the electorate of East Perth.

Hon. Sir Ross McLarty: That was a joke.

The MINISTER FOR HOUSING: I have noticed since his defeat at the polls, the Leader of the Opposition has become touchy and has lost his sense of humour, for which previously he was renowned.

The Minister for Labour: He goes red in the face now.

The MINISTER FOR HOUSING: There are cases where such landlords have been run to earth. The court imposed a penalty in one case of £100, plus costs, and a refund of £47 for the overcharging of rent. In other cases, refunds in excess of £100 have been ordered. The point about this is that action must be initiated by the tenant. It is not possible for the rent inspector to do so. The member for Mt. Lawley has a dubious look on his face.

I remember a private member on this side of the House, when discussing the legislation which was the predecessor of this Bill, urging that the rent inspector be given power, of his own volition, to enter upon premises and inquire into rentals charged. Unfortunately, the provisions of the Bill at that time comprised the deletion of the year and the insertion of new figures to extend the Bill for a further period. There was no opportunity to make an amendment. When I sat on the opposite side of the House, I endeavoured, as did other members, to insert such a provision, which is most desirable to protect people who are being fleeced. Landlords who play the game have nothing to fear.

As members know, a number of cases are settled out of court. Here is a schedule which indicates the effectiveness of the rent inspector's office. The rent inspectors feel that their hands are tied, and that they are only on the fringe of the problem, seeing that the great majority of offenders who are overcharging rent are allowed to get away with it. Only an insignificant proportion of these people are brought to heel.

Regarding the clause empowering rent inspectors to enter premises, I trust there will not be an outcry that the sanctity of the home is being invaded, or other irresponsible talk of that kind. I would point out that in every State of the Commonwealth authority is given to rent inspectors to enter premises to check documents and to assess rents; in other words, they have authority to protect the public. As every member knows, the Prices Commissioner or his officers have the authority

to enter premises and fix maximum charges for board and lodging. Similar authority is possessed by officials of local authorities, of the Health Department, the State Electricity Commission, and other departments, to enter premises of their own volition to perform certain duties.

In view of the excesses of which some landlords have been guilty, it is necessary to give this power to someone to initiate proceedings, or to check up on what is going on. If such authority were given, instances would come to light far worse than those I have revealed. The cases I have mentioned are merely ones where the tenants went to the rent inspector's office with timidity and complained. Upon being informed of the action they were required to take, they chose not to proceed, so the offences have continued.

Mr. Hutchinson: How many more rent inspectors would be required?

The MINISTER FOR HOUSING: It would be impossible to hazard a guess.

Mr. Hutchinson: How many are there now?

The MINISTER FOR HOUSING: Three. The point is that if landlords know that inspectors can demand entry and inspect rent books or other records, it will have a salutary effect on those who are inclined to charge exorbitant rents. At present, they have no such fear. It is only an isolated case that comes before the court.

Mr. Hutchinson: You would prevent some of the better type of landlords, as you express it, from letting premises at all.

The MINISTER FOR HOUSING: I cannot see the reason. All that is necessary is for the inspector to go to the front door and ask for a list of tenants, the respective rents, or other records so that he can check up on the landlord. In order to satisfy himself, a rent inspector might make a hasty examination of premises.

Mr. Hutchinson: A lot will not like even that.

The MINISTER FOR HOUSING: I do not know that there is any great indignity attached to it.

Mr. Hutchinson: It is an infringement of one's freedom.

The MINISTER FOR HOUSING: If it is a freedom to charge these terrific rentals, of which I have quoted a number, I might agree with the hon. member. But there is nothing offensive about a check being made merely to determine that the proper thing is being done. As a matter of fact, the member for Cottesloe and I may shortly have some inspectors on our premises checking up on Argentine ants; and as great a problem as they are, I do not think the effects are as harassing to the people as are the excesses I have outlined, to those unfortunates who are caught in the toils of the folk indulging in them.

It is proposed that holiday houses and caravans shall again be controlled—caravans which are let in the ordinary way as dwelling places. Probably all members have examples of where people are paying £4 4s. or £5 5s. a week, perhaps more, for the humble facilities provided under the most cramped conditions in a caravan. After all, these vehicles cost only a few hundred pounds—nothing compared with the cost of a house. They have no sewerage connections and facilities of that kind yet rentals are being charged far in excess of those of the great majority of houses which are let at present.

There is a proviso dealing with key money. At present it is an offence for an owner or a tenant to engage in the practice of accepting or asking for key money. But there are certain agents and their intermediaries who are doing that very thing and all of us are aware of complaints made to us as members, and voiced per medium of vehicles of public expression. As a matter of fact, I think that even this morning's paper revealed that it cost £12 10s. to register one's name; and then one is given a few addresses, and if one is lucky one might find something suitable, or all might be unsuitable—and the agent is the judge of that.

It is not intended to, nor does the Bill, preclude those who are registered under the Land Agents Act and are accordingly entitled to commission, from receiving their just remuneration. But there is a type of person ever ready to grasp an opportunity to capitalise a situation. We had land agents. Then we had second-hand car dealers. Now we have these letters of rooms and flats and apartments. Wherever there is a shortage, or an abnormal public demand, a certain number of these johnny-come-latelys get on with the job, to the discredit of those of repute who normally engage in that type of activity. I am certain that reputable land and estate agents would be pleased to see the last of the people of whom I have spoken—those who are using all sorts of devices, which can be summarised under the heading of key money, in order, in very many cases, to lead people up the garden path and pay a considerable sum for being so led.

Members are aware of the automatic provision in the Act under which, if a person has owned premises for a period of six months or more—together with some other qualifications—upon the giving of six months' notice, the court shall grant the premises to the owner. It is not proposed to interfere with that principle. There is a stipulation that when an owner obtains possession of his premises he may not part with them or lease them within a period of twelve months without the permission of the court.

It has been found, however, that quite a number of these people have recovered possession of their premises and, within a few months, have sold them subject to the condition that they remain in occupation until the expiration of the 12 months set out in the Act. It is proposed that there shall be a condition that no person can, without the consent of the court, sell premises recovered under this heading until the expiration of the twelve months.

It is questionable whether perjury has not been committed in some instances, on a moral basis at any rate, because people have testified, or sworn in statutory declarations that they have required premises for their own occupation or use. They have been granted possession by the court on the understanding that they did, in fact, require the premises and would not dispose of them in any way for at least twelve months without the permission of the court. Yet in one case in my own district of East Perth that has happened. Within a matter of weeks of possession being regained, a house was sold, and therefore all that had been declared before the court was false. It is necessary that those few who regain possession of their premises should be made to honour the undertakings, either given directly or implied in their application to the court.

A further clause refers to protected persons. All the present provisions will remain in the Act, with one slight modification. At present the Act says that a protected person includes—

The widow of a person whose death occurred during or as a result of his war service, if and while she has any child of his under the age of twenty-one years dependent upon and residing with her and while she remains a widow.

The amendment deletes certain words and inserts the words "son or daughter", which means that, irrespective of whether the children are under twenty-one and dependent on her the widow will still be protected. On the face of it, we might appear to be endeavouring to go too far in this matter, until we have regard for the section in the Act at present, which makes it obligatory for the State Housing Commission to find accommodation for protected persons within a period of six months; and therefore the burden, if any, will be upon the State Housing Commission. But the House can accept my assurance that experience has revealed there are very few indeed. It was the feeling of the Government, however, that the widow—it might be an ex-serviceman too—should be protected if she has any member of her family living with her and, if action is taken against her within the stipulated period, the Housing Commission will find accommodation for her.

There is another small amendment that refers to persons in occupation of premises who are given notice to quit. The Act provides that the period of notice to quit shall be that to which the person on whom it is served is entitled at law, or 28 days, whichever is the longer. In May last there was a case before the Full Court in connection with which the judges drew attention to the inadequacy of the section in that it dealt only with persons in occupation of premises and left out the main person who, in the case in question, was the lessee. Opportunity is being taken to add to the relevant subsection the words "the lessee or person in occupation." Subject to the amendments I have outlined, this Bill seeks to extend the life of the parent Act for a further 12 months.

Hon. Sir Ross McLarty: Would you like to estimate when you think it will be possible for us to get away from this class of legislation?

The MINISTER FOR HOUSING: I shall answer that quite seriously, and I hope I will not be accused of indulging in party politics when I reply. I must repeat that if the Commonwealth—whose interference, as members are aware, is subject to legal challenge at present—will allow this State to proceed with its housing plans, unfettered and unchecked, there is a reasonable prospect of the position being caught up with within a period of three years, as was stated by the Premier in his policy speech earlier this year. I want to elaborate that to a minute degree.

As members will probably recall, I have stated on many occasions that we cannot hope to solve the housing problem by orthodox methods of laying brick after brick; of providing fine residences with tiled roofs, and all amenities, and of the dimensions and type and layout all of us dream about. We can certainly build houses along the lines I have mentioned, but far too slowly to cope with the situation; and it is cold comfort for the many luckless families in the metropolitan area, who have been waiting for houses for many years, to be told that in five years' time accommodation will, or might, be available to them.

Mr. Yates: How long will it take to build the Subiaco flats?

The MINISTER FOR HOUSING: Eighteen months; and those at Maniana, eight months. There would be accommodation for over 550 families in the two. Other projects are envisaged, but the State Housing Commission, and I as Minister, are in a dilemma because we do not know where to turn lest the Commonwealth interfere with our programme.

Hon. A. V. R. Abbott: It does not interfere in independent dwellings.

The MINISTER FOR HOUSING: The member for Mt. Lawley is talking without his book. We proposed only recently to

erect a humbler type of house for natives and half-castes. When I say "natives" I mean those living a type of life comparable with our own. The idea was to build a house which was cheaper and more in accordance with their capacity to meet the rental. We received a rebuff with respect to 25 of those houses.

I have now indicated three different projects which have been interfered with by the Commonwealth authorities. Here in Western Australia, as members are aware, the State Housing Commission has, for more than 40 years—that covers, of course, the period of the operations of the Workers' Homes Board—been erecting dwellings of all sorts—dwellings which, generally speaking, are the envy of all other parts of the Commonwealth, yet 2,000 miles away at Canberra a couple of officers can run the blue pencil through projects that we contemplate here.

As I mentioned to the Federal Minister for National Development, Senator Spooner, he had only to look out of his window to see the horrible mess that had been made of what was designed to be the garden city of Canberra. That city is ruined for all time because of the shabby, shoddy and unimaginative buildings that have been erected there in their hundreds and thousands. The authorities ought to be ashamed of themselves, yet they condemn the proposals of a Government which has—goodness knows how many valid applications—between 15,000 and 20,000 applications by people who have been waiting for a home for up to five years; and some of the smaller units have been waiting considerably longer.

Mr. SPEAKER: Order! I do not think the Minister should get into an involved discussion on housing under this Bill. I feel he was led into it.

The MINISTER FOR HOUSING: You are possibly quite right, Mr. Speaker. Because of the circumstances I have outlined, I am not able to hazard a guess as to when we will have reasonably coped with the tremendous housing problem that is before us. I wish to make one final comment on the legislation. It is in connection with rents. There is a feeling that there is something grossly unfair—to some extent I have expressed the view myself—in that rents should be pegged at the 1939 level with a 20 per cent. increase and another 10 per cent. increase, allowable automatically under the Act, with further additions to cover increased outgoings in the way of rates and taxes and the like. It is possible for landlords, who feel that the rental is out of all proportion to the proper return for the premises, to make an approach to the court for a 1953 rental valuation.

Quite a number, of course, have adopted that expedient with a certain amount of reward and satisfaction to themselves. I

want to emphasise, however, that at the instigation of the previous Government of Western Australia, this legislation will remain in existence until the 31st December of this year. As members are aware, there has been an interesting development in recent weeks, inasmuch as the basic wage has been frozen. If ever a logical argument could be adduced in favour of the pegging, or the control, of rent, it is the action of the court in pegging the basic wage.

Hon. A. V. R. Abbott: That is the quarterly automatic rise.

The MINISTER FOR HOUSING: Yes, the quarterly automatic adjustment. It would be grossly unfair for us to take action at all that would result in increased rentals and so load another burden on the shoulders of the ordinary working man. Every shilling increase in rents should reflect another shilling increase in wages, but if the basic wage is pegged, it will not be so reflected. Accordingly, any relaxation there might be in this matter will mean an additional burden on the worker.

Hon. A. V. R. Abbott: The amendment you put forward some years ago that the possession provision should not apply to leases after 1950 has been struck out now, and you do not intend that to apply any longer.

The MINISTER FOR HOUSING: That is so. The difference will be that tenancies entered into since that date will be subject to 90 days' notice.

Hon. A. V. R. Abbott: And the discretion of the court.

The MINISTER FOR HOUSING: No.

Hon. A. V. R. Abbott: I misread your Bill.

The MINISTER FOR HOUSING: I feel that to a great extent the Bill is a Committee one although I have treated it rather extensively in introducing it. I have done this for a number of reasons, firstly, because of the interest taken in the subject by the general public, and, secondly, because I am introducing it on behalf of the Chief Secretary. I move—

That the Bill be now read a second time.

On motion by Mr. Wild, debate adjourned.

BILL—PRICES CONTROL ACT AMENDMENT AND CONTINUANCE.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

Second Reading.

Debate resumed from the 19th November.

HON. A. V. R. ABBOTT (Mt. Lawley) [8.52]: The Bill is of considerable importance as it affects many members of the community. It requires not only careful consideration, but all the expert knowledge that we can get on the subject. It cannot be considered without the advice of those who make economics their practised profession and who have all the necessary statistical information at their disposal.

I submit, and I doubt whether the Minister who introduced the measure differs from me, that in a democratic and free society price-control has no place except in times of great emergency and crisis. As an example, I submit the late war when price-control was introduced. Undoubtedly in normal times, price-control retards production. A free economy has been proved time and again to be the most efficient and advantageous under normal conditions.

Mr. Johnson: What is a normal condition?

Hon. A. V. R. ABBOTT: A normal condition is when there is stability, and the supply of goods and services are sufficient, or reasonably so, to meet the demands.

The Premier: Would you say that production is being retarded at the present time?

Hon. A. V. R. ABBOTT: In my view, the Prices Control Act could, in some instances, retard production. I say that production has reached such a stage now that further control by this measure is not warranted; and that is the view of many technical people who have studied the problem, and it is the experience of many countries that have put it into practice.

The Premier: Do you believe that that is so with regard to petroleum products, for instance?

Hon. A. V. R. ABBOTT: I think there is world-wide competition in petroleum products, and that the only part price-control can play, if it is necessary to play any part at all, is in distribution. There is no possible means of controlling the price of the raw products, or of freights; nor has the Prices Control Branch made any effort at any time to do so.

The Premier: I am talking about distribution.

Hon. A. V. R. ABBOTT: Under conditions of war it may be necessary to marshal the resources and manpower of a country, not to raise the standards of living of the people but in order that the people may survive. That is the main object of a country when at war. All wars are wars of survival, and the people for that reason have to sacrifice their standard of living.

The Minister for Prices: Do you believe in the control of wages?

Hon. A. V. R. ABBOTT: No. I believe in a minimum wage, but I do not believe in a maximum wage. I believe a man is entitled to earn what he is capable of earning.

The Minister for Prices: Do you believe in the control of wages by the Arbitration Court?

Hon. A. V. R. ABBOTT: Yes, of the minimum only; not the maximum.

The Minister for Labour: Do you believe in control?

Hon. A. V. R. ABBOTT: Of the minimum, yes. During the last war it was necessary to impose the following controls:—

1. Prices control.
2. Pegging of wages.
3. Direction of labour.
4. Rationing.
5. Direction of the use of materials.

No one will deny that all those controls had a detrimental effect on our standard of living. The individual was deprived of a great deal of liberty because the economy of the country was geared so that the maximum effort could be put into the war. But, as we know, the war has been over for a number of years, and no one will deny that the necessity for all these controls has ceased.

The first to go was the direction of labour; the next was the pegging of wages; then rationing; and now the direction of the use of materials has largely gone. The lone one remaining is price-control. I submit that, on the evidence and on the advice of those who know, the days of price-control are over. A free economy, where there is reasonable stability, results in the highest and most efficient production. Reasonable stability has been confirmed by the recent inquiry of the Federal Arbitration Court.

It was a most exhaustive inquiry and the evidence submitted by the two parties was of the highest quality. Having heard all the economists, and other witnesses, the court decided that, in its view, a reasonable state of stability now existed, and said so in its judgment. The same judgment set out that basic goods and materials were plentiful. I would like to quote from the evidence given by Mr. H. P. Brown, who is a reader in economics at the National University, Canberra, and who was called to give evidence on behalf of the Labour unions concerned.

I do not think anyone can doubt that he is a highly qualified economist with wide experience. The copy of his evidence shows that at page 117, paragraph 21, subparagraph (1) he had this to say—

The outstanding feature of Australian postwar economic development has been the increase in available supplies of goods and services. The per capita level is some 30 per cent. above

1945-46 with allowances for increases in internal productivity, and perhaps 40 per cent. if such allowance is made.

That was submitted on behalf of the unions by Mr. Brown, and I think it is confirmed by the view of the court which apparently accepted that point of view.

The Minister for Prices: Did you say that there was a 30 per cent. increase in production compared with 1945?

Hon. A. V. R. ABBOTT: The actual words I quoted were—

The per capita level is some 30 per cent. above 1945-46 with allowances for increases in internal productivity, and perhaps 40 per cent. if such allowance is made.

The Minister for Prices: As price-control has been in operation in all States, how has it limited or retarded production, as you said it did?

Hon. A. V. R. ABBOTT: I will deal with that in my argument a little later on. In the Commonwealth Government white paper, issued in connection with the national income and expenditure for 1952-53, this statement will be found—

Although national income increased by 10 per cent. compared with only 4 per cent. in the year 1951-52, the year 1952-53 was one of much greater stability than any recent year.

So I submit that on all the evidence that I have been able to find—and the Minister submitted none—it is proved that there is reasonable stability in the Australian economy at present, and that there is a good supply of materials and services available.

Mr. Andrew: That 10 per cent. would be money value would it not?

Hon. A. V. R. ABBOTT: Yes, in national income.

Mr. Andrew: The income may not be any more.

Hon. A. V. R. ABBOTT: I am only quoting from the paper and, of course, it must mean money value. I hope to prove to the House that price-control has not been followed, in a number of countries, with success. Nearly every democratic country instituted controls, including price-control, during the last war, and Australia was obliged to do the same. However, after the war, and as soon as they could get their economy into reasonably good order, they started to decontrol.

The first was Belgium which decontrolled in 1948; then followed West Germany where decontrol was instituted in 1949, Canada in 1950 and the United States of America and the United Kingdom in 1953. Some of the results are worth quoting. The index cost-of-living figure for Belgium—taking 1948 as the base year

and for percentage reasons we will set the figure down as 100—in 1949 was 97; in 1950 it was 96; in January, 1951, it was 99; in January 1952, 108; and in March, 1953, it was 105. The source of that information is the English "Economist" of the 26th January, 1952.

So members can see that price-control was successfully dispensed with in Belgium; that is proved by the small rise in the price index figures. Thus, that country has had infinitely better results than Australia over the same period. Now we come to West Germany. This country was severely damaged during the war and suffered a great loss of manpower; there was considerable disturbance of the country generally. Its economy was unbalanced because Germany as a whole was divided. But West Germany abolished controls, permits, rationing and restrictions in 1949 and since that time the economic recovery of the country has been amazing. A perusal of the West German trade figures gives startling proof of this.

Mr. Johnson: Have the West Germans a normal economy.

Hon. A. V. R. ABBOTT: They have no controls.

Mr. Johnson: But is that not a special case?

Hon. A. V. R. ABBOTT: I do not think so.

Mr. Johnson: But you would not know.

Hon. A. V. R. ABBOTT: I think I would know as much as the hon. member. After all, I read a little and, no doubt, he does, too. I now wish to quote from a statement made by the Minister for Economics in West Germany, Dr. Ludwig Erhard. He said—

When I pulled German economic-policy out of chaos four years ago, a chaos which you can hardly picture, there were plenty who said, "You can never do it. How can you drop the whole nonsense of permits, and rationing and price-control over night? Everything will break down. We know now that the opposite happened."

We know from our own knowledge, that in 1949 German economy was chaotic. Confirmation of the amazing recovery in West Germany is provided by a message from London in June of this year. I quote the message which was published in the paper—

London, Wednesday. The Victorian Premier, Mr. Cain, has returned from a business visit to West Germany convinced that the German war recovery effort is second to none. There is no doubt that Germans are recovering faster today than any other nation of the world involved in the war, he said. "I was in Germany five years ago and I was able to make comparisons between then and now."

Of course, Mr. Cain is well known by name and reputation as the Premier of Victoria. Probably the Minister for Prices knows him personally, and realises that he is a man of considerable ability.

Now let us take the case of Canada and on this occasion I propose to quote Australian figures, too. Canada abolished price-control on all textiles, clothing and practically all commodities on the 15th February, 1950. I propose to compare the cost of living in Australia and Canada, taking the year 1937 as the base. These figures have been obtained from the United Nations Statistical Bulletin and, taking, as I say, the year 1937 as the base year, the cost of living index figure for that year will be equal to 100.

In 1937 the figure was 100 in both Canada and Australia. At the end of 1949, when both countries were still operating under price-control, the figures were 160 in both instances. Canada decontrolled early in 1950 and at the end of 1950 the figures were 168 in Canada and 180 in Australia. At the end of 1951 they were 188 and 223 respectively and in March, 1952, they were 184 and 249 respectively.

Those figures, compiled by Government experts, are most significant. It will be seen that Canada and Australia were in equilibrium at a figure of 160 at the end of 1949, but since then the Australian cost of living has increased by 55 per cent. and over the same period the cost of living in Canada has increased by only 15 per cent. The Canadian Minister for Finance, Hon. D. C. Abbott, summed up the position when he said—

Price-control regulations are irksome, create social waste and are a danger to free institutions and human initiative. Not only are controls restriction of individual freedom but they are also a constant threat to productive efficiency.

As I said before, the United States decontrolled at the beginning of 1953—the 6th February. Taking the base year as 1948-49 and using the figure of 100 for the consumer price index, it will be seen that in January, 1953, the index figure was 190.4, in February 189.6, in March 189.9 and in April 190.1. There again a free economy had no great effect on the price to consumers in America. I admit that in any community there are on occasions people who gain a reward for their services or goods that is out of proportion to the average. There will always be those people. I presume they are entitled to get it—they are by law, if they can obtain it—and it is unfortunate that anyone is so foolish as to pay it.

I could quote an example I learned of during the week-end. A person wanted some plumbing done and employed two men to do it. For a week-end's work he paid them £25 each. They were just

ordinary working plumbers. They did very well for the week-end. It is no use saying that because a man is energetic and works during the week-end, he should not get an additional reward. I would not like to say that; in all probability these plumbers gave service for their two days' work.

For my part, I believe in incentives but I do not think we should state the maximum any trade unionist can earn during the week. If an employer feels that a man's services are worth more than the minimum that is arrived at by the Arbitration Court, would anybody object to his receiving it? I certainly would not, and I do not think anyone in this Chamber would. I believe a man is entitled to be paid for the service he renders: if his employer finds that his services are worth more than the average and likes to pay him accordingly, I can see no objection to it.

Mr. J. Hegney: Some of them exploit their fellow-workers during the week-end.

Hon. A. V. R. ABBOTT: Any trader who is energetic and shows acumen in his ability and business is surely entitled to receive more because of his efforts than the average individual. Let us take the example of members of this Parliament. Some of us have less ability than others, and as a result of that at the present moment there are some among us who have been selected to occupy senior positions.

I think I have shown fairly conclusively that at least a number of countries have quite successfully done away with price-control. It would be peculiar if Western Australia was the only little place amongst the many nations of the world where it would not be an advantage to abolish price-control.

Mr. Andrew: Some have reintroduced price-control.

Hon. A. V. R. ABBOTT: Price-control was introduced in the emergency of a war when the standard of living had to be lowered because of hostilities. In the post-war period of recovery when goods were in short supply and society was disorganised, it was, of course, necessary to have price-control, but I submit, on the strongest evidence, that today the economy of Australia is reasonably stable; not only that, but goods and materials are in plentiful supply.

I have not only quoted the view of the Federal court but I have quoted the evidence of Mr. Brown before the court and he had no doubt about the position. He is a man who should know, because it is his job and he has a very high reputation. It was for that reason that he was selected as reader in statistical economics in the National University at Canberra. Accordingly he is a man of considerable ability and reputation.

There is no doubt that at the present time there is a buyer's resistance. Every day of the week one hears that the public is not buying just anything. Inquiries are made and we find that if they do not like one particular article, they go somewhere else and obtain the article from there. If goods were not in free supply, would we see full-page advertisements put out by one merchant after another? These merchants advertise their goods and state that prices are reduced and are attractive. They would not advertise unattractive prices.

Only in this morning's paper there was a full-page advertisement. This is not done for fun; it is done because they have goods to sell at an attractive price. They do it because of a buyer's resistance, and because they have got to induce the public to come to their place of business and buy their goods.

The Minister for Mines: They did it when goods were in short supply.

Hon. A. V. R. ABBOTT: Of course, they did not.

The Minister for Mines: Yes, they did.

Hon. A. V. R. ABBOTT: They did not. The hon. member should refer to the papers. I do not think there is any fetish in the particular margins that are allowed by the price-fixing authorities in Australia today. The position was that when price-control was imposed, they accepted the traders' margins at the time. They adopted them and adjustments were made on that basis. But according to the industry and to demand under a natural economy, margins vary. I think members will find that the cost of distribution in Australia of the big stores compares very favourably with that prevailing in any other country in the world. I believe members will also find that the expense ratio is as good here as it is anywhere else.

The only manner in which the consumer can obtain the things he wants to buy with his money is by a free economy. If we supply the consumer only with a certain classification of goods, we do not give him the discretion to which he is entitled. If an inquiry were made into the butchering trade it would be found that that is largely so now. I think most people require the choicest portions, but when they get too expensive, there is naturally a buyer's resistance. I have my own little buyer's resistance against bacon and pig's meat, because I feel the prices are too high.

Hon. J. B. Sleeman: What was that?

Hon. A. V. R. ABBOTT: I was talking about bacon and pig's meat. Does not the hon. member like bacon?

Hon. J. B. Sleeman: Yes, and I have some, too.

Hon. A. V. R. ABBOTT: Then the hon. member's buyer's resistance is not so strong as mine is; but when sufficient

people think as I do on this matter, we will find that the price will come down and we will be able to buy the commodity. That is only a small illustration of buyer's resistance.

A free economy encourages the production and availability of such articles as the consumer wishes to have made available to him. It is the only way; in a free economy the choice should remain with the consumer. During the war there were many articles that we would have liked to procure, but although we had the money, we could not obtain them. Many of the articles that were desired were rationed. It is only in a free economy that we get this choice and in which we encourage the production of those articles that are in demand and which the consumer desires. So it is only right and proper that we should revert to a free economy once we have stability and once the goods and services are in adequate supply and competitive.

I only wish to say one more word, and that is on the cost of administration. We must not forget that there are two sides to this problem. Admittedly the Prices Control Branch costs about £54,000, but it will cost considerably more if further men are employed. It would certainly cost more if the full number of employees were there, as was the case when the Commonwealth had control. But, of course, the Commonwealth was controlling in a different economy and the additional expense is not now warranted. But there is also the expense to the merchants and the business people under price-control, because they have got to keep rigid figures and have to adopt rigid accounting, which all costs a great deal of money.

The Prices Commissioner allows that money, as he must do, in the cost of the goods. He allows the merchant to add that to his ordinary trading cost. So indirectly the consumer does pay one portion through the price of goods, and, in addition, he pays by taxation a fairly large sum of money which I submit should today be used in a different manner.

In introducing the Bill the Minister suggested, and to me it was clear, that the necessary investigations should be made by a highly-skilled staff. I think I am right in saying that. When the Minister was speaking I interjected—

I am glad you appreciate my view that the commissioner is an extremely competent civil servant.

The Minister replied—

He is, and those working for him are competent. One of the troubles in administering a department of this sort is to obtain competent investigators and inspectors. It is a technical job.

I interjected—

Very technical.

The Minister said—

Certificated and cost accountants are not as easy to obtain as some people might think, because good men are already in remunerative employment and they would naturally hesitate to undertake employment, the duration of which was doubtful.

I then interjected—

Will you agree that the staff should be highly skilled and should appreciate an investigation and be able to make it?

The Minister replied:

Naturally.

The Minister for Prices: That is, if there was any doubt. If the competent men left the department, it would be very hard to obtain competent men to replace them.

Hon. A. V. R. ABBOTT: The point I am making is that in my experience these investigations are matters for highly skilled and qualified men, because they alone have the knowledge, ability and training to investigate costing and balance sheets, prices and adjustments and a hundred-and-one technical details. I think the Minister must agree that price-fixing is undoubtedly a matter for the highly trained technician. This being so, I am somewhat surprised at the suggested consultative commission. The Bill does not state what the commission is for. It might be implied, because it is called a consultative commission, but it does not say whom the commission is to advise or whom it is going to consult, except that it is to meet once a month.

No special qualifications are required of the members of the commission. Admittedly, one is to represent the manufacturers, one the retailers, one the primary producers and one the consumers, and the Commissioner of Prices is to be the chairman. But of what real good is such a commission? It would not be competent to review the work of the prices officers; it would not be competent to investigate balance sheets. The Minister admits that this is a matter for a highly trained costing accountant.

Hon. J. B. Sleeman: Do not you think that the woman who is to represent the consumers would know?

Hon. A. V. R. ABBOTT: She would believe that the price of a certain article was too high or too low, but she would not know whether it was a fair price. I have had personal experience of this. When I was Minister for Prices, my wife said to me, "What are you doing about so-and-so?" Following on her comment, I had investigations made and found that the prices being charged were only reasonable,

though to her they seemed excessive. This is work for someone possessing technical knowledge and the proposed commission would be of no value at all.

The previous advisory committee was as technical a body as it was possible to obtain. The chairman was a chartered accountant; the consumers' representative was a man highly skilled in dealing with matters of this sort—Mr. Schnaars, of the Arbitration Court, who had been trained in such work for many years—and the merchants' representative was a man who was a very highly skilled accountant. They were in a position to investigate the decisions of the commissioner. In my time, he made decisions, not recommendations, and the committee could give me advice, and we were in a position to proceed along technical lines. That was a committee of considerable value, and it was proved time and again that some compromise could be arrived at between the various interests. The proposed commission might be a body of the type behind which the Prices Minister could shelter. He could say, "My commission considers that this is all right," but the commission would not know.

The Minister for Prices: How do you know that?

Hon. A. V. R. ABBOTT: I cannot conceive of the proposed body having the technical training.

The Minister for Prices: Who would not have the technical training?

Hon. A. V. R. ABBOTT: A consultative commission of this nature.

The Minister for Prices: Why not?

The Hon. A. V. R. ABBOTT: Would the Minister?

The Minister for Prices: Why would not you?

Hon. A. V. R. ABBOTT: I would not think so.

The Minister for Prices: What grounds have you for saying that?

Hon. A. V. R. ABBOTT: Well, let us wait and see. What is the commission to do? The Bill does not say whom it is to advise.

The Minister for Prices: What did the advisory committee do?

Hon. A. V. R. ABBOTT: The Act provided that it would advise the Minister, but the Bill does not state that. It is a consultative commission. What the duties will be except to sit, nobody knows. Whom it is to consult is not stated. The Minister might explain that later on. All I need say is that I do not like that provision in the Bill.

I think the day has come when we could safely do away with price-control. If our economy during the next six or seven months suffered, we would be in a position to readjust it, but when we have evidence

from other countries as to how successful decontrol has been there, can anyone doubt that it would be equally successful in this State? I think not. Therefore I shall oppose the second reading.

MR. JOHNSON (Leederville) [9.38]: I support the second reading. The member for Mt. Lawley, who has been Minister for Prices, quoted certain countries as being outstanding examples of the advantages of decontrol. He spoke of decontrol in Belgium in 1948. In that year, unemployment in Belgium was 4 per cent., and the cost of living went down to 97. In 1950, unemployment there was 8.3 per cent.; in 1951, 7.3 and in 1952, 8.3 per cent. Therefore it would appear that in Belgium the decontrol of prices was not unconnected with unemployment, and although decontrol may have appeared to be a great success to certain people, an uncontrolled price that an unemployed man could not pay could not be regarded as a success.

Speaking from memory, I have reason to believe that we, in a more fortunate position through the control of prices, actually sent some relief to Belgium during those years. Then we have West Germany, which is a special case in regard to its economy, geographically situated as it is and having occupation forces spending many dollars there. That country also has a severe unemployment problem. In 1948, unemployment was 10.2 per cent; in 1950, it was 9 per cent.; in 1951, 8.4 per cent., and in 1952, 10.7 per cent. At present, it is about 8 per cent. That can hardly be called a success. Canada had an unemployment problem of 3.6 per cent. in 1948; 6 per cent. in 1950; 4.9 per cent. in 1951, and 7 per cent. in 1952. This again was not the type of success of which we in Australia would approve.

It may be argued that there is no connection between the two things, but there is some connection between the type of politician that believes in decontrol and the type that does not believe in preventing unemployment. I think that every member on this side of the Chamber would prefer to be under controlled prices and be certain that every man had a living wage rather than have the freedom of free prices and the same freedom for the unemployed to starve. I have no doubt that there is a considerable connection between the two. An idea prevails that a free economy in normal times is a good thing.

The definition of "normal times" is a very vague one. No man in this Chamber can recall normal times when there had not been a war within 20 years, either in the making or in the recovery, an unemployment depression, or something of that nature. To talk of normal times is a fig-

ment of economic fancy, and to base an argument on the statement that we are approaching normality or have reached stability is a very vague and unreal argument.

The member for Mt. Lawley based a good deal of his argument on the idea that competition in a free economy would solve the problem. Has he ever considered what is the objective of competition? Competition has one objective, and that is monopoly. No member would say that monopoly was a good thing because in a monopoly prices are controlled—very much controlled—but the control is not in the right place. The control should be in the hands of the elected representatives of the people. That is the proper place for control if there is any need for it.

If it were a fact that control was automatic in a certain type of economy, that would be sufficient argument in favour of adopting that type. Unfortunately, it is not a fact. I heard a snigger at my statement that the objective of competition is monopoly. Let us work it out. Suppose there were three firms in competition, for what purpose would they be competing? They would be competing with the idea of driving at least one out of business so that the profits from that firm would become available to the remaining firms. That is the idea of competition. The weakest goes to the wall and if it should happen that when competition reaches a stage at which it is not highly profitable for all concerned to continue in business—

Hon. D. Brand: How would price-fixing prevent the weakest going to the wall?

Mr. JOHNSON: I am suggesting that they should go to the wall. We have seen that when competition reaches a stage where the trade concerned is not highly profitable, those in it get together and make an agreement, the effect of which, in all cases, is to keep prices up. There is hardly a trade, business or profession which has not an association that is, in effect, a conspiracy to rob the public of the benefit of the competition, which certain people believe governs conditions in the economic world.

The theory of competition is a false one because its objective is monopoly, and I believe there is general agreement that monopoly is bad. I have heard it said that a Government monopoly is bad, but I maintain that it is less dangerous than a monopoly in the hands of people responsible to nobody but themselves. The member for Greenough asked, by way of interjection, how we would prevent the weakest going to the wall, but I submit that the fact that there is not at present the normal number of bankruptcies taking place suggests that there is no real competition.

In a highly competitive economy—at least, a theoretical economy—there would be a constant stream of weaker ones going to the wall. The economics of Western Australia—and particularly the records of the Bankruptcy Court—do not show the salutary number of bankruptcies which a highly competitive economy would exhibit. I would like to see a lot more bankruptcies, because that would show that the margin of profitability was reduced to a state in which the operation of the price-control laws would become unwarranted.

I, for one, do not like control for control's sake but there are certain things that need controlling and that applies to anything in the nature of a monopoly. The member for Mt. Lawley referred to the adoption of the profits margin as it existed when price-control came into operation, and I gathered from his remarks—he is in a position to know—that that margin has remained the same. I wonder if he connected that, in his own mind, with the latest report of the Tariff Board which said, in effect, that our cost structure was too high, and I would remind him that part of the cost structure is those same margins.

At this stage, I would like to draw the attention of members to a quotation from one of the latest books on the theories of economics. It is "The Economics of Business Enterprise" by Leonard A. Doyle, management consultant at the Stamford University in California. It is not a well-known book and is hard to get hold of in Western Australia because it is published in the dollar area and but few copies are available here, but it deals with business enterprise, the theory of free economy, and such matters, and the author is one who believes that free economy is the answer to the problems of society.

He deals in particular with profits and I feel that every member of this Chamber should be made aware of this quotation and study it, and particularly those who are not sitting in their places on the Opposition side but who should be there. It is as follows:—

Profit in a capitalist society serves a dual role. It is necessary to retain capital and it is needed to attract resources to industry. Businessmen are prone to confuse the two functions of profit and to expect the same return to continue in perpetuity as a reward for keeping capital employed that was required to expand production. The long-term job of private enterprise is to reduce the rate of pure profits to zero. Equilibrium will then be reached and dissatisfaction should disappear from the land. A good industry is one in which pure profit has been eliminated and the return is just sufficient to maintain investment. It can be expected that continued large profits will be viewed with suspicion in an enterprise economy—

I would like members to pay particular regard to this—

—because such profits, if long continued, will be regarded as evidence of monopolistic exploitation. If private enterprise looks to profits as an incentive to progress it must be vigilant to see that continued profits are the result of continued progress and not of a favoured position from which to levy toll. If profit is the yeast of enterprise it is well to remember that the goal is bread and not just more yeast.

That quotation from a gentleman who is one of the prophets of profit may be regarded perhaps as a little humorous, by some, with regard to the suggestion that profits should be reduced to nothing. If that is so, it destroys all argument for free enterprise, and if free enterprise is to be destroyed by its own action or by any other action, it is essential that the control of prices—

Mr. Owen called attention to the state of the House.

Bells rung and a quorum formed.

Mr. JOHNSON: I regard it as a compliment to the speech I am making that members opposite were unable to take it and retired to the anonymous exterior.

Hon. D. Brand: What about the members absent from your own side?

Mr. JOHNSON: I take it as a compliment that a moment ago there were only three members on the Opposition side of the House. My point, in effect, was that free economy is a myth which cannot be maintained either in practice or theory and that it will, in its present form, disappear before very long. There is actually very little free economy at the moment, as is proved by the very small number of people going bankrupt. It is therefore essential that the control of prices should remain in the hands of the elected representatives of the people.

Such control should be in the hands of those who are responsible to the whole of the people and not just to themselves. For that reason I strongly support this continuance measure. I would like now to touch briefly on the appointment of the consultative commission which is to consist of five persons, one of whom shall be a woman and shall represent the consumers. I think it is most important that women's ideas in regard to those items that are essential to be controlled—and particularly those that enter into the household budget—should be presented to the commission, but I am inclined to feel that to give the manufacturers, the retail traders and the primary producers each a representative is a little unbalanced.

I feel that this body should have a consumer's representative opposite the representative of each of the other interests, the manufacturer, the retail trader and

the primary producer, as the interests of the consumer are in all cases at least as important as those of the man on the other side of the bargain. I would like the Minister to give at least passing consideration to the possibility of having a slightly more balanced consultative commission.

If he thinks that the number might become too high, if my suggestion were followed, I submit that it might be possible to reduce the representation of the manufacturers, retail traders and primary producers. I feel that one, or at the most two persons could represent those interests quite ably—possibly one of the accountants in the Terrace who does work for those various interests. If that were done, it would give better representation to the consumer. I support the measure.

Hon. D. Brand: The Minister will give your suggestion consideration, but that is all.

MR. COURT (Nedlands) [9.58]: I consider that the proposal to continue price-control is a retrograde step in the current progress that has been made towards strengthening the Australian economy. In my view, it is opposed to the natural laws of supply and demand.

Mr. Johnson: Who said they were natural?

Mr. COURT: It is contrary to the experience of those countries which have abandoned control and allowed prices and supply to find their own level. Furthermore, it indicates that the Government is opposed to a free economy and considers that in spite of the lapse of eight years since the war ended and the phenomenal advance that has been made in the availability of essential goods, industry, which has done so much for the world and for Australia in particular, is not to be trusted to conduct its own affairs along normal competitive channels, which have proved so successful in stimulating enterprise, productivity, quality, service, and the improvement that has taken place in the standard of living.

In my approach to the problem of price-control, I would like to make some comments on the vexed question of profit-making by industry. Certain members of the Government seem to take strong exception to profits being made by industry. I suppose it is understandable because, they are not in favour of extensive private trading. However, in my opinion, Australia is indeed fortunate that it is predominantly a private enterprise nation, both in its current industry and its developmental projects. Consequently, one must presuppose that the various projects will be entered into for profit, and it is high time we stopped thinking of profits as being something scandalous and undesirable.

I submit that to the worker profits by industry are vital. Who wants to work for an industry that is making no money or practically none or perhaps is working at a loss? One wants to see an industry being successful and granting security of employment through a sound profit performance, with continued ploughing back of a certain proportion of those profits. In my opinion, Australian industry has not been excessively profitable, and in no way has it been grasping.

Let us contrast the situation that exists as between Australia and the United States. In the latter country we find that the American worker and his union become alarmed when their private industries do not show ever-improving results. They realise that the security of their employment, the well-being of their families and the improvement in the standard of living is directly related to the results that are achieved by the firms employing them.

It is high time we stopped being frightened of making profits and criticising firms that seek to increase their profit performance. The firms that are making profits do not look for retrenchments. It is those that are losing money which invariably start to look around to cut down expenses here and effect retrenchments there, with a view to adjusting the profit performance. There are people who believe that if wages are controlled, prices should be controlled. This is a fallacy because the two are in no way comparable. Wages are controlled only with respect to the minimum to be paid, but prices naturally are controlled as regards the maximum that can be charged. It cannot be denied that the skilled worker can demand a reward in excess of the minimum award.

Hon. J. B. Sleeman: Have you ever noticed that the arbitration minimum is always made the maximum?

Mr. COURT: That is not so. I have been a financial member of a union ever since I was 16 years of age and I rarely worked for the union award, because I was always able to demand more than the union rate.

Hon. J. B. Sleeman: You must have been an extraordinary man.

Mr. COURT: I worked hard at my calling at that time, and I was always able to demand more than the award rates.

Mr. McCulloch: Did you take your coat off?

Mr. COURT: I did. Price-control, however, does not permit the trader who is prepared to give better service and quality to go out and bargain with his goods and services. What is the result? The control forces him, being human, to conform to the general standard, with consequent loss in service as far as the public is concerned.

Mr. Andrew: It does not. It only fixes the maximum price.

Mr. COURT: The hon. member has made my point for me. Control fixes the maximum price and if his goods are super goods, he gets the maximum price; but if they are not so good, he still gets the maximum price.

Mr. Andrew: He does not have to; he can charge less.

Mr. COURT: Human nature being what it is, he naturally charges the maximum price according to the controls, and this interferes with quality, service and production.

Mr. Andrew: That is only your imagination.

Mr. COURT: I am glad the hon. member realises I have some.

The Minister for Lands: Do you know a trader who charges less than the maximum he is allowed to charge?

Mr. COURT: There are people who do. I want to comment on the desirability of flexible trading. There is much misconception regarding the effect of price-control on trading methods. The control authority obviously has to think in terms of fixed percentages and margins, but the trader thinks in terms of the overall result. To achieve that he probably has to follow a rather difficult and venturesome path. In other words, he has to merchandise in accordance with the best established traditions of modern times if he is free so to do. This means that on occasions he will be selling goods on precariously low margins and sometimes without margins, but he recoups himself on other lines.

In this process he has to have a thorough knowledge of what the public wants, what it can afford to pay, and what it considers to be sound value. Over the centuries that has been the basis of merchandising and only at intervening periods has price-control intruded on the market and caused temporary departure from those merchandising methods. It can rightly be claimed that the get-rich-quick merchants, who appeared from several quarters immediately after the war, and who traded on the blackmarkets which controls created, have, almost without exception, disappeared.

The final blow to those people was struck when the Commonwealth Government took rather drastic action to counter the 1952 recession. That was one of the good results achieved from the warning given about Australia's economy. This type of fly-by-night trader who came into existence as a result of shortages and blackmarket conditions, has no place in Australia's trade, operating under a normal state of affairs. In fact, he cannot survive in normal times and only prospers during period of shortages, aided by controls.

It is wrong for the Minister to say categorically that there has been an abuse of margins where there has been decontrol. I do not think we have been given the full picture. I know the Minister has difficulty in introducing a Bill such as this and giving all the details that he would like to present because of the oath of secrecy surrounding this particular measure. He finds it difficult to elaborate, as he would like to, on the offences that may be going on. I submit that there is another side to the story. There are traders who have more than played the game by decontrols and have merchandised equitably and fairly.

If members knew the inside story of industry and were able to see the detailed performances of some of these firms, they would find that the flexibility of trading during the periods of no control has promoted proper merchandising and permitted the firms to make percentage margins truly related to merchandising value. I suggest it is wrong to say that the prices fixed are only the maximum and the traders can trade below them if they so desire. Unfortunately they cannot do so in most cases in view of the overall approach by the Prices Control Branch; an approach which the branch must make whilst there is control. Again, the human factor enters into it and there is a tendency to regulate the flow of goods to permit the complete clearance of stocks at the top margin.

In free merchandising there is a degree of elasticity related to seasons, quality, designs and fashions, and the merchant who buys badly has to pay the price by jobbing out his surplus stocks. It is true that some controls have been designed so that a degree of flexibility can be exercised, but it has been found to be impracticable and in some cases totally inadequate. For instance, I well recall a Prices Minister in Victoria making a public statement regarding an alleged excessive percentage of profit by a merchant in Melbourne on a certain line of clothing.

On examination the true story was that the articles concerned had been bought at jobbing rates under special circumstances and although the percentage of profit he had made was high on the actual cost, the money profit margin was not excessive. Most important of all, the price to the public was many shillings below that charged by his competitors selling the identical articles and who were strictly observing the percentages allowed by the Prices Control Branch before there was decontrol.

This is not an unusual experience in free merchandising. In my opinion, the Government would achieve a much more practical result, in the interests of the consuming public, if it had an examination made of the suitable labour that is

available in some of the fields that it has complained of, particularly the electrical and plumbing fields. At this juncture the Minister has given us no indication as to whether steps are being taken to see that a sufficient number of plumbers and electricians are in this State to ensure a ready availability of skilled men, both as master electricians and plumbers and as journeymen. If the Government takes no steps to ensure this available field of labour, by revising the method of qualification or the importation of suitable skilled tradesmen, it must expect some pricing problems.

I would like to say something in regard to the electrical trade in particular as I feel that the current blitz on this particular industry is directly related to a change in conditions in the Premier's own electorate; conditions over which the electrical trade has very little control. As the Minister well knows there was much criticism of the State Electricity Commission in the Northam district. One paper I have here, known as the "Northern Times" dated the 15th April, 1953, said some very rude things about the commission, and feeling ran high.

A terrific volume of work, forced on the people at Northam because of the demands made by the State Electricity Commission, resulted in an unusual state of affairs. We find that electricians had to come from far afield and they had to provide board and lodging. One contractor came from Bunbury at the request of residents in Northam, who were under the threat that they would get no power if they did not carry out the electrical connections under the commission's regulations. A degree of panic set in and the work proceeded, regardless of cost.

The Minister for Prices: All those factors were taken into consideration and fully investigated before it was decided to recontrol electrical services.

Mr. COURT: There was an outcry in Northam, and the people approached the local member who chanced to be the Premier. What happened was that the local residents had been accustomed to favoured conditions from the local municipal council, and all of a sudden they found they were compelled to engage electrical contractors when the State Electricity Commission took over that district. It was a temporary upsurge and recontrol was entirely unnecessary. At the height of the storm over this matter in Northam, the municipal council advertised for complaints of over-charging on this work. I am informed there were only seven complaints lodged, of which three were rejected out of hand, and we have no knowledge of the fate of the other four.

I would like to touch on the subject of bread. The Minister used, in the course of his second reading speech, a submission by the master bakers as a reason to justify

price-control. I suggest the fact that the master bakers wanted minimum prices brought into the law is a good and sound reason why they should be decontrolled on the spot. They said the association wanted to prevent price-cutting among bakers anxious to build up trade with shops. Is not that a state of affairs we wish to attain? Here is an industry which comes along and asks the Government to protect it. I agree to the rejection of their request by the Minister. He should have gone one step further and told them that they had made out a first-class case for decontrol.

The question of petroleum products has always been a vexed one. Exaggerated and erroneous statements have been made with regard to the control of prices. I refer particularly to the extravagant statements that have been made in the Eastern States. I always felt that State Ministers like to think that they were responsible for bringing about reductions in the price of petrol in recent months. My own view is that they have not affected the situation very much. An application was lodged in April, 1953, for an increase, but contrary to the report made by the Prices Ministers' conference to the Press, there was no application before the subsequent conference, unless the administration of the conference itself was faulty.

The stage was reached where a reduction in tanker freight proved so satisfactory, due to the reorganisation of the world fleet of tankers, that a substantial reduction in price was possible. We all know that the tanker freight reduction was sufficient to provide a counter to the internal increase of cost in Australia. Consequently, no application for an increase was made, and neither was the April application persisted with. I understand that the only application before the prices authorities by the petroleum products people is one for a conference with the object of determining a satisfactory formula on which the pricing of petroleum products can be fixed.

There has always been a degree of doubt as to the method employed by the various authorities in determining the price of petroleum products. This is not peculiar to the oil industry. The various commissioners are naturally reluctant to divulge publicly or semi-publicly the formula that they are committed to. My view of the whole situation is that the companies have reached a stage where there is improved efficiency in the operation of their industry in Australia.

We have nothing to fear from them if petroleum is decontrolled. I place very little importance on the letter submitted to the Minister by the Automobile Chamber of Commerce wherein it asks that there shall be no decontrol because of the conditions of the industry. The fact that it does not want decontrol is a good reason why it should be provided.

Hon. A. V. R. Abbott: Are they not the service stations?

Mr. COURT: That is so. We all know that this body is at variance with the oil interests. We also know that the oil companies have increased their service to the public by enlarging the number of servicing points. None of us would like to see the prewar number of service points resulting in inadequate servicing because of the increase in vehicles and population in the State. The Minister referred to public statements by the Retail Grocers' Association which exhorted members not to price-cut. He indicated that that was a good reason why price-control was still necessary and that there was no competition.

On the contrary, I interpreted that advertisement and subsequent announcements by that association in exactly the reverse way. Those people are very concerned about the amount of competition that has set in. They used their publication to encourage members not to price-cut. The fact that they do this is an indication that they are concerned with the situation, and it is a good thing to see more of this competition. The public will get the benefit from better quality, service and price.

Regarding hides, skins and leather, this is a hardy annual. I often wondered why the producers have not revolted at this control. There might not have been a pressing urgency brought about by the high income during postwar years, otherwise we would have heard more about it. I am concerned at the figures given by the Minister as to the possible effect on footwear if prices of hides were decontrolled. He gave an estimated increase of 13s. per pair for men's shoes, 9s. 6d. for women's and 3s. 7d. for children's.

I can produce to the Minister formulas which demonstrate that the maximum increase will be 2s. per pair for men, 1s. 1d. for children, and between 1s. 1d. and 2s. for women. That is after allowing for wastage which takes place in cutting leather. That is a very important factor. Formulas have been advanced which completely ignored that very important matter. When I gave my figures of the estimated increases, I did not take into account luxury shoes. Certain of these are made for women where the effect of decontrol would be many more shillings. I took into account only the ordinary type of shoes worn by men, women and children.

Furthermore the increases I suggested as being the maximum on today's world market, as compared with the appraised prices in Australia, do not take into account any increase in efficiency brought about by removal of this control. I asked a leading leather merchant for his views. I suppose members will accept these with reservation, but I have confidence in them because they confirm my own view

of the position after examining the state of affairs in at least three other States of Australia. Firstly, the letter states—

The Federated Master Tanners' Council of Australia decided by a majority of votes at its last meeting, that the time has now arrived for the abolition of these hide and leather price controls.

Those people were against decontrol last year and it is significant to know that they have changed their views. Further it goes on—

It has been proved, in other countries, and ample evidence can be provided that the same is true within Australia, that controlled prices for hides and skins provide no incentive to the owner to improve flaying and curing of hides. This has had a serious effect on Australian economy in so far as exports of both hides and leather are concerned.

The writer of this letter is a very experienced Australian and overseas buyer. He proceeds—

The continuance of controls will result in a great national loss as overseas buyers of hides for some time past, have seen the deterioration in Australian hides and are making many claims as the hides are not up to previous standards. This must result in an appreciably lower price being bid for our hides on the open market.

The numerous complaints one hears today about shoddy footwear are mainly due to price control, which as previously stated, has resulted in improperly cured hides, and a great deterioration in "take off." We are in great danger of losing our overseas markets for shoe upper leather mainly to India, due to our inability to supply sufficient good quality leather. In the past, Australian leathers have enjoyed a very good reputation because of the high standard of quality. Low quality leather, such as we are forced today to produce in large quantities, can be supplied very much cheaper from the huge production of Indian tanners.

So far as sole leather is concerned, here again due to the deterioration in quality, overseas markets are being lost to other countries.

I have indicated in this House one of my greatest objections to controls. I was interested to hear the Minister for Housing mention this point and express sympathy as regards the great evil of a system of controls in that it invariably increases hardship, annoyance and inconvenience for many, so as to exercise a degree of discipline over a few. It is a paradox that the few are usually the "smart Alecks," and they are capable of outsmarting the controls in any case.

It has always surprised me that the authorities concerned have not seen fit to give freedom to whole industries and then follow a policy of declaring individuals who are proved to have transgressed in a manner contrary to the public interest. On the 10th April of this year the Premier gave some indication that this policy would be followed when he said that, in addition to bringing certain industries under price-control, action would probably be taken to name individuals who were the worst offenders in particular industries. Of course, if one individual were transgressing in an industry, none of us would have much sympathy with such a person thus acting contrary to the public interest. But why punish the lot for that one person?

The Minister for Prices: How long have you been against price-control, if it is a fair question?

Mr. COURT: I have never favoured price-control, but have always honoured and obeyed it as the law of this land. I have not noticed any action with regard to the naming of individuals. All we have heard is a general condemnation of industry and commerce by the Premier, and certain threats of recontrols from the Minister and the commissioner.

I will touch briefly on the question of the proposed consultative commission. I have never been really keen on the principle of the advisory committee under the existing Act. That might surprise the Minister. However, I realise from personal experience that it did much to allay the fears of merchants and others regarding the fairness of the treatment they received. If an advisory body is desirable, I feel that the old type of advisory committee has much to commend it, in preference to the proposed commission, for two main reasons. Firstly, it is not unwieldy in size, having only three members. Secondly, its members are less sectional in background because of the method of their appointment and their particular qualifications.

The committee consists of a chairman appointed by the Government, a consumers' representative appointed by the president of the Arbitration Court, and a further representative appointed by the Government. There is no need for me to read the existing provision. During the most difficult period of price-control—namely, the period immediately after control was assumed by the States—the original committee was very hard-worked, and neither the Minister of the day nor the commissioner could deny that it approached its work in the most objective manner. But, as the supply of goods caught up and price-control became less necessary, so the work of the committee became less onerous and less necessary. However, I feel that under a proper form

of control there is no reason why the control should not function without a committee, provided adequate power is vested in the Minister.

It will be realised that under the old Commonwealth control, and the form of control taken over by the States, the powers of the Minister were rather severely limited. I understand it is the present Government's policy that the Minister shall have the necessary power vested in him, and with that I agree. Whether he has a consultative committee or an advisory committee, my understanding of the present Minister's method of administering the department is that he is personally prepared to stand by the decisions in respect of prices, and not to have the power to fix the prices orders vested completely in the commissioner.

Before I conclude I would like to touch briefly on the observations of the member for Leederville. I must confess I could not altogether follow his line of reasoning when he sought to relate lack of price-control with unemployment. I can assure him that Mr. Colin Clark does not think there is any such relationship. I also could not follow his theory regarding monopolies. In my study of the economics of industry, it has never been my understanding that in striving to improve on the quality of the goods and the service rendered, and to lower prices, one is necessarily attempting to annihilate one's competitor. In fact, it is through the competition that has taken place that the standard of living has been greatly improved through people giving better service; and through the exploitation of inventions etc., life has been made better with the passing of the years.

Unfortunately, the hon. member is not here at the moment, but I was rather interested in his approach to the incidence of bankruptcy receiverships and the like. I would like to tell him that if he searches at the Bankruptcy office, the bills of sale office and the Registrar of Companies Office he will find that the incidence is showing a natural tendency to rise. Some of it is due to people not being sufficiently equipped with capital; some to people being insufficiently equipped with a knowledge of business affairs or a lack of technical skill; and some to the fact that they were opportunity merchants, and the more competitive trading conditions have caught up with them. I was rather staggered at the hon. member's statement that he wanted to see more bankruptcies. That was a most unfortunate statement to make, and was certainly completely opposed to the theory he advanced previously that competition inevitably led to monopoly.

I think the Minister, who has the difficult job of administering price-control, can take some comfort in the fact that 4,000 years ago people had this problem,

and it is recorded in the Hammurabi code that a rigid system of control over wages, prices, production, and consumption was imposed which blanketed the entire economy of Babylonia; and some American humourist has added that it was blanketed so well that Babylonia became a buried city. I oppose the measure.

HON. A. F. WATTS (Stirling) [10.37]: I must confess that I approach the subject matter of this Bill with somewhat mixed feelings. On the one hand, I would like to be able to feel that the time for the abandonment of price-control is really here in respect of all commodities. On the other hand, I have to admit to a feeling of constraint in coming to that conclusion in all the circumstances of the case. I speak not only for myself but for those associated with me on these benches when I say it is our intention to support the second reading of this measure.

The position is rather difficult. There are things I would like to see in the measure that are not there and that no amount of activity within the Standing Orders would allow me to try to put there, if I felt competent to do so. What I most miss is a schedule or some indication of the goods and services to which price-control ought to be extended, in the opinion of this Parliament, within the next 12 months; for I must confess that where there are conditions of absolutely free competition and plentiful supply, I agree with those who contend that no system of price-control is longer required.

It appears to me there are a number of directions in which that state of affairs has not been reached. Whether it could be reached in some of those directions is a little difficult for me to say; but it is quite clear that there are commodities that are being dealt with by persons in combination with the intent to keep the prices as high as they conveniently may be kept—and when I say “conveniently”, I mean conveniently for them.

Hon. A. V. R. Abbott: There is the Potato Board and there is the Onion Board.

Hon. A. F. WATTS: Take away the restraint that can be applied to those institutions and we would, I am firmly convinced, find an immediate attempt to raise the price of the commodity. I have not the slightest objection to people making profits—far from it. I am well aware, and whole-heartedly believe, it is ridiculous to suggest to anybody that he should engage in any kind of enterprise or occupation without being able to achieve that margin of profit which would enable him to live in a reasonable standard of comfort. So I would be the last to quarrel with the previous speaker in his defence of those who want to make profits, and who must make profits in order to carry on the enterprise in which they are engaged and offer themselves some chance of expanding it.

But I think there are two ways of making profits. One is to increase one's production and one's efficiency and, by a greater turnover and a substantially increased volume of business, enhance the return one makes from the enterprise. The other is to impose upon the community to the utmost of one's ability the highest price one can get for one's product, irrespective of making any attempt to increase the production or improve the article. If that last arrangement be entered into in combination with all the other persons or firms engaged in the industry, then within the marketable area in which one carries on one's business, obviously the consumer is in a very poor position, and that is where I think there is a necessity still for some degree of price-control.

The views I have just expressed might not be quite so strong were it not for the recent decision of the Federal and State Arbitration Courts in regard to the quarterly adjustments of the basic wage. The situation is that, temporarily at least—and presumably for a full period of 12 months in view of the expressed decision of the courts as I have understood it—there are not going to be the automatic adjustments, as they have been called, which would occur as a result of an increase in the cost of the items that are taken into calculation in assessing the basic wage.

So are we not to some extent justified in reorienting our ideas on this question? If it has been found desirable by the court to upset what has been a long-standing practice, and one that has been put regularly into operation since the termination of hostilities—which I believe roughly coincided with the lifting of wage-pegging—then surely we are entitled to take that into consideration when deciding the psychological effect of the abandonment of price-control at present.

The Premier: A very good point, too.

Hon. A. F. WATTS: I am not prepared to risk the psychological effect of that abandonment at the moment, notwithstanding that I have expressed the view that I think there ought to be limitations imposed by Parliament in the light of what consideration it could give to the various commodities and items that might be controlled. I say this notwithstanding that I believe that where there is unlimited competition and a plentiful supply of goods, price-control is not required. But, as I have said, we have not reached that stage.

The member for Nedlands made some reference to the petroleum industry. Those of us who are not closely in contact with the industry can only reason from what is published, and, as far as I know, it has not been denied. It certainly has not been in the Press in which I read the original references. The situation, as I

read it, was that the companies in Australia applied for an increase of 2½d. and subsequently 1d. per gallon in the price of petrol and other fuels. After investigation by persons engaged by the various Prices Departments of Australia—and I have no doubt, from what I have heard, that they were competent to engage in such inquiries—no increases were granted because they were not satisfied that increases were justified.

Whether as a result of the reasons mentioned by the hon. member who has just resumed his seat, or whether because of these investigations and the matters arising from them, I do not know, but in lieu of increases there were some reductions. Whatever the reason, the net result so far as the community was concerned was that, instead of paying 3d. or 3½d. per gallon more, they paid 1d. or 1½d. per gallon less.

Hon. A. V. R. Abbott: At different times.

Hon. A. F. WATTS: Yes, by weeks only.

Hon. A. V. R. Abbott: No, three months. April and July were the dates.

Hon. A. F. WATTS: By weeks only, in the second case. If the member for Mt. Lawley will allow me to carry on, I shall be delighted to do so.

Hon. A. V. R. Abbott: I only wanted to correct you when you were factually wrong.

Hon. A. F. WATTS: I did not take the opportunity to correct the member for Mt. Lawley when I thought he was factually wrong.

The Premier: You would have had a busy time.

Hon. A. F. WATTS: I may take the opportunity later when I think the necessity arises. Some weeks ago, I brought under the notice of the Minister for Prices, or the Minister for Agriculture, some references which appeared in the Press in South Australia in connection with the price of superphosphate. These references showed that an increase of, I think, 12s. 6d. per ton, had been asked for and, as a result of an investigation ordered by the Premier of that State—Mr. Playford, who is also the Prices Minister—an order was issued for a reduction of 15s. per ton, and 19s. 6d. per ton with respect to superphosphate supplied at Eyre Peninsula. That did not encourage me, unfortunately, in the belief that the time was ripe for entirely abandoning price-control.

Of course, I have mentioned these two commodities because they are of particular interest to me and to many of those who sit with me, and to other members of the House, too, if they will but think of it, because they are commodities upon which the substantial rural industries of this country largely depend. Today there is no farming property without extensive mechanisation. On some farms there are

two and three tractors, quite apart from internal combustion engines which are used for other purposes. The consumption of the first commodity I mentioned has become substantial indeed, and without it agriculture at the moment could not proceed at all.

With regard to the second item, we all know that such is the soil condition in Western Australia—and other large parts of Australia, too—that, without a plentiful supply available, production would greatly and seriously diminish. We, therefore, can regard these two items as being particularly important to the rural industries; and to the whole community because their success affects the community. Another angle which interests me is that rural industries depend in the main on prices that can be realised from overseas exports. Far more is produced, particularly in Western Australia, than the local community can absorb.

Therefore, a tremendous amount of our production must be despatched overseas in competition with the rest of the world, and with no possibility of any protection to the vendor, but any amount to the people who supply goods to the vendor so that he may carry on his industry and foster his production. I refer to the vendor of primary produce, namely, the farmer or the pastoralist as the case may be. The return from the proportion of production which is sold in many instances—particularly as regards wheat, butterfat and one or two other items—is dependent upon the home consumption price.

Now, the Australian people have to pay that home consumption price which, in some instances, is higher, and in others, lower, than the overseas price but, whichever it is, under the systems that have been adopted, it will in the main rise with cost of production increases. If the cost of production of only the two essential commodities to which I have referred rises in the ensuing few months, then the home consumption price of some of the products which consumers have to eat as part of their daily ration will rise, too. As far as I can see, the last state of our wage fixing, and the consumers' economy, will be worse than the first. So, the situation appears to me to be that we should not yet abandon all legislation which enables price-control to be operated. It is surely desirable that the power should be exercised, however, with considerable discretion.

I was interested to hear the answers to Question No. 8 on today's notice paper, which was asked by the member for Mt. Lawley. I noted that a considerable number of items, some of them of relative importance, had been decontrolled since the 1st March last, and that a comparatively small number of items which had previously not been controlled had been re-controlled since that date. It appeared to

me that the necessary discretion and reasonableness in the intervening nine months had, in the main, been exercised by the Minister and his officers and there was no indication from these actions of lack of discretion, because there had been no pressure from this House in regard to decontrol of any items.

There is no doubt that quite a number of combines—some people refer to them as cartels, I understand—are more or less in the position of being able to determine not only the price at which the individual shall sell his products but that at which all of those associated with them shall sell their products. Therefore, in those organisations there is no competition at all—as to price, at any rate. There can be advertisements about the benefits to be derived from purchasing this or that particular brand of the same type of product, but in the net result we cannot buy one brand at a farthing less than another, so that we pay the same price, whether it costs one firm 6d. more or less than it costs another to produce it; and, in general, the prices are worked out on the basis that nobody makes other than a satisfactory profit.

I have no protest to make about making profits, but there are two kinds of profits, one where profits are made by increasing production and expanding industry so as to increase turnover and thereby increase returns. The other is by arranging that there is no possible chance of the public buying the goods at less than what amounts to a price fixed by the members of the combine concerned. This seems to me to take away the restraint, which obviously must be imposed by this type of legislation, among organisations of that nature—there are plenty of them, I think, at the present time, more or less formidable—and we immediately run the risk of imposing upon consumers increases which otherwise they would not be called upon to bear.

Already I have protested against the fact that Her Majesty's Government in this State has been prone to increase charges to consumers, the consumers being the public of the State who pay money through any sort of avenue to the Government exchequer. But, although I protested against this, and although I do not reduce my protests one-quarter of an inch, I submit that two wrongs do not make a right. Because it happens that I disagree with the Government for increasing certain charges, I see no reason why I should refuse the Government the opportunity of preventing other people from making unreasonable charges, with possibly less justification than the Government has. I speak in that way from considerable experience of the internal workings of the Government machine—particularly its financial side.

I propose to support the second reading of the Bill, and I shall conclude by making a short reference to the consultative committee. I am inclined to agree with the member for Nedlands that the committee which existed previously did a very good job and could with advantage be left where it is. I may be prejudiced because, although the hon. member did not tell us this, he himself was chairman of the committee. Without being flattering, I am going to say, without fear of successful contradiction—and I had some experience of that committee and of him in particular as its chairman—that a fairer or better job could not have been done on any of the questions placed before the committee, which consisted of the hon. member as chairman, and two other members.

As I say, I may be prejudiced towards that committee and therefore not quite able to see the necessity for changing it. I notice that the idea of the Minister, or the Government, is to amalgamate into the committee the Prices Commissioner as chairman. I have great respect for Mr. Mathea, and there is little doubt in my mind that he does his duty well and will make a comparatively successful chairman. The other objective of the Government is to incorporate into this body a consumers' representative in the person of a woman, and a representative of the primary producer. I have certainly no objection to the lady nor to the primary producers' representative being on the committee if they will achieve any better result than has been brought about by the existing committee.

I presume that the idea of the committee is not so much to advise the Minister as to what ought to be done in regard to the controlling of prices, as to advise him of the views of the committee on the commodities it might be worth-while controlling. In that respect there may be advantages in having a woman and a primary producer on the committee because there are issues which are of importance to both. I do not propose to offer opposition to the appointment of the proposed committee because the inclusion of those two people seems to offer an improvement in some ways; but I still favour the existing committee which I believe has done an excellent job. I support the second reading.

MR. HEARMAN (Blackwood) [11.1]: I do not propose to speak for long on this matter but I must voice my opposition to the Bill. I think a good many of us have been caught in two minds on the question of price-control. My own view is that where we have a set of circumstances such as arose during and immediately after the war, and for some years subsequently, and where the demand is so much in excess of the supply and production that there is a likelihood of excessive profits and exploitation, legislation such as this is neces-

sary as an interim measure. But I do not like the idea of permanently incorporating price-control into our economy.

We have reached the stage, I think, where we have to decide whether it is to become a permanent feature or not. If it is, we can go straight ahead with it and make it a permanent part of our economy instead of having continuance Bills introduced each year. I believe that over the past 12 months the supply of goods generally has improved out of all knowledge. Few people expected that materials would be available today in the manner and quantity in which they are.

In fact, cement, which has been one of our bottlenecks, is now free from control by the State Housing Commission, and at the same time there has been a reduction in price. That indicates that if there is sufficient cement about, the question of controlling its price becomes unnecessary. We can reasonably suppose that items which have been in short supply and are now becoming more plentiful will, in the future, become even more plentiful. So I find it hard, at this juncture, to justify the continuation of this measure.

Another cause of the spiral of prices has been the amount of money that has been available. Within the last 12 months we have heard of no less a body than the A.C.T.U. arguing before the Federal Arbitration Court that the prices spiral has been controlled. If that is the state of affairs now existing, it seems to me it is time we discontinued this legislation.

There is another aspect, too. We have had various controls for so long that our younger business executives have been reared in an atmosphere of control. That does not make for efficiency and, in my opinion, it leads to a bad form of business morality. While there is a Government determining the price of certain commodities, there is a natural tendency on the part of the people who are in control of those commodities to see that the price fixed by the Government becomes the minimum as well as the maximum. Members opposite suggested that that sort of thing happened in the case of Arbitration Court awards where the minimum became the maximum.

Under price-control there is always a tendency for business people to try to develop a case for an increased price and it seems to be largely a matter of how that case is represented when the price is decided. To my mind, this does not develop a great sense of responsibility on the part of firms. If the Government does not control the price of a certain commodity, it is an indication that it thinks the price is a fair one. But because of price-control I believe there has been a slackening in what can be termed business morality, and that is to be deplored. The only way to avoid it is to do away with controls and place the responsibility fairly

on the shoulders of the people most concerned. In that way they will be forced to play the game.

I believe that an interim step would be completely to decontrol everything for twelve months, even though this legislation was still on the statute book. We could then see the result of that decontrol. This idea of mistrusting one's fellow man, and holding the view that if a person does not have the same interest as oneself he is inclined to be corrupt instead of being a paragon of virtue, is hardly sound. Members of the Government believe in a controlled economy; I understand it is one of the planks of their platform.

Therefore they are unlikely to adopt the suggestion that we do away with controls, but I believe it is the step we should take. If we do not take this step the position will react to the detriment of a great many sections of the community, and I believe we should get back to the normal unfettered methods of trading. There will always be the odd small voice saying, "Is this the time to do away with controls?" There will always be the fear that there may be some exploitation, but I believe there is exploitation and corruption while we have controls.

I think it is time we showed some courage and abandoned controls completely. Until we do that we cannot say that anybody will be exploited. After all, a great many items have already been successfully decontrolled, without exploitation. It is difficult to be certain that if other firms and business people generally are freed from control they will react differently from those who have been freed in the past. I oppose the Bill.

THE PREMIER (Hon. A. R. G. Hawke—Northam) [11.10]: I want to say a few words on this Bill because of its vital importance, especially to consumers in this State. It is most encouraging to find Country Party members joining with those belonging to the Labour Party in supporting a Bill to protect all classes of consumers in this State. It is a pity that Country Party members and Labour Party members do not join together more often for similar purposes.

It would be an act of treachery on the part of Parliament towards the workers of this State if we abandoned price-control legislation at this time. I say that because of the policy of both the Commonwealth Arbitration Court and our own State Arbitration Court as regards the suspension of cost of living adjustments to industrial workers. Whatever argument there might have been in favour of abandoning price-control prior to the recent decision of those courts has now been completely cancelled out.

Hon. A. V. R. Abbott: It is a question of fact as to whether prices would go up or down.

The PREMIER: I am glad the member for Mt. Lawley has interjected because a few days ago, when we were discussing the question of the cost of living adjustments having been suspended, he encouraged me in the belief that the protection of the interests of workers and their dependants could be carried out by the weapon or implement of price-control. I gathered the opinion, as I am sure other members did too, that the member for Mt. Lawley, in view of the suspension of cost of living adjustments of the basic wage, was in favour of protecting the workers and their dependants by the use of price-controls, when it was found fair and necessary to use them.

Hon. A. V. R. Abbott: I said that was your point of view, did I not?

The PREMIER: No. By interjection the hon. member said that the answer we had—

Hon. A. V. R. Abbott: I said you could.

The PREMIER: —to the decision of the Arbitration Court to suspend cost of living adjustments was to be found in the control of prices. If the member for Mt. Lawley desires to be fair and just to the workers of this State and their dependants, he must support the continuation of price-control, at least for the next 12 months, because it is obvious that the Commonwealth Arbitration Court, and the State Arbitration Court in this State, will continue to suspend the granting of quarterly adjustments for at least that period. In that situation it is essential that workers and their dependants, and consumers generally—including farmers—should have the protection of price-control available to them so that it can be used when it is considered fair and reasonable to do so.

Hon. Sir Ross McLarty: Do you think it has been effective in the past? There has been a continuous rise in the cost of living.

The PREMIER: Does the Leader of the Opposition suggest that if price-control had not operated, the rise in the cost of living would not have taken place? The Leader of the Opposition knows, as well as we all know, the reasons for the rise in the cost of living. My firm conviction is that if price-control had not been operated, the cost of living would have risen higher still; however, we need not argue that aspect now. What we ought to decide is whether, for a period of at least the next 12 months, the community should have the protection of price-control. The question as to which commodities will be controlled will be decided from time to time by circumstances.

During his speech the Leader of the Country Party pointed out that the administration of the price-control system under the present Government had not been carried out recklessly or blindly. He thought that we, as a Government, and through our Minister for Prices, had taken

a sensible view of the situation. When we found that it was fair and reasonable to release a commodity from price-control, we followed that course. When we found it necessary for the protection of the consumer from exploitation to recontrol the commodities which had been decontrolled and which as a result of decontrol had been used for exploiting the community, we did not hesitate to recontrol that commodity. So I hope that at this time especially, and in view of the decision of the Arbitration Courts, members will support the continuation of price-control for another 12 months.

If that is not done, then workers and their dependants particularly, and consumers generally will be abandoned by Parliament, and those in the community who would exploit the public and who would profiteer, would be left free to do so. We know the tendency that has developed in the ranks of big business during recent years. We know the understanding that exists between one big business and another in certain fields of production, distribution and supply; we know how easy it is for combinations to operate and overcharge the community in respect of commodities which are under monopoly or semi-monopoly control. In the circumstances, we should not leave the community unprotected and at the mercy of the operations of combinations of companies of that description. So in the interests of the community generally, and particularly in the interests of workers and farmers, this Bill should receive unanimous support.

Hon. Sir Ross McLarty: To which combination do you refer?

The PREMIER: I do not desire to go into details, but I would name the oil companies as a classical instance and, if necessary, I could name others.

MR. ACKLAND (Moore) [11.17]: It had not been my intention to take part in this debate, particularly after I listened so attentively to the member for Stirling. He is the Leader of the Country Party in this House and I believe he expressed the unanimous opinion of his supporters in this Chamber in the remarks he passed. After listening to the Premier I think it advisable for me to tell the House my attitude towards this matter. My attitude is based entirely upon the Arbitration Court's decision not to increase the quarterly adjustments for the next 12 months. When that decision became known, I think the Premier of this State threw away the best opportunity he is ever likely to have to go down in the annals of the history of this State as a statesman. He rushed into the Press and abused the Arbitration Court.

The Premier: That is not correct.

Mr. ACKLAND: Possibly I ought to say he criticised the Arbitration Court.

The Premier: He did not.

Mr. ACKLAND: To my way of thinking, it was criticism. He talked about the workers and how they were the only people who were going to make a sacrifice. I believe the wage-earners would make the least sacrifice of any section of the community, because, of all the people in Western Australia at the present time, the man in receipt of wages or salary is far better off than he has ever been previously. His purchasing power is greater than it has ever before been in my lifetime.

Mr. Brady: You have not lived on the basic wage; how can you tell?

Mr. ACKLAND: I believe the decision of the Arbitration Court deserves a trial. It is just as big a responsibility on the manufacturer and the distributor of goods to try to prevent this constant rise in the cost of living and the cost of goods as it is on the man who labours to produce them.

If the Premier had been concerned about the people on pensions and those on fixed incomes, who have lost far more than the wages and salaried men over the last three years, I think he would have shown a more statesmanlike approach to the matter. I only wanted to tell the House that it was because of that decision of the Arbitration Court, far more than because of the attitude adopted by such companies as the oil and fertiliser concerns in the Eastern States, that I decided to support the second reading of the Bill.

MR. HUTCHINSON (Cottesloe) [11.20]: I do not propose to take up much time on this measure, but there are one or two points I would like to mention. Any discussion on this Bill must bring in the question of inflation which to me appears to develop when the public and the Government together want to buy more goods and services at existing prices than are available at those prices; in short, when the demand exceeds the supply. The basic attack on inflation, as members will agree, should consist of measures, or actions, which are designed to increase production.

Complications arise, particularly at this time, and they arise largely because the Australian economy is still greatly affected by the unbalanced influence of the Commonwealth Government's attempt to gear our country into a state of defence preparedness. The impact on our economy of rearmament is undoubtedly such that it has added to the spiral of inflation. It seems to me that in order to attack inflation successfully we must as soon as possible endeavour to free our economy from too many controls. I say this because I think we should try to reach a stage where the laws of economics can take effect and our economy can reach a greater degree of balance and stability.

I freely grant that price-control, allied with some form of wage-control, can have a temporary beneficial effect on the economy of the country; that is, during an inflationary period. To my mind, however, such controls should be regarded definitely as emergency measures only, and ones which should be used only over a short period. If controls are continued over-long, they hold great dangers to the economy of a country and the freedom of the inhabitants of that country.

Although controls can be administered more benevolently in some cases than in others, I feel that by and large they have a deleterious effect on production. Even for a short-term period, price-controls should be carefully watched. Attempts should be made to exercise them with a degree of elasticity that will cater for increased production, while still, of course, protecting the public, which is the prime purpose for imposing control. We must be careful in our endeavour to protect the public, not to over-protect them, lest in the long run we defeat our purpose and eventually bring about a reduced standard of living, because I do honestly believe that controls continued over-long can do just that.

The point at issue in this debate is not whether price-control has any value, but whether it can be dispensed with at the present stage. I am inclined to think that it is about time we decided to free our economy from price-controls where they have outlived their usefulness and are rapidly becoming shackles upon our economic way of life. At the present time we should have an economy which is gradually expanding and one which should be quite buoyant. It is a strange thing that this Government in its efforts to right the State's economy, or in its efforts to protect the public from exploitation, or to impose shackles on economy—members may call it what they like—has adopted what might be termed a divided policy. On the one hand, the Government does not want to control wages because it appears to be bitterly opposed to the Arbitration Court's considered desire to suspend quarterly adjustments.

The Minister for Prices: They will still be controlled.

Mr. HUTCHINSON: On the other hand, the Government desires to continue the controlling of prices, as is evidenced by the Bill. Surely those two contemplated courses of action are at variance with each other. It appears to me that such an approach to an economic problem pays little regard to consistency which is, I feel, desirable in the present instance. Price-controls always reduce the freedom of the markets and, what is more, they tend to distort production and drive it into channels not conducive to the best interests of the public. As I have already

said, as soon as possible we should endeavour to free our economy from controls and exercise our minds as to when this temporary measure should be struck out of our legislation. I think we should do this with all possible speed.

If a system of control is continued unnecessarily, it leads to rapidly rising costs and causes what could be a never-ending spiral of inflation. It must be remembered that the adjustment of prices, whether by a consultative commission, advisory committee, departmental head, or any other body usually means a system of cost plus, which is not in the best interests of the public. As I feel that the time has arrived when the disadvantages of price-control outweigh the advantages that it had for a temporary period, I oppose the second reading.

HON. D. BRAND (Greenough) [11.31]: I wish to express in a few words my belief that price-control has outlived its usefulness. We have had price-control with us for a long time, and I think all sections of the community and all political parties will agree that it has served its purpose. We have had price-control so long that it has come to be an accepted thing administered by a Government department which, in the main, I believe, has done a reasonably good job in very difficult circumstances.

However, the time has now come when a decision must be made. I am ready to agree that in the transition period some difficulties and many problems would be encountered. I consider that our aim in these postwar years should be to achieve freer trade and to free our economy from those controls and restrictions that were found necessary as a result of shortages brought about through the conditions of war and the need for making so much labour available for the fighting forces.

Much has been said for and against price-control. Mention has been made of the possibility of increases in the cost of petrol, oil and superphosphate. While I represent a country electorate and appreciate what any rise in the cost of those essentials would mean, I believe the time has come when we should take the risk and determine that it is not necessary to have an overall Act such as is intended to control the prices of those commodities.

Various speakers have said that, as a result of the decision of the Arbitration Court, they have changed their minds and adopted a view different from that which they held last year. I was a member of a Government that continued this legislation from time to time and last year it was my intention, provided conditions were reasonable, not to give my support to price-fixing legislation again. Surely conditions are becoming more normal! Production is increasing, and I believe that this state of affairs is being brought about

by the fact that gradually in the Federal sphere and in the State we are freeing ourselves from wartime restrictions and thereby encouraging enterprise and initiative on the part of those who are prepared to work for themselves and give a better day's work for their pay.

In spite of what has been said, the fact remains that price-fixing has proved to be almost a legalising of price-increases, and who can say that in the event of this Bill's being defeated, prices will rise? That is a matter of guess-work. The Arbitration Court has decided to suspend the quarterly adjustment. I am one of those who feel, with the member for Moore, that this is a golden opportunity to stabilise our economy. With the Premier of Tasmania, I am sure that, in the event of certain rises, some system will be initiated whereby wages will be adjusted in keeping with the cost of living.

Here we have an opportunity to get away from a system which from time to time has been likened from both sides of the House to a dog chasing its tail and not altogether accomplishing what we now claim it has achieved. Without detaining the House any longer, I express the view that now is the time to give free economy a trial. Therefore I oppose the second reading.

MR. YATES (South Perth) [11.37]: I wish to refer to the restrictions imposed upon certain business houses and organisations that have prevented them from earning a reasonable return for the money invested. I propose to deal with the case of one organisation with which I am connected and of which I am chairman of the committee that controls a hostel. The hostel is situated in Murray-st., and since it was taken over by the R.S.L., it has served a useful purpose in providing suitable accommodation for ex-servicemen, irrespective of whether they served at home or abroad.

In 1946, not a bed was vacant at any time of the year and the hostel then contained 212 beds. The tariff was reasonable and was commended by the Prices Control Branch on that account. The hostel did not exploit the ex-servicemen. The tariff for bed and breakfast was 4s. 6d., which was very reasonable. During the intervening years the wages have risen from £5 5s. a week seven years ago to over £13 a week, and the increase allowed by the Prices Control Branch has not been sufficient to give a reasonable return on the capital invested in the property.

The league invested certain funds and borrowed money with which to purchase the property from the estate of the late Mahomet Ali Bux who had bought it in the early part of the century. The total cost was £41,000 or perhaps a little more. Last year the net profit was a shade over 1 per cent., which was not sufficient in view

of the amount invested and the honorary work done by the committee in the supervision of the hostel. It was difficult to keep costs down.

Approaches were made to the Prices Control Branch and the negotiations extended over a considerable time. It is not a fast-working organisation when it comes to deciding prices for a commodity or for accommodation. It needs plenty of time to investigate and report back and make further investigations before reaching a final decision. We did not complain of that. We submitted what we thought was a reasonable tariff considering the prices being charged by similar hostels in the metropolitan area. We were charging £3 10s. per week for one type of room and a lower figure for another type, while for beds on the balcony the charge was much lower. The main tariff was £3 10s. a week for bed and breakfast.

When we took over the property, the condition of the accommodation was not of the best. We embarked upon a replacement programme and gradually replaced, especially in the last two years, quite a lot of the old furniture and fittings with modern equipment. We refurnished several rooms and I should say they compare very favourably with rooms in the average hotel in Perth. The breakfast provided would also compare favourably with that of any other private hostel in the city. It was a substantial meal and there was a choice of three or four items.

The Prices Control Branch decreased the charge from £3 10s. to £3 5s. and granted an increase of 6d. on balcony beds. These beds are rarely used because of the falling off in numbers of patrons. With an increase on the one hand and a decrease on the other, the income of the hostel has not improved, and this year we shall be lucky to break even after paying in the 12 months £10,000 in wages, £1,500 in interest on the capital, at least £1,500 for repairs and maintenance, several hundred pounds for rates and taxes and several hundred for laundry and other items that go to make up the expenses of running a hostel.

All these points were put before the Prices Control Branch and I also had a personal interview at which I explained the position. The answer was that had the property we purchased been in James-st., it would have cost us less. We admit that, but because the property was over-capitalised when purchased, we are being penalised through the prices Control Branch. If the property was worth only £30,000, we were getting no advantage out of the difference between that and £40,000, so that we suffered a loss of £500 for a start.

When we compare the price of meals and accommodation at other hostels in the city or at the average metropolitan hotel with the prices at this hostel, I

think members will agree that from £2 15s. a week to the maximum of £3 5s. a week for bed and breakfast is very cheap board and lodging. During the year we installed the latest hot water system that could be purchased and are in the process of installing hot water basins in each room at a cost of between £40 and £50 per room in order to make them more attractive.

Only this week I discussed the financial position of the hostel again with the committee. We felt that unless we could get some relief from the Prices Control Branch we would be compelled to do something about the hostel and either start some other form of business or sell out. The league has never tried to make big money out of other people, and especially out of ex-servicemen. I think its request to the Prices Control Branch should therefore have received much more favourable consideration that it was given. That request was put forward by a committee of men whose only object was to secure a reasonable return with the idea that the income would go back into the league for the purposes of ex-servicemen and that no individual would benefit from it.

Mr. May: Would it not have gone to help pay off the property?

Mr. YATES: We hope to pay off the property eventually, but under the restrictions imposed by the Prices Control Branch we cannot make sufficient for that purpose.

Mr. May: But you said the money would go to the league.

Mr. YATES: Any surplus over and above what we paid off the property would go to the league. When paying rent, we paid £1,000 per year to the W.A. Trustee Company, plus the rates and taxes. We did not have enough money to purchase the property, so we borrowed a sum on which we have to pay £1,500 per year interest, with the result that we are actually paying £500 per annum more now than when the estate owned the property. The owner had the right to charge us more rent than he did but refrained because the hostel was run by the league. However, he said he would give us the first option to purchase it, but that if we did not accept the offer he desired to sell as he lived in India and wanted to wind up his Perth estate.

Mr. Hutchinson: What were the increases you were granted?

Mr. YATES: I think we were allowed an increase of 1s. per day on one type of accommodation and 9d. per day on the other types, but it was actually only on the one type that was rarely used. The prices authorities reduced one type of room from £3 10s. per week to £3 5s. and that was the type we had just spent £45 per room on for the installation of the hot water system. We had put in new beds and

spring mattresses so that the rooms compared favourably with those of any hotel in the city.

The Minister for Prices: Did you make any approach to the previous Minister for Prices?

Mr. YATES: No, our approach was through the department and we did not want to go over its head. This has happened since the present Government took office. We decided to give the present position a trial and see how it operated. The Prices Control Branch has a certain amount of authority to decide whether a business is over-capitalised and that is all right, but when an institution such as this is run by an organisation that has no intention of making huge profits out of others, I think extra consideration should be shown. Any profit made would not go to individuals but into league funds to be used for other purposes.

I repeat that in this case the league has not made big profits over the years in comparison with the effort put into running the establishment. The hostel is open 24 hours a day, which involves three changes of shift and the payment of holiday pay and all the other expenses such as wages and salaries. That is why our salaries bill is rather high and works out at about 40 per cent. of our total expenses. In spite of the money we have spent and the hard work that we have put into the hostel, the profit last year was not sufficient to induce the league to carry on with it in its present form.

It must also be borne in mind that accommodation is becoming easier in the city and I know of one hostel that recently had only six guests although it had 35 rooms. The Salvation Army and the Y.M.C.A., which provide similar accommodation have had at times plenty of rooms to spare recently. The hostel at present is accommodating just over 100 per night, yet it has accommodation for 165. We had to reduce the number of beds because the City Council asked us, once the position eased, to do so in order to comply with its by-laws.

We agreed readily to that because the Perth City Council had been good to the league in allowing a little congestion in the hostel so that men would have a place in which to sleep. Owing to that, the original tariff was much cheaper, but when the league was forced to reduce the accommodation by 45 beds, we thought the Prices Control Branch should have taken it into consideration. Even today an average room in a hotel not far from here costs not less than £1 1s. for bed and breakfast and I defy even the Minister to say that a room for which we charge £3 5s. per week is any worse than one in this hotel which charges, as I have said, £7 7s. per week for bed and breakfast.

I therefore think the league's request for an increase of 1s. per day was reasonable and in that respect I do not think the Prices Control Branch has done a good job. No doubt it could present a very reasonable story to the Minister as it has more dealings with the control of prices in hostels or hotels than I or any other member of the committee would have. The member of the staff I interviewed put up a reasonable story as to why the Prices Control Branch has kept down prices in eating houses and compared the rigid control of that type of business with the control over other business houses.

Incidentally, I would mention that the laundry bill of the hostel has risen terrifically in the last seven years, out of all proportion to the increase allowed in our charges, and that applies to all items of expenditure in the hostel. Our electricity and gas bills have gone up beyond reason because of the increased charges allowed by Governments both past and present, yet this institution, which exists to give service, is not allowed to make a reasonable profit, such as would make possible the carrying out of proper repairs and maintenance.

In a hostel like this, with some 45 rooms, two balconies and numerous bath-rooms, showers, reading rooms and so on, maintenance is a large item. We have to put aside at least £400 or £500 per year for normal maintenance and we have to be particularly careful not to overspend in that direction. In fact, at times we have to neglect the property as we have not had sufficient money from our annual income to keep it in full repair.

Does the Minister think it is fair to be so rigid when a reasonable request has been made for a price increase? The Prices Control Branch certainly allowed a slight increase but it was not sufficient, in the opinion of the league, to allow the hostel to be run efficiently and give adequate service to the public, while allowing enough over to pay off the interest and a little off the capital in order that the property might eventually belong to the league and provide better accommodation for those who will use it in future.

The Minister for Prices: This is the first I have heard of it.

Mr. YATES: The league did not desire to go over the head of the department but to give the recent increase a trial. It has been in operation for a couple of months but our figures have not improved as the increase was not granted on a type of accommodation that is widely used. Men now do not mind what they pay, provided the rooms and amenities are decent. Some of those staying at the hostel earn up to £20 per week and so £3 5s. per week is nothing to them for bed and breakfast.

The Minister for Prices: I will be happy to investigate the position.

Mr. YATES: We intend to let it go to the December return, which will be in about three or four weeks' time. If we are then not satisfied, we intend to take the matter up with the Minister. We believe the Prices Control Branch thinks it has treated us fairly. We do not complain about that, but I think an organisation such as this, which has a large sum of money invested in a business of this kind, should receive more consideration. The hostel has provided accommodation for many members of the forces. When lads have come down from the country to be interviewed by the Naval Board, the Army Board and others, accommodation has always been made available for them at the hostel. They have been well looked after and the charges to the services concerned have always been reasonable.

Mr. May: Have you many war pensioners there?

Mr. YATES: Not many. Those who are not working or who have retired we are getting into Faversham Home at York, another institution run by the league. We made an offer to the University that students from the country requiring accommodation in the city would be given a reduced tariff, and during the rehabilitation training scheme we applied a much reduced rate to those taking part in the scheme. We made facilities available for those lads to study at the hostel and they were charged shillings per week below what they would have had to pay elsewhere. The league has provided accommodation for between 170 and 200 men every night for the last five years.

The inspectors of the Perth City Council—which is most concerned in the conduct and running of hostels—have visited the hostel on occasion and have always commended us on the job being done and the assistance being given to the council by providing accommodation and keeping men off the streets when they could not have found anywhere else to sleep in the city. We have accepted only ex-servicemen, irrespective of when or where they served, and no woman has been allowed in the building at any time. The place has always been properly conducted but, as I say, we have been compelled by the City Council to reduce the numbers, and we think we should be allowed to increase the tariff in order to carry on.

If there were no price-control, the league would not bump up the prices to a ridiculous figure but would raise the tariff only to what it asked the Prices Control Branch for, and that is a reasonable return on the money invested. Again, it has been mentioned that other businesses have suffered through price-control. Of course they have. I do not disbelieve in price-control. We have had a fair measure of controls,

some of which have been successful while others have not. However, we have not had an opportunity yet of experiencing a period of no price-control whatsoever.

The Leader of the Country Party said he was going to support the Bill, probably for three reasons only. Of the many commodities that are still controlled—there may be a hundred or more—the Leader of the Country Party selected three because their prices vitally affect country interests. The two principal ones are petrol and super. Therefore, he would favour the continuance of price-control on all commodities merely to retain control over commodities that are vital to the farmer. He might be justified in adopting that attitude because the prices of farmers' products are also controlled.

A farmer is not able to demand a higher price for his wool, oats or wheat. The price of wheat, especially, is rigidly controlled and the price of wool is controlled by the fluctuations in the world markets. However, what about the goods from other countries that are not controlled? They are being imported into this State and there is no control of the price of those commodities.

Mr. May: Are they not controlled by tariffs?

Mr. YATES: Some are, but not all.

Mr. May: I suppose you know there are still blackmarkets today.

Mr. YATES: I know that. There are some goods coming from the Eastern States that are not controlled but, as the States are more or less bound together in regard to trade, the majority of items are treated on a similar basis as between States, although I think Western Australia has more decontrolled items than any other State. I have not heard many complaints about any excessive increase in the price of commodities when price-control was lifted from those goods. Meat and clothing are the only commodities that have been referred to.

Mr. May: And ice.

Mr. YATES: I shall have something to say about that in a minute. The Minister re-imposed price-control on certain articles of clothing. That is the only commodity that has been recontrolled since he became Minister, although I estimate that there have been approximately 75 articles decontrolled since last year.

The Premier: What about the recontrol of plumbing?

Mr. YATES: That is labour, not goods. I know there has been recontrol on services. With the exception of plumbing and the electrical trades, not many services have been recontrolled. I have spoken to one or two plumbers in my district, and price-control has never affected them because their prices have not varied. It might affect plumbers who come from other States or those avaricious types

that are always out for excessive profits, irrespective of controls. Controls will not stop them. They can beat the controls, and that is how blackmarkets are created, as the member for Collie stated. Payment is also made for services rendered, but often no receipts are given. Sometimes that is the only way that a person can get a job done.

It is difficult to police control over services. As the Premier well knows, it is extremely difficult to control rents. He and other members know that literally hundreds of tenants were quite willing to accept a receipt for 25s. rental and pay £2 10s. a week. How can we police that? For any control system to be successful, it must rely on the honesty of both parties, but that is never completely achieved. The State has to provide a very costly machine to ensure that price-control is policed. If both sides were honest, there would be little need for price-control today.

I think the time has arrived when we should be able to give trade a free hand, without any restrictions whatever for, say, 12 months, or until the Prices Minister is convinced that the public is being forced to pay more for goods and services than conditions warrant. He should then have power to recontrol the prices of goods and services. I know the present Minister has a difficult portfolio to administer, and so did his predecessor. I can remember the heckling the member for Mt. Lawley received from members on both sides of the House on numerous occasions. The present Minister now knows that price-control is more difficult to administer than the name indicates.

The Minister for Prices: Oh no!

Mr. YATES: The Minister can take it in his stride, can he? He has not given the House that impression.

Mr. May: The member for Mt. Lawley made hard work of it.

Mr. YATES: The member for Mt. Lawley can make good work of any hard work, and he did a good job while he was Minister for Prices. He was at least sincere, and even though there were Labour Prices Ministers in the other States he always returned from conferences on prices in the Eastern States with fair criticism and in many instances he agreed with the Ministers with whom he was conferring. They carried on the work of price-control more efficiently than the people envisaged when it was handed over to the States by the Commonwealth, and that position has continued right up to the present.

The Minister for Prices: Thank you.

Mr. YATES: I think we should let this legislation lapse for a while so that we can prove that trade can carry on without control.

Mr. Norton: Do you know that the price of plaster board has been increased?

Mr. YATES: I know that the price of unionism has gone up this week, too. I know that one union has told its members that it will increase their fees quite substantially. The hon. member's Government has introduced a Bill to increase the fee charged by hairdressers. Is that warranted? These increases will continue all the time and no doubt some of them are justified.

The Minister for Prices: Both the employers' and the workers' organisations wanted that increase.

Mr. YATES: Some proprietors of hair-dressing salons have told me that they are very hostile about it, and I have also been approached by some master hairdressers who say that the men should have to pay more. These increases must take place, and the Prices Control Branch will not be able to stop them. When manufacturers or industrialists can prove to the prices authorities that production costs have risen, they must be granted the increase they are seeking, or they will be thrown out of production. Men will be thrown on the unemployment market and that is what we all want to avoid.

Will conditions be better with price-control or without? We do not know. We have not had the opportunity for many years to see whether or not it can be done without. But we do know that it has been done without in other parts of the world. Price-control is not the big bogey in America that it was, and it should not be so in Australia where there is constant employment and an abundance of all types of commodities available in the stores.

In fact, I do not know of anything that is not procurable. We can now buy anything which two or three years ago was unprocurable. The only item in short supply is the American car and that is only because of dollar restrictions, but we have an abundance of British cars; they are becoming increasingly popular and will eventually outnumber the American models. So there is always the answer to shortages of goods. If they are not available from one State or from one country they can be obtained from another.

After the many years that have elapsed since the war—which was the main reason for the introduction of price-control—I think Australia should abolish price-control or at least give the people the right to manufacture a commodity and set a price which would give them a reasonable return, so that they could compete with others manufacturing similar types of articles. This would enable them to get back to the position that existed before the war when goods were of a high quality and at a low price. I refer, of course, both to the people engaging employees and to those who are engaged as employees in industry.

Naturally we will not see such low prices again, because of high wages, but as long as the wage which is paid each week to

the earner is comparable with that of 1935 then we will get a good quality article and we will have harmony in industry. We will also not have the bugbear of further rigid control from which we are suffering so much today.

Mention was made of further committees and another commission. Some days the Government is in favour of boards and committees and other days it is apparently against them; it all depends how the Government is affected by the position. The Government was dead against an advisory committee suggested a few nights ago, but now it is proposing to set up a similar type of committee with wider powers. So the power of these committees is becoming greater every day and eventually Australia will have that many inspectors that the country will be flooded with them. At the moment there are at least 50 Government organisations that have the right to enter premises and inspect them.

It could happen, though it is highly improbable, that all these inspections could be carried out on the same day. Inspections can be made to see whether there is any electrical fault, or to inspect prices books and see that they are up to date; it is possible to have an inspector come around from the Customs Department to see that there is no contraband in the house.

The Minister for Prices: All these inspections would not be carried out on the same day.

Mr. YATES: This has only come about because of the many powers given by Governments from time to time to various Government instrumentalities.

The Minister for Prices: All the inspections would not happen every day.

Mr. YATES: That is the only blessing; if they did, there would be a complete change of governmental structure because the people would revolt; but the power is gradually being given through Governments to various Government departments to enable them to force their will on the public; and price-control is one of these powers.

Mr. McCulloch: Like the security police.

Mr. YATES: That is a provision made by the Commonwealth Government. At least one member of the public is very incensed about it, though I do not know the rights or the wrongs of the case. But I do not like all these powers being handed out. Tonight the Minister for Housing in his introduction of a Bill dealing with rent-control indicated that he proposes to give powers to inspectors to enter premises and inspect books. That is a further indication that the Government wants to give increased powers to another State instrumentality. Where is it all going to end?

The position will soon be reached, as exists in another country, where people are regimented and bound by rigid control; where in many instances if they want to leave their positions they must obtain permission before they can secure other employment. I do not think we will see that in Australia for many years, but there is no telling. However, I would like the Government to give full and earnest consideration to giving price-control the go-by for another 12 months.

Mr. Moir: In other words, throw the people to the wolves for 12 months.

Mr. YATES: Yes, but they would not all be wolves. It is not the people on the hon. member's side of the House who alone are decent; they are not the only ones who represent the worker. As a matter of fact, 88 per cent. of people in Australia are workers; they are classified as such by Liberal and Labour Governments. Accordingly, there cannot be too many drones outside that 88 per cent., and we must represent quite a proportion of the 88 per cent. of people classified as workers because they all did not vote for the Government which the member for Boulder supports.

We should be loth to see such a thing happen. There are as many wolves among the workers as there are among those who employ them. I agree with the member for Boulder that there could be a fluctuation for a start. But these things have settled down before without price-control. We have arrived at a stage where we could end all control. Let us do without control for 12 months and if during that period the Minister thinks that there is necessity for it, then let us give him the authority to re-impose price-control.

The Minister for Justice: But the Act would give him that power now.

Mr. YATES: Yes, but he is still considering price-control. He has the power. We do not want that 12 months period; we want to see whether we could work again without it. We did not have price-control before the war and there were no wolves then, simply because there was keen competition. The member for Boulder knows that after the depression years goods were never cheaper because of the urge of industry to get started again and to sell its commodities.

The Minister for Prices: There were 250,000 people out of work in 1929.

Mr. YATES: I know that, but they were gradually absorbed back into industry when industry was able to make sufficient profits to pay them their wages. The recovery in this country after the depression was miraculous.

Mr. Oldfield: I think the Minister should check his figures.

Mr. YATES: I think 250,000 would be about right; there were a number of families affected. I was out of work for a

period and it affected my family. I urge the Minister to give consideration to the request that price-control be allowed to lapse for twelve months, with a proviso that if during this period there is an excessive increase in prices, he will have power to reimpose price-control immediately.

MR. O'BRIEN (Murchison) [12.22 a.m.]: I congratulate the Minister for introducing such a measure. I have listened to various references about conditions in Belgium and other countries. Let us come back to Western Australia. I want to take members to the Goldfields and tell them about the effect of price-control on necessities for the goldmining industry. In 1948 the referendum on prices introduced by the late Mr. Chifley was held. The employers strongly supported the "No" vote, but it was perhaps only a month before employers in my district complained that costs were rising. I reminded them that they had the opportunity to control prices.

Hon. Sir Ross McLarty : We still had price-control.

Mr. O'BRIEN: There was State price-control after the States had contended at that stage that they considered they could control prices. Today the costs in the goldmining industries are just about equal to the price paid for gold. In 1938 there was a fair margin to work on. Today lower grade mines are going out of existence. By controlling prices, the goldmining industry could be saved.

Mr. Oldfield: You would like to see gold decontrolled?

Mr. O'BRIEN: At the moment we are passing through prosperous times but next year we might see a drastic fall in the price of wool. In that case we would have to do something on the lines suggested by the Minister. The passage of the Bill could save that industry and benefit the whole of the community. It is true that basic wages adjustments are six months behind and the Minister should control prices. I urge that members support the Minister.

MR. WILD (Dale) [12.25 a.m.]: The time has arrived when we should throw overboard price-control. We have to look at the basic factor and the reasons for introducing price-control originally. Was it not because of the acute shortage of commodities caused by the war which compelled the Commonwealth Government to control prices? Years have rolled by. Who can deny today that in practically every line there is a virtual over-supply?

I had a discussion with one or two men last week on the price of steel and cement. I had a lot to do with those men when I was Minister for Housing. About two years ago we were forced here, through the acute shortage of steel, to pay £91 per ton

whereas the Australian price was £30. For cement we paid £30 per ton against the local price of £9 2s. 6d. It was only because there was a shortage of local articles, that we had to purchase from overseas. We paid the price they demanded.

A week previously I was amazed to find out that we were able to land steel—I am not referring to block steel but galvanised wire and roofing iron—much cheaper than we could secure it from the Eastern States. I rang up a store and asked for a quantity, saying that I wanted the local and not imported iron. I was told that I could have the local iron, but it would cost me more.

The Premier: Was this Japanese iron?

Mr. WILD: English or Belgian. The same thing applies to cement. Two years ago we paid £30, but today one can go to any store in town and get up to five tons of locally manufactured cement. Let us look at a few articles which we use and eat in our daily lives. One thing which comes to mind is the price fight which went on in the Victoria Park open markets. The Perth City Council stepped in and tried to stop the market.

If ever there was a set of individuals trying to lower the cost of fruit and vegetables, it was those people in Victoria Park. What happened there was that because a plentiful supply was available people were prepared to put the commodity on the market and take a reasonable profit. We found butter at 2d. or 3d. per lb. less, eggs at 4s. 6d. instead of 5s. 4d., and people could buy a bagful of vegetables for six or seven shillings which in normal circumstances would cost 12s. or 15s. in the stores.

Let us look at clothing. We have been told how costly this is. I suggest that members look closer into the matter. If there is one commodity over-supplied in this State it is clothing. While some articles are kept up to the ceiling price, people do not always buy Pelacco or Van Heusen shirts and by looking at the sales every day, one can buy clothing much cheaper than had been possible for some time.

A while ago we heard complaints about the price of meals in hotels and perhaps the Minister had reason to recontrol the price. I am reliably informed—and from my own observations I believe it is correct—that there were four or five hotel-keepers who did the wrong thing and that the Licensed Victuallers' Association would be prepared to admit this. In every walk of life, however, somebody is found who is prepared to have a go. What happened in the prewar years? We did not have price-control. We had a plentiful supply of everything, and if some people asked for higher prices than they were entitled to demand, they did not get the business. We have an over-supply of goods today and surely now the time has

come to let free enterprise and free trade have a go! I shall not support the Bill.

MR. NALDER (Katanning) [12.31 a.m.]: I concur with the remarks of the Leader of the Country Party on this measure. I should like to utter a word of warning regarding the possibility of recontrolling meat. When meat prices were controlled a few years ago, we found that the supply dropped off considerably. In a State like Western Australia where the possibilities of lamb production are so favourable, we found that lamb production decreased until it had reached an almost negligible quantity.

Very few lambs are being exported from Western Australia this year and, if meat prices are recontrolled, that position may become worse instead of taking a turn for the better. At present there is a very keen demand for lambs and it is a fact that growers of British breed rams cannot supply requirements. This is a good omen for the future. If, however, the control of meat is, to be reinstated, the producer will not have the advantage that he should enjoy at the period of the year when he is compelled to feed his stock in order to maintain the supply of meat.

The Minister for Prices: What about the retail side? What do you suggest there?

MR. NALDER: That is a matter to be considered. Perhaps the retail trade has not been playing the game, but why should the producer be penalised because a section of the trade is not playing the game by the consumers?

MR. LAWRENCE: The wholesalers, too.

MR. NALDER: I feel sure that if the figures of a number of the leading wholesalers in Perth and Fremantle were obtained, it would be found that they have been playing the game with the public. However, that is the note of warning I wished to sound. If control is reinstated, I am afraid that the production end will suffer, and that is not what we want. Our aim should be to encourage the production of meat, not only to meet the requirements of the growing population of the State, but also for the export value of the trade, as well as for the benefit of the State and of Australia.

We can take pride in the quality of our export lambs. Last year the competition lambs sent to England by Western Australia topped those of all the other States, and when we can take pride of place over such a State as Victoria, which has been breeding export lambs for so many years and has a far better climate and longer growing season than we have, it is something to be proud of.

We need to encourage production. If we have control, it will be found that the man who is prepared to spend money to keep his stock in marketable condition at the period of the year when supplies are

short, without getting the advantage of the increase, will change over to growing sheep for wool, and then we shall be faced with a bigger shortage of meat when we should be increasing our production.

THE MINISTER FOR PRICES (Hon. W. Hegney—Mt. Hawthorn—in reply) [12.36 a.m.]: In making an overall reply, I should first of all like to thank members who have contributed to the debate, including those who are not in favour of price-control, because I am satisfied that those who oppose the measure are sincere in the views to which they have given expression. The remarks of the member for Stirling appeal to me as being very logical and they are borne out by the facts. When I moved the second reading, I referred to certain aspects that the member for Stirling has so ably amplified.

Without going into detail on the point raised by the member for Katanning, it may be necessary, as I indicated previously, for the consumers to be protected against the retailers in the matter of the price of meat. As to controls generally, I reiterate that this Government will not control commodity prices simply for the sake of controlling them. I hope to see the day when there will be no need for controlling the price of any commodity, but I firmly believe that the present is not the time to discontinue this legislation, more particularly, as has been mentioned more than once, since wages have been pegged.

Section 10A of the Act has reference to the fixing of the price of cheese and butter. If controls were abolished through the expiration of this legislation at the 31st December, what would happen to the subsidies on cheese and butter if there were no recognised or responsible authority to ensure that the equivalent of the subsidy paid by the Commonwealth would benefit the consumer? It would mean an increase in the price of butter on the "C" series index figure of 1s. 5d. a week.

Hon. Sir Ross McLarty: The price is fixed ex factory, is it not?

THE MINISTER FOR PRICES: Yes, but the Prices Control Branch can fix the margins to be charged by the retailer to the consumer. In regard to cheese, it would be approximately ½d., so that those two items alone would make a difference of 1s. 6d. a week in the basic wage.

Hon. A. V. R. Abbott: That is, if the Commonwealth Government ceased paying the subsidy?

THE MINISTER FOR PRICES: Yes.

Hon. A. V. R. Abbott: Would the Commonwealth cease to do so?

THE MINISTER FOR PRICES: What would be the position if there were no authority to ensure that the consumer re-

ceived the benefit of the subsidy? The Prices Control Branch fixes the margin for the retailers in regard to these commodities. The same thing applies to tea. The subsidy on tea is 2s. 8d. a lb. which would mean an increase of 1s. 4d. a week. On these few items alone there would be an increase of 2s. 10d.

Hon. A. V. R. Abbott: The Commonwealth Government would continue to pay the subsidies.

The MINISTER FOR PRICES: It pays £7,000,000 a year on tea.

Hon. A. V. R. Abbott: It would continue to pay it.

The MINISTER FOR PRICES: That is problematical.

Hon. A. V. R. Abbott: It has said it would.

The MINISTER FOR PRICES: I have been advised that it is unlikely that the Commonwealth Government would continue to pay a subsidy unless it could be assured that the consumer would reap the benefit of it. There is the possibility, because of an increase in the price of wheat from 11s. 11d. to 14s. 1½d. per bushel that there will be an unavoidable increase in the price of bread. Petrol and oils have been mentioned. The amount of money saved to the people of Australia on these items shows that price-control administration is very cheap.

Certainly, I would hesitate to lift the controls in regard to the oil companies at this stage because if that were done, there would be competition only in regard to distribution, and not as regards prices. The primary producers and the community generally, including the State Government, would suffer. Price-control affects all the States. I am advised that yesterday a Bill passed the Victorian Legislative Assembly. Price-control is imposed in the Australian Capital Territory by means of an ordinance. The Commonwealth Government has not lifted price-control. The Liberal Government of South Australia, of which Mr. Playford is the Premier and Minister for Prices, is continuing price-control.

Hon. A. V. R. Abbott: Has Tasmania continued it?

The MINISTER FOR PRICES: Yes. Recently news came over the air—this did not appear in "The West Australian" as far as I know—that Mr. Fagan had re-controlled the price of meat. Price-control is operating in Queensland. I submit that the time is not ripe for the lifting of price-control. The suggestion has been made that it be lifted for a period of 12 months. I submit that in regard to competency of administration, if price-control were lifted and certain people exploited the public, it would take quite a time to get effective administration to cope with the position.

We are not going to extend control for the sake of doing that, but I believe that the legislation should continue for at least another 12 months, and if it is then found that it might be carried on, some reserve power in the interests of the protection of the public could be given to the Government to do so. Much has been said about hides and skins. My information is that over a period of years many millions of pounds have been saved to the people of Australia. For the financial year ended the 30th June, 1953, it is estimated that, as a result of price-control, £4,500,000 was saved to the people.

The Commonwealth Government, which is of a different political colour from that of this Government, has not lifted the export prohibition on hides and skins. That is why it has been suggested that we should remove price-control from hides and skins. The Commonwealth Government has the power, at any time it wishes to exercise it, to remove the export prohibition, but it has not done so. The States would be completely in the hands of the Commonwealth Government at any time it decided to lift the ban on the export of hides and skins.

The member for Nedlands said he would like to see controls lifted altogether. The Perth and Suburban Bread Manufacturers' Association is anxious to have price-control retained. As a matter of fact, the Wheat Products (Prices Fixation) Act contains provision for the imposition of a maximum price for bread. The administration of that provision is carried on by the Prices Control Branch. The Bill, which contains only three clauses, is essentially one that lends itself to second reading speeches.

Question put and a division taken with the following result:—

Ayes	.....	26
Noes	.....	12
Majority for	.....	14

Ayes.

Mr. Ackland	Mr. Lawrence
Mr. Andrew	Mr. McCulloch
Mr. Doney	Mr. Molr
Mr. Graham	Mr. Nalder
Mr. Hawke	Mr. Norton
Mr. J. Hegney	Mr. Nulsen
Mr. W. Hegney	Mr. O'Brien
Mr. Hill	Mr. Owen
Mr. Hoar	Mr. Rhatigan
Mr. Jameson	Mr. Sleeman
Mr. Johnson	Mr. Styans
Mr. Kelly	Mr. Watts
Mr. Lapham	Mr. May

(Teller.)

Noes.

Mr. Abbott	Mr. Manning
Mr. Brand	Sir Ross McLarty
Dame F. Cardell-Oliver	Mr. Nimmo
Mr. Court	Mr. Oldfield
Mr. Hearman	Mr. Yates
Mr. Hutchinson	Mr. Bovell

(Teller.)

Ayes.	Pairs.	Noes.
Mr. Guthrie	Mr. North	
Mr. Heal	Mr. Mann	
Mr. Sewell	Mr. Cornell	
Mr. Brady	Mr. Wild	
Mr. Tonkin	Mr. Thorn	

Question thus passed.
Bill read a second time.

In Committee.

Mr. J. Hegney in the Chair; the Minister for Prices in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 15 repealed and re-enacted:

The MINISTER FOR PRICES: I move an amendment—

That in line 5 of Subclause (1) the word "retailers" be struck out and the word "wholesalers" inserted in lieu.

Amendment put and passed.

Hon. A. V. R. ABBOTT: As I have voiced my objection to this provision during the second reading debate, I will not enlarge upon it now, but will the Minister tell the Committee the duties of this commission? Section 15 of the Act says that the Minister shall appoint an advisory committee to advise him, but there is no such purpose stated here.

The MINISTER FOR PRICES: It is a consultative commission of which the present commissioner will be chairman, and he and the representatives will consult on matters regarding price-control.

Hon. A. V. R. ABBOTT: Who will consult them?

The MINISTER FOR PRICES: I will. There will be regular meetings and the interests concerned will have an opportunity, at least monthly and at such other times as the Minister shall direct, of putting forward their views. I will approach the appropriate organisations and suggest to the executives that they appoint competent persons as representatives. I certainly will not pick people who are not properly qualified.

Hon. A. V. R. ABBOTT: I think the previous committee was likely to be more efficient than this one. The commissioner, who is primarily charged with fixing prices, will be chairman of the commission and will have to query his own decisions.

The Minister for Prices: No.

Hon. A. V. R. ABBOTT: Then what decisions would they investigate?

The Premier: They would be dealing with decisions as to the future.

Hon. A. V. R. ABBOTT: I will vote against the clause.

Clause, as amended, put and passed.

Clause 3—Section 18 amended:

Hon. A. V. R. ABBOTT: I move an amendment—

That all words after the word "the" in line 2 be struck out.

If the amendment is agreed to, I propose to insert other words the effect of which will be to continue the legislation till the 30th June, 1954, and no longer, as I think that would be sufficient.

The MINISTER FOR PRICES: The hon. member has indicated the words he will move to have inserted if the present amendment is agreed to. First of all, I do not think Parliament will be meeting on the 1st July next. This is the first time in five years that the member for Mt. Lawley has not moved a continuance Bill with a period limit of 12 months, but now he is in Opposition he wants to cut that period down to six months. I suggest that the period should be to the 31st December, 1954. During next session consideration will be given to the question of whether another continuance measure will be introduced or whether the Act will lapse by the effluxion of time.

Amendment put and negatived.

Clause put and passed.

Title—agreed to.

Bill reported with an amendment.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. A. R. G. Hawke—Northam): I move—

That the House at its rising adjourn till 7.30 p.m. today.

I think the reason for the special adjournment is well known to all members. I issue an invitation on behalf of the committee controlling the cricket match to be played later today between the parliamentary team and the team selected by His Excellency the Governor, to all members to attend afternoon tea at 3.45 p.m. at the W.A.C.A. ground. Every member is entitled to bring one guest and if members could let Mr. Bartlett know how many will be coming it will assist in the catering arrangements.

Question put and passed.

House adjourned at 1.3 a.m. (Wednesday).