Legislative Assembly

Wednesday, 28th September, 1955.

CONTENTS.

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

BILL—PERPETUAL EXECUTORS, TRUSTEES AND AGENCY COMPANY (W.A.) LIMITED ACT (PRIVATE) AMENDMENT.

Petition Presented.

Mr. Court presented a petition from the agents for the Perpetual Executors, Trustees and Agency Company (W.A.), Limited, praying for leave to bring in a private Bill for "An Act to amend the Perpetual Executors, Trustees and Agency Company (W.A.) Limited Act, 1922."

Petition received and read.

In accordance with the prayer of the petition, leave given to introduce a Bill.

Bill introduced and read a first time.

Referred to Select Committee.

Bill referred to a select committee consisting of Mr. Ross Hutchinson, Hon. J. B. Sleeman, Mr. Lapham, Hon. A. F. Watts and Mr. Court (mover), with power to call for persons and papers, to sit on days over which the House stands adjourned and to report on Wednesday, the 12th October.

BILL—WEST AUSTRALIAN TRUSTEE, EXECUTOR AND AGENCY COMPANY, LIMITED ACT (PRIVATE) AMENDMENT.

Petition Presented.

Mr. Court presented a petition from the agents for the West Australian Trustee, Executor and Agency Company Limited praying for leave to bring in a private Bill for "An Act to amend the West Australian Trustee, Executor and Agency Company Limited Act."

Petition received and read.

In accordance with the prayer of the petition, leave given to introduce a Bill.

Bill introduced and read a first time.

Referred to Select Committee.

Bill referred to a select committee consisting of Mr. Ross Hutchinson, Hon. J. B. Sleeman, Mr. Lapham, Hon. A. F. Watts and Mr. Court (mover), with power to call for persons and papers, to sit on days over which the House stands adjourned and to report on Wednesday, the 12th October.

BUNBURY ELECTORATE.

Seat Declared Vacant.

Mr. SPEAKER: I have received the certificate of the death of a member, which reads—

> We, the undersigned, being two members of the Legislative Assembly, do hereby certify that Frank Guthrie, a member of the said House, serving for the Bunbury district, died on the twenty-first day of September, 1955, and we give you this notice to the intent that you may issue a writ for the election of a member to supply the vacancy caused by the death of the said Frank Guthrie.

Given under our hands this twenty-eighth day of September, 1955.

(Signed),
A. R. G. HAWKE,
H. May.

THE PREMIER: I move—

> That the House resolves that owing to the death of Frank Guthrie, late member for Bunbury, the Bunbury seat be declared vacant.

Question put and passed.

QUESTIONS.

WAR SERVICE LAND SETTLEMENT.

Amounts Expended, Written off and Produce Sales.

Mr. NALDER asked the Minister for Lands:

(1) What was the total amount spent by the Commonwealth Government on war service land settlement in Western Australia for each year from the inception of the scheme up to and including the year 1954-55?

(2) What was the total amount spent by the State on war service land settlement for each year up to and including 1954-55?

(3) What was the amount of money written off and borne by the Commonwealth in each year from inception of the scheme up to and including 1954-55?

(4) What was the amount of money written off and borne by the State in each year from inception of the scheme up to and including 1954-55?

(5) What was the gross revenue received by the Land Settlement Board from the sale of produce of all kinds, including livestock, derived from war service land settlement farms of all kinds for each of the years from the inception of the scheme up to and including the year 1954-55?

(6) Was any of this amount, and if so, how much, credited to the settlers?

The MINISTER replied: The details are as follow:—

(1) TOTAL AMOUNT SPENT BY COMMONWEALTH GOVERNMENT ON WAR SERVICE LAND SETTLEMENT.

Year.	Acquisition of Properties.	Development of Properties.	Other Expenditure.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1945–46	....	50,521 11 11	1,427 3 5	51,948 15 4
1946–47	723,853 10 8	137,618 16 5	17,803 16 3	879,276 3 4
1947–48	978,329 16 11	218,575 0 8	185,143 10 1	1,382,048 7 8
1948–49	580,586 1 5	481,305 1 0	871,323 3 8	1,933,214 6 1
1949–50	531,989 1 2	812,340 10 8	848,790 7 4	2,193,119 19 2
1950–51	239,805 2 3	1,312,050 13 10	1,141,185 6 10	2,693,041 2 11
1951–52	173,949 1 3	1,637,953 5 11	1,084,899 16 4	2,896,802 3 6
1952–53	32,295 2 3	*2,118,783 2 11	1,187,103 13 8	3,338,181 18 10
1953–54	43,583 9 0	1,503,849 0 4	1,084,006 19 11	2,631,439 9 3
1954–55	95,454 11 6	1,613,166 18 6	759,584 10 8	2,468,206 0 8
Total	£3,399,845 16 5	£9,886,164 2 2	£7,181,268 8 2	£20,467,278 6 9

Development of Properties includes cost of Plant, Equipment, Stores, Buildings, etc.

Other Expenditure includes Advances to Settlers for Working Expenses, Stock, Plant, Structural Improvements and Living Allowances.

The amount of Advances to Settlers includes £1,079,972 1s. 6d. for Structural Improvements, the original cost of which is included in the expenditure on Acquisition and Development.

* Includes cost of bulldozers, £268,356.

(2) TOTAL AMOUNT SPENT BY STATE GOVERNMENT ON WAR SERVICE LAND SETTLEMENT.

Year.	Acquisition of Properties.	Development of Properties.	Other Expenditure.	Total Gross.	Transferred to Commonwealth, etc.	Total Net.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1943–44	....	....	178 10 0	178 10 0	....	178 10 0
1944–45	....	....	1,221 13 2	1,221 13 2	....	1,221 13 2
1945–46	91,721 10 9	....	11,356 7 7	103,077 18 4	....	103,077 18 4
1946–47	....	56,742 8 3	67,876 16 1	124,619 4 4	86,389 13 9	38,229 5 7
1947–48	....	111,715 14 3	191,972 14 10	303,688 9 1	88,911 5 9	214,777 3 4
1948–49	8,750 0 0	107,288 2 6	191,909 13 0	307,947 15 6	142,221 1 0	165,726 14 6
1949–50	19,866 4 0	135,712 17 4	300,995 19 10	456,575 1 2	109,265 11 9	347,309 9 5
1950–51	4 10 0	113,767 13 9	254,150 2 5	367,922 6 2	86,748 17 2	281,173 9 0
1951–52	9 5 0	125,599 1 4	295,761 5 8	421,369 12 0	140,673 5 7	280,696 6 5
1952–53	....	104,457 8 0	285,923 0 11	390,380 8 11	140,650 10 2	249,729 18 9
1953–54	....	56,541 11 9	251,245 16 5	307,787 8 2	38,566 15 3	269,220 12 11
1954–55	....	8,844 14 1	136,772 18 10	145,617 12 11	3,036 18 3	142,580 14 8
Total	£120,351 9 9	£820,669 11 3	£1,989,364 18 9	£2,930,385 19 9	£842,464 3 8	£2,087,921 16 1

(3) AMOUNT WRITTEN OFF AND BORNE BY COMMONWEALTH GOVERNMENT.

Year.	Lands and Surveys.	R. & I. Bank.	Total.
	£ s. d.	£ s. d.	£ s. d.
1948–49	81,018 11 8	....	81,018 11 8
1949–50	15,321 8 9	....	15,321 8 9
1950–51	13,909 17 0	....	13,909 17 0
1951–52	750 14 1	3,976 9 6	4,727 3 7
1952–53	37,522 10 10	1,814 17 8	39,337 8 6
1953–54	3,917 1 6	2,966 15 3	6,883 16 9
1954–55	47,344 10 4	6,699 7 4	54,043 17 8
Total	£199,784 14 2	£15,457 9 9	£215,242 3 11

(4) AMOUNT OF MONEY WRITTEN OFF AND BORNE BY STATE GOVERNMENT.

Year.	Lands and Surveys.
	£ s. d.
1948–49	54,012 7 11
1949–50	10,214 5 10
1950–51	9,273 4 8
1951–52	....
1952–53	24,338 9 10
1953–54	....
1954–55	31,563 0 2
Total	£129,401 8 5

GROSS AMOUNT OF REVENUE RECEIVED.

(5)

Year.	Lands and Surveys.	R. & I. Bank.	Total.
	£ s. d.	£ s. d.	£ s. d.
1946–47	11,137 9 9	....	11,137 9 9
1947–48	77,717 7 11	....	77,717 7 11
1948–49	337,787 9 3	38,217 0 6	376,004 9 9
1949–50	326,939 12 5	250,273 9 1	577,213 1 6
1950–51	579,245 8 0	290,237 1 1	869,482 9 1
1951–52	406,140 3 3	87,045 9 4	493,185 12 7
1952–53	439,474 12 3	105,720 0 8	545,194 12 11
1953–54	340,124 11 3	191,988 12 6	532,113 3 9
1954–55	360,181 14 3	163,892 13 0	524,074 7 3
Total	£2,878,748 8 4	£1,127,374 6 2	£4,006,122 14 6

(6) AMOUNT OF REVENUE (5) CREDITED TO SETTLERS.

Year.	Lands and Surveys.	R. & I. Bank.	Total.
	£ s. d.	£ s. d.	£ s. d.
1946–47	....	....	....
1947–48	1,402 12 9	....	1,402 12 9
1948–49	123,673 0 11	38,217 0 6	161,890 1 5
1949–50	92,866 4 4	250,273 9 1	343,139 13 5
1950–51	273,432 13 0	290,237 1 1	563,669 14 1
1951–52	167,461 10 3	87,045 9 4	254,506 19 7
1952–53	186,923 17 6	105,720 0 8	292,643 18 2
1953–54	217,492 15 9	191,988 12 6	409,481 8 3
1954–55	280,853 16 4	163,892 13 0	444,746 9 4
Total	£1,344,106 10 10	£1,127,374 6 2	£2,471,480 17 0

CLAREMONT.

Police Station and Local Court.

Hon. C. F. J. NORTH asked the Minister for Police:

(1) Is the land in Claremont set aside for a police station large enough to accommodate a local court as well as a police station?

(2) Will he state if any decision has been come to regarding a new police station?

(3) Is a local court needed between Perth and Fremantle?

The MINISTER replied:

(1) No.

(2) The necessity for a new police station at Claremont has been recognised for some time but no decision as to its possible commencement has yet been arrived at pending consideration of the necessary funds and having regard to other commitments.

(3) The necessity for a local court between Perth and Fremantle has not been investigated.

ELECTRICITY SUPPLIES.

(a) Fuel Used, etc., South Fremantle and East Perth Power Houses.

Mr. McCULLOCH asked the Minister for Works:

(1) What quantity of coal does it take to generate one unit of electric current at (a) South Fremantle power house; (b) East Perth power house?

(2) Is pulverised Collie coal used exclusively at the above power stations for the generation of electricity? If not, what other blend is used?

(3) Is it the intention of the State Electricity Commission, subsequent to the 31st December next, to use other fuel as an alternative to Collie coal at State power houses? If so, what class of fuel has the commission in mind?

(4) If the answer to No. (3) is in the affirmative, would the boilers require converting to burn such fuel? If so, what would be the approximate cost of such conversion?

The MINISTER replied:

(1) (a) 1.6 lbs.

(b) 1.7 lbs.

(2) Yes.

(3) Not at present. Future policy may depend on the price of available alternative fuel.

(4) No cost. The boilers are equipped to burn fuel oil.

(b) High Tension Line, Pickering Brook-Karragullen.

Mr. WILD asked the Minister for Works:

(1) What was the reason for the decision to discontinue the erection of the high tension line from Pickering Brook to Karragullen?

(2) Has any clearing taken place on the proposed route?

(3) Has an officer of the State Electricity Commission called on the occupiers of houses along the projected route during the past three months and, if so, what was the object of his visit?

The MINISTER replied:

(1) Contraction by the Loan Council of the amount the commission is allowed to borrow.

(2) Yes.

(3) Yes. The object was to make a survey of prospective consumers.

ROYAL PERTH HOSPITAL.

Sound-Proof Room.

Mr. ROSS HUTCHINSON asked the Minister for Health:

In the light of recent much-publicised tetanus cases and in view of the lack of, and necessity for, a properly constructed and efficient sound-proof room at the Royal Perth Hospital, will he give an assurance that such a room will be constructed?

The MINISTER replied:

The matter is under consideration by the hospital board.

WHEAT.

Production of Flour, Offals, etc.

Mr. JOHNSON asked the Minister for Agriculture:

(1) What was the amount of flour produced in Western Australian mills in each of the last five years?

(2) What was the production of wheat offals in the same years?

(3) Is a decline in the production of flour and wheat offals affecting such industries as egg production, dairying, pig raising?

(4) What percentage of available production capacity is now being used, and why is not the full capacity in use?

The MINISTER replied:

(1)

	Short Tons Flour
1950-51	217,345
1951-52	221,846
1952-53	224,330
1953-54	187,958
1954-55 (est.)	175,807

(2)

	Short Tons Mill Offals	
	Bran	Pollard
1950-51	47,377	34,907
1951-52	48,837	35,771
1952-53	49,283	38,364
1953-54	41,793	31,314
1954-55 (approx.)	38,000	29,000

(3) It is inconvenient for these industries but it is possible to replace mill offals with other types of feeding-stuffs.

(4) As at the middle of September, 51 per cent. Inability to obtain a greater volume of orders for flour for export.

SWANBOURNE-COTTESLOE TRANSPORT.

Bus Route, Service, etc.

Hon. C. F. J. NORTH asked the Minister for Transport:

(1) Regarding the absence of buses running between 7 p.m. and 10 p.m. on the Swanbourne-Cottesloe route of the Metro buses, is this a temporary arrangement?

(2) Has the question of reducing the taxation on these buses been considered in addition to the recent fare increase?

The MINISTER replied:

(1) The reduced timetable on the Shenton-rd. section of the Swanbourne-Cottesloe route has been brought about entirely through lack of patronage. If, and when, traffic warrants, the timetable will be improved.

(2) The fees paid by omnibus operators are not merely taxes to be absorbed into Consolidated Revenue. They are contributions towards the maintenance of the roads. After allowing for administration costs, the balance is distributed for expenditure on roads and

the amount received by each local governing body is treated as part of its local revenue. Reduction of fees amounts, in effect, to the payment of a subsidy by the local governing body for the particular service concerned. If the local authorities were prepared to make a direct payment of subsidy to the operator to off-set lack of patronage, the matter of reinstating the mid-evening service through Swanbourne would be reconsidered.

POLICE.

Repairs and Renovations to Station, Donnybrook.

Mr. HEARMAN asked the Minister for Police:

(1) When will renovations and repairs be commenced on the Donnybrook police station and quarters?

(2) Can he indicate what improvements in the living quarters of the constable in charge are envisaged?

The MINISTER replied:

(1) These buildings are scheduled for renovation during 1955-56. The work will be put in hand later in the financial year if funds are then available.

(2) No.

NATIVE WELFARE.

Statement by Commissioner:

Mr. HEARMAN asked the Minister for Native Welfare:

(1) Does the recently published statement of the Commissioner of Native Affairs, which contains allegations of exploitation of natives, reflect government opinion?

(2) Why was a statement of this nature made by the Commissioner of Native Affairs, rather than by the responsible Minister?

(3) Can he indicate where the Government stands with respect to these allegations of exploitation?

The MINISTER replied:

(1) It is suggested that an indication be given of the statement referred to.

(2) and (3) Answered by No. (1).

BILL—HEALTH ACT AMENDMENT.

Introduced by the Minister for Health and read a first time.

MOTION—BETTING CONTROL ACT.

To Disallow Licence Forms and Surrender Regulation.

Debate resumed from the 21st September on the following motion by Mr. Hearman:—

> That regulation No. 24, made under the Betting Control Act, 1954, published in the "Government Gazette" on the 6th May, 1955, and laid upon the Table of the House on the 9th August, 1955, be and is hereby disallowed.

MR. HEARMAN (Blackwood—in reply) [4.44]: In reply to the debate, I would like to say at the outset that the objective I set out to achieve has been partially reached at least inasmuch as the Minister has told us that to date there has been no necessity to attach any special terms and conditions to bookmakers' licences that have been issued. In his reply, I thought the Minister—

Mr. SPEAKER: Order! There is too much conversation going on in the Chamber.

Mr. HEARMAN: —rather lost sight of the principle involved in the motion which was whether Parliament should be advised of what the board's intentions were. To me the Minister seemed to wander all over the place by speaking about the number of betting-shops in Kalgoorlie and the days on which they were allowed to operate and so on, all of which was completely outside the terms of the motion. However, I appreciate that at the time the Minister was under severe strain—to which he referred during the course of his speech—and I have no intention of embarrassing the Minister along those lines and, in fact, it has nothing to do with this motion.

The point at issue is whether Parliament is to know what regulations the Betting Control Board formulates and whether the board should be given the right to promulgate regulations without reference to Parliament and without this House being informed what terms and conditions are laid down. During the course of his remarks, the Minister pointed out that he considered the terms and conditions under which bookmakers' licences were issued were fully covered by the regulations, and I am inclined to agree with him, owing to the fact that it has been unnecessary to attach any special terms and conditions to any licence that has been issued to date. This would indicate that the regulation which permits the board to attach any special terms and conditions to a licence is redundant.

One would have thought that if any special terms and conditions were to be laid down, they would have been necessary in the early stages of the issuing of licences, rather than in the later stage. The Minister seemed to think that cases of a hypothetical nature could arise, but I could not enter into discussion on such cases, with the exception of any particular one that the Minister had in mind. One of the points that struck me in the Minister's reply was that he attempted to attribute all sorts of intentions to me which I feel are quite wrong.

For instance, he suggested that I wanted country betting-shops open on Wednesdays. Apart from the fact that this has

nothing to do with the motion, the question that I asked the Minister appears at page 236 of "Hansard," dated the 23rd August of this year, and it reads as follows:—

> Will he explain to the House the object of the regulation whereby the licensed starting-price bookmaker in Donnybrook is prevented from betting on country race meetings . . . ?

The purpose of my question was to find out what was the object of the regulation. I did not know, and I merely sought that information. I think the Minister has, quite incorrectly, inferred that I sought to have betting hours extended.

In fact, I did make a comparison between the facilities provided for betting at Donnybrook and at other country towns, but I do not think there was anything in my question whereby the Minister could imply that I wanted additional betting facilities made available. I merely asked what was the object of the regulation. If the Minister wanted to draw inferences from my question, he could, just as logically, infer that I was suggesting that some betting-shops could be closed where they are now open. It is unfair for the Minister to attach an interpretation to that question which is not justified.

Later on the Minister suggested that the regulations set out all the conditions under which licences may be issued. There is a blank space on the licence form for the insertion of any terms and conditions to which an applicant may be subject, but, of course, the regulations are not set out. The Minister might be correct in saying that no advantage has been taken by the board of this particular condition attached to a licence.

During his speech, the Minister referred to "the veil of secrecy" which he suggested that I said surrounded the whole matter. I have read my speech through, and I cannot find the term "veil of secrecy" anywhere. It is not fair for the Minister to attribute a statement to me which I did not make.

The Minister for Police: Where did "The West Australian" get the term from, if you did not use it?

Mr. HEARMAN: I do not know. The Minister had better ask that newspaper. I simply say that I did not make the statement. It is no use asking me where "The West Australian" got it. It is quite wrong for the Minister to attribute statements to members when they did not make them. I think the Minister on this occasion did it in good faith, and believed that I had made the statement, because a headline in those words appeared in "The West Australian."

The Minister for Police: You made the statement, and I heard you.

Mr. HEARMAN: If the Minister wants to take this matter seriously, he can refer to "Hansard." I did this as late as this afternoon. If the Minister wants to persist in attributing a statement to me which I did not make, and which "Hansard" says I did not make, he has a job in front of him.

The Minister for Police: I say you definitely made the statement and "Hansard" missed it, and that is where "The West Australian" got it. You did say it.

Mr. HEARMAN: It is a most amazing thing for "The West Australian" to pick it up and for "Hansard" to miss it. Never before has it been suggested that "Hansard" should not be regarded as a correct report of the proceedings. It is amazing that the Minister should now question the correctness of "Hansard." There is a way to try to get "Hansard" corrected if the Minister thinks it is wrong. While "Hansard" is accepted as the true record of what occurs in Parliament, then I am justified in sticking by the record. I do not care how much the Minister may suggest that "Hansard" is wrong, I still maintain my stand on the matter.

Further, the Minister went on to say that I had somersaulted from my stand last year. Frankly, I cannot follow the Minister's logic. There mere fact that I disapproved of this particular piece of legislation does not mean that I am not entitled to endeavour to see it working satisfactorily, once it is on the statute book. The object of my motion was to clarify matters in regard to the issue of betting licences. The Minister does not know in detail what my views were on the Bill, because I did not speak on it last year. The fact that I voted against the Bill is the only point which the Minister can go on. Because I voted against the Bill, it cannot be suggested by him that I approve of illegal betting. I do not think that the means adopted in the Bill represent the best solution of the problem.

The Minister referred to the Act as not being an effort to promote betting. I wonder what he meant, because he said last year that the police could stop illegal betting, if they wanted to. So, obviously, if any effort is made to legalise betting, when it could have been stamped out, it must be regarded as an effort to promote betting. I am not greatly concerned about that point. As I explained earlier, a good deal of further enlightenment has been given, and it appears that the regulation to which I object has not really been necessary, inasmuch as it has not been used. That does not mean that I consider it is necessarily a good regulation, even though it may set the matter at rest to some extent.

Members of Parliament are entitled to know what the board intends to do under these regulations. I still see no objection

to the necessity for the Betting Control Board being required to tell Parliament if, and when, it puts some particular term or condition on the licences that are issued. If the Minister had been prepared to give that assurance, I would have been quite happy about the matter. I realise that to disallow this regulation would prove to be considerably embarrassing, but I also point out that the course I took was the only method available to me to ventilate this matter.

Further down on the notice paper there is another motion similar to the one now before the House, and I hope when dealing with it the Minister will not wander all over the place, as it were, but will consider the principle involved, and indicate whether or not he thinks it is a good proposition for the Betting Control Board to promulgate regulations which give a more or less blanket power for it to do as it likes without reference to Parliament. In moving this motion, I said that the Betting Control Board should tell Parliament what it is doing. As a matter of principle, I still think it is a pity that the Government did not meet me half-way on the matter, when it could have done so. I realise that to disallow this regulation would create an impossible position. I suggested at the outset that it was not necessary to do so. That is all I have to say.

Question put and negatived.

BILL—FREE ENTERPRISE PROTECTION.

Second Reading.

Debate resumed from the 21st September.

MR. COURT (Nedlands) [4.59]: From my understanding of the explanation of this Bill by its author, and from my reading of it, I have formed the opinion that its object is to ensure competition as a means of free supply, thus ensuring the most satisfactory prices to consumers that only free competition can give. With that objective there can be no disagreement, and I must give it my full support.

We find ourselves in the position that the only points at variance are not those in connection with the principle itself but rather in connection with the mechanics, as to the best method of ensuring full competition. In view of this, I intend to support the second reading of the Bill because I agree with the principle that it aims at, but I do not agree with the method by which it seeks to attain the objective. However, this does not interfere with my support for the Bill at the second reading stage. No doubt the sponsor of the Bill would anticipate that such a far-reaching measure would be the subject of considerable debate and possibly of considerable discussion during the Committee stage.

As I proceed, I hope to be able to demonstrate my reasons for not being in complete agreement with the method by which the sponsor of the Bill hopes to give effect to the principle he is aiming at. To state the case in connection with this matter properly, it is necessary to delve fairly deeply into the history of the various inquiries into the question of monopoly and similar practices. Over the years, catchcries have developed condemming monopolies, combines, trusts, cartels, etc. as causing price and other economic ills, and on making an analysis of most of these catchcries, I find that they are in fact ill-founded, as are most catchcries in connection with any particular cause or subject.

The problem cannot be dismissed categorically as being an evil or by being described by some such similar expression, because the more one studies the attempts to deal with this problem, the more one is convinced that it still has to be proved conclusively that the banning of collective selling arrangements and other similar practices will bring with it any tangible and lasting benefit to the consumer. From the research I have been able to do, limited though it has been, I would say that the big point of difference between most parties trying to argue the mechanics for attaining the desired object surrounds the problem of what is good or bad in the public interest.

It can be safely said that almost every commission or other body that has examined this problem of monopolies, trusts, combines, cartels and the like, has come to the conclusion that all of these practices cannot be branded as being against the public interest. In support of that statement, I shall quote the views of people of very widely varying political opinions. We find that people who support the socialist principle in England in a very emphatic way are quite embarrassed by the fact that some of the Conservatives want to enforce a finding in one of the reports of the Monopolies Commission that exists in England.

The Labour supporters in the United Kingdom are greatly perturbed because the enforcement of the commission's findings would, in their opinion, create a degree of instability in industry and bring about a degree of unemployment. I instance this in passing in order to demonstrate that the problem is not as easy as merely setting up a catchcry against monopolies, trusts, combines, etc. The whole of the circumstances of each particular case has to be thoroughly examined.

I commend to the attention of members a study of the United Kingdom experience of this problem during the years 1948 to 1955 although, of course, the official history of investigations and action in this matter goes back much further. Broadly, it may be said that in the United Kingdom it goes back to about 1920, but the greatest advance has been made and the best

information obtained during the years 1948 and 1955. Most members will have available to them a copy of the report of the commission itself and the various other bodies that have examined the report of the commission. They will have been able to judge of the thoroughness with which the matter has been investigated between 1948 and 1955 and the extent to which reliable and factual data is now available to the Government of the United Kingdom, and will be able to appreciate just how complex the problem is.

There is obvious agreement, I find, in the United Kingdom between the Socialist and Conservative Parties on the principle to be aimed at, although there is a wide difference of opinion on the machinery to be employed. The situation in the United Kingdom is rather unusual inasmuch as during the war there was a Coalition Government. The Government was a representative one, and it is rather interesting that in 1944 a White Paper was published giving the coalition views on this problem. I emphasise that these are not the views of the Conservative Party, the Socialist Party or the Liberal Party in England, but they are the views of the coalition.

Mr. McCulloch: There is not much of a Liberal Party now.

Mr. COURT: I quote as follows:—

> There has, in recent years, been a growing tendency towards combines and towards agreements, both national and international, by which manufacturers have sought to control prices and output, to divide markets and to fix conditions of sale. Such agreements or combines do not necessarily operate against the public interest; but the power to do so is there. The Government will therefore seek power to inform themselves of the extent and effect of restrictive agreements, and of the activities of combines; and to take appropriate action to check practices which may bring advantages to sectional producing interests but work to the detriment of the country as a whole.

With reference to this declaration of policy by the Coalition Government, Mr. Thorneycroft, who is President of the Board of Trade in England at present and is of course a Conservative, had this to say as recently as February, 1955—

> On this side of the House we believe that that policy, consistently pursued by all parties in the past 10 years, is right. We believe in the empirical approach; that inquiry and information should precede action and not follow it. We do not propose, in advance of reports which the commission are making, to plunge into legislation.

That statement is an important one because it really highlights the difference of opinion between the Socialist Party on the one hand and the Conservative Party on the other hand towards the machinery by which the object to which they both subscribe should be achieved. A study of the speeches, particularly those by the Hon. Mr. Wilson, a socialist member of the British Parliament and leader for the Opposition on this subject, reveals that the Socialists are all for acting first and thinking afterwards. But even he and his supporters are beginning to temper that view considerably. They realise that the more they hear about the problem and the more they see the pitfalls, the less happy they feel about rushing into legislation, possibly to find out to their cost that they have done damage and that the monopolies, combines, cartels, trusts and the like, to which they are so hostile, are not the bad things they thought they were.

To summarise this point, we have the difference in the approach to the mechanics—the rushing bull-headed into repressive legislation—the planners with their belief in the infallability of a plan—by the Socialists, and the Conservatives following the empirical approach, namely, action based on proper examination and on experience. In my opinion the latter is by far the better and safer approach.

Mr. Johnson: You would go on hanging people while discussing the abolition of capital punishment!

Mr. COURT: That remark hardly deserves any comment. I favour legislative action to provide adequate scope for the examination of undesirable practices with power to act should it be proved beyond reasonable doubt that any practice is against the public interest. In this matter we should move very cautiously, especially as this legislation in the main would be ahead of any large scale and undesirable practices in this State. If there are any such practices in this State, I do not know of them. I am referring particularly to practices which could be reasonably demonstrated to be contrary to the public interest.

I invite the attention of members to this point, that if we bring down legislation of this or any other nature which is of a frightening character, we shall find ourselves very easily scaring off highly desirable industries from our shores. Overseas interests are very concerned about the laws of any country in which they intend to start operations. They like to go to a country that offers prospects of reasonable scope for their industry, enterprise and initiative. They like to feel that they are going to a law-abiding country, a country where generally they can be assured of a degree of stability.

We have all those things to offer to overseas interests at the present time, but if we place on our statute book measures that can be classed as so restrictive as to be frightening to those people, it may be that we shall lose the benefit of many desirable industries.

If those people come here and we find them indulging in undesirable practices, there is ample power to take corrective action. I do not feel that people who are prepared to come and make a long-term investment in this country would do so just to engage in undesirable practices. We have yet to find such people being foisted upon us. The great emphasis on the investigations that have been made into the subject in other parts of the world is undoubtedly on the question of what is against the public interest. Running through the whole of the commentaries and debates on this subject is this very vexed question of what is in the public interest.

The Monopolies Commission in England has gone so far in its findings as to state that one obvious monopoly was definitely in the public interest, and here I refer to the report submitted on the subject of insulin. As a result of its close investigations it found that it would be against the public interest to break up the combine, or whatever we may call it, that operated insulin in the United Kingdom. It was emphatic in its findings on this subject.

It would be of interest to members to read the commission's report. There is a splendid interchange of technical information between those manufacturing and distributing insulin. There are so many safeguards in the present practice that the commission found that there should be no disturbance of the situation although it declared, and the people interested made no secret of it, that there was, in fact, a combine or monopoly within the provisions of the Monopolies Act on the English statute book.

Mr. Brady: Has the hon. member given any consideration to the oil and petrol cartels in America?

Mr. COURT: Not as a particular subject, but I shall deal with the United States situation in a few moments, because it is interesting to compare and contrast the experiences of several countries. I did propose to deal briefly with the United States, the United Kingdom and Sweden. I would like further to develop this point of what is in the public interest by quoting from "Hansard" of the House of Commons for the 23rd February, 1955, and, in particular, a short extract from the speech of the Hon. Mr. Wilson.

Most members will have read that the Monopolies Commission brought down a report on the calico printing industry of the United Kingdom and it was very emphatic that the Government should take action in connection with this matter. As a result of the investigation, there was no doubt in the commission's mind that it had offended the "specific practices", as they refer to them, and it made certain recommendations. The Conservative Government in England said it would adopt the report and act on it. Mr. Wilson, with many other Labour members, was very perturbed about the fact that the Government looked like acting upon it. This is his comment—

> There is now in Lancashire a desire—which we can all condemn if we like—for some degree of protection or safeguard against a return to the conditions of the 1920s and 1930s. That is the reason for the existence of these price-fixing agreements. My own feeling would be to allow the agreements to continue, but to ensure that they are subject to Board of Trade approval. This applies not only to calico printing, but also to the yarn spinners' scheme. In other words, any increase in the minimum prices should be subject to Board of Trade approval, and, at a time when market conditions would enable prices to fall, the Board of Trade should take the initiative in provoking such a fall.
>
> The President of the Board of Trade (Mr. Peter Thorneycroft): I should like to intervene for the purpose of clarification. Do I understand from what the right hon. gentleman has said that he would reject the report of the Monopolies Commission on calico printers?
>
> Mr. Wilson: As I said, the position is a very difficult one. The right hon. gentleman has had consultations with the interests concerned, including the users, but we have not. He may be in a better position to form a judgment in the matter. All I say is that according to our knowledge of the subject—which is generally about three times as good as his—and to such contacts as we have been able to make in Lancashire, I should have said that this was a case where the Government would be justified in resisting the proposals of the Monopolies Commission.

It just adds to the riddle of what we should do. Here is a determined socialist who is hotly opposed to monopolies and collective arrangements, as a normal rule, yet he is urging the Government not to act on the report of the Monopolies Commission which said that this particular trade had been guilty of some of these specified practices.

The next point I wish to touch on is the terrific task confronting the Monopolies Commission in the United Kingdom

in examining this problem. There is great criticism there of the time taken to investigate these industries. Apparently 16 members work on this commission, and in order to expedite their work they have the power to subdivide. This, of course, does speed up an investigation, but not sufficiently. It is claimed by the Government that a period of from about 22 months is the best that can be expected if a proper survey of a complete industry is to be made in a manner that will ensure that there is complete and factual data and that justice is done to all concerned. It is interesting to note that the American situation is much slower in its operation, in spite of what we might hear or think to the contrary.

It is also interesting to know that the American investigations show that during a sample period the cases took an average of five years from initiation to final judgment; and even negotiated settlements took something like 2½ years. I would say that the people who have benefited most under the American system are those engaged in the legal profession. There are many people in that profession in America who have a full-time job doing nothing else but defending or fighting cases under the Sherman law.

I feel that my comments on the Bill would be incomplete if I did not refer to the trade union attitude in Great Britain to this problem. I find that a Mr. Padley, who is president of the Union of Shop Distributive and Allied Workers, had this to say—

> Since the President of the Board of Trade did me the doubtful honour of quoting from a three year old speech of mine at question time on 3rd February, I think it might be for the convenience of everyone if I begin with that as a text. The right hon. gentleman quoted a speech in which I said that the union of which I am president—the union of Shop Distributive and Allied Workers—
>
> > "has had 50 years of bitter experience of 'Eastern bazaar' conditions in the distributive trades, low wages, sweated conditions, and we shall fight any attempt to make the present free-for-all s c r a m b l e even worse."—[Official Report, 1st February, 1955; Vol. 311, c. 1253.]
>
> I said that yesterday, I repeat it today, and I shall go on saying it in future.

What he was getting at was the fact that where certain restrictive practices were not tolerated, there arose a state of affairs which was distinctly against the interests of the workers.

The most staggering thing I found from my research—here I must plead it was something of a shock to me, and I never before realised just how things can get upside down in one's mind—was that the greatest advance in restrictive practices was made during the 1930's, or what we refer to generally as the depression period. During that time, when we would normally expect the most vicious forms of competition—we did get them in this country—there was, overseas, an understanding between capital on the one hand and labour on the other that restrictive practices were the answer to the preservation of a degree of stability, and to assisting in the campaign to revive employment.

A further side of the problem is the attitude of the customers. I wish now to quote from the Lloyd Jacob Committee report. I am sorry to be making so many quotations but this is a technical subject and one has a duty to quote authorities when dealing with such a matter rather than just give one's personal views. I have made clear what my personal views are, and I shall endeavour to enlarge on them before I finish—time permitting. On this occasion, Mr. Padley was again speaking and he said—

> The findings of the Lloyd Jacob Committee were that there are advantages to the public in an individual manufacturer being able to sell a branded article at a prescribed price. But the Lloyd Jacob Committee also recommended the total abolition of the collectively enforced price maintenance agreements which involve collective boycotts, exclusive dealing, courts, and all the rest.

In fairness to Mr. Padley, I stress that he said there were advantages to the public in an individual manufacturer being able to sell a brand of article at a prescribed price. I would not like to convey the impression that he was condoning collective arrangements. Continuing his quotation—

> As I have said in this House before, I accept the findings of the Lloyd Jacob Committee, and for this reason I share the view of the three great national women's organisations whom the Lloyd Jacob Committee consulted, that housewives, in the main, prefer a known price for a well-advertised branded product of quality, such as Cadbury's cocoa.

I make that point because there seems to be a fairly general agreement in the United Kingdom, where they have had considerable experience of this, that price enforcement in respect of individual manufacturers—I refer particularly to well advertised goods of known quality, because

of the reputation of the maker—is desirable in the interests of the public. It is interesting to note that the three great national women's movements of the United Kingdom came forward in support of that theory. They would prefer to go into a shop and buy a product of a known brand and reputation at a price which was nationally advertised and thoroughly understood by all concerned.

For the purposes of the Monopolies Commission in England, a monopoly is not a monopoly as we know it, as something exclusive, but is described as follows:—"If any one company or organisation controls more than one-third of the trade." Therefore it has departed from the normal dictionary meaning of monopoly. The commission carries out investigations only when an industry is specifically referred to it by the President of the Board of Trade. In other words, the commission does not go on a "witch hunt" of its own volition, but goes into action only on the cases specifically referred to it by the President of the Board of Trade. That stops a lot of ill-considered and probably ill-founded cases and a good deal of waste of time and public money.

It is interesting to note that very little attack seems to be made on what might be termed the statutory monopolies—that is, industries and practices which are exclusively reserved to the Government of the day or to some particular statutory body set up by the Government. The average person says, "Oh well! they are the Government, and they will be all right." Personally, I think that is one of the greatest ills that has crept into our thinking in the last 30 or 40 years—that is, the theory that the State can do no wrong.

Even if a Government organisation is running at a considerable loss, many people think that everything is all right. No one seems to want to bring those people under control or to get them subjected to investigation by one of these fact-finding commissions that make a very searching study of the practices of other organisations. It might be to the common good and in the public interest if some of these matters were exposed to the spotlight of these searching commissions, such as the one that exists in the United Kingdom today.

I think there is something wrong with our thinking when we just accept that sort of belief. Many people endorse the fact that if it is a government body everything is all right. In many cases those bodies are most inefficient and ineffective in what they do as compared with some of these other bodies which are being subjected to searching examination—in many cases because some people have a personal grievance against those industries or bodies.

The Premier: I have not yet met many of the kind of person about whom you speak.

Mr. COURT: I do not quite follow the import of the Premier's interjection.

The Premier: You are not showing your customary dash.

Mr. COURT: I find that in the course of the work done by these various commissions in the countries which have examined very closely the problem with which this Bill seeks to deal, many hundreds, in fact thousands of trade organisations have been examined. They have come to the conclusion, in every case that I have been able to read of, that it does not follow that because there is a trade association such organisation is against the public interest. On the contrary, there is ever increasing evidence that many of these trade associations are, in fact, in the public interest.

Let me instance one case in point. The furniture trade in Australia has set what I consider to be a very good lead. There is a furniture convention which, unlike many of the trade organisations, has representatives of the unions, the manufacturers, the wholesalers and the retailers all meeting together in conference for the good of their trade and industry. There is no doubt that there is much mutual advantage both to the public and to the industry itself arising therefrom.

For instance, the furniture trade has, through the co-operation of the unions on the one hand and the maunfacturers on the other, together with the distributing interests, built up a reputation for quality and it has succeeded in having the standard label adopted and now recognised as something which the public can look for as a form of guarantee that the furniture is made by reputable people; that it is good, sound furniture and is of good value.

Mr. Brady: That does not stop malpractice from taking place.

Mr. COURT: Of course that cannot be stopped in any business. But the bulk of furniture manufactured today, as compared with that manufactured 30 years ago, is of good quality; it is one trade which has objectively approached its problems and has produced a great improvement in the general standard of its trading conditions, in the public interest.

The value of associations has also been acknowledged through various statutory requirements. For instance, in the price control legislation that existed previously and, if I remember rightly, in the legislation at present before us in this Chamber, there is provision for the commissioner to deal with associations. That was a good move because it did simplify the machinery very considerably. It meant that the commissioner could deal with a solid body of opinion—a responsible body of industry. It was a ready source for promulgating decisions and therefore the principle was

made a statutory provision that the commissioner could deal with recognised associations.

I say that only because it does acknowledge that governments of all shades of political opinion have realised that there are good reasons not only for having trade associations, but also for dealing with them. I find that the best summary of the practices that are complained about, and which bring about this cry against so-called monopolies, cartels and the like is in the terms of reference given to the commission set up under the Monopolies and Restrictive Practices Commission in the United Kingdom. These terms of reference are—

> For the purposes of this requirement, "the specified practices" are actions taken in the course of carrying out such agreements as are described below:—
>
> (i) Agreements between two or more persons carrying on business as suppliers of goods in the United Kingdom which have the effect of requiring the parties to the agreements or any of them, either absolutely or to such extent as may be specified or described in the agreements or determined in accordance therewith—
>
> (a) to withhold from any persons so specified, described or determined supplies of goods of any description or orders for such supplies;
>
> (b) not to provide such supplies or give such orders to such persons except on terms and conditions which are less favourable than those applicable in the case of other persons;
>
> (c) to offer to any person rebates to be calculated at rates dependent on the total value of goods supplied to that person by all the parties to the agreements.

I would like to finish this reference because I think members will find, on examination of it, when it is recorded in "Hansard", that it clearly summarises all the practices that this Bill, as I understand it, attempts to overcome. The second part of these terms of reference reads as follows:—

> (ii) Agreements between two or more persons carrying on business as persons applying any process to goods in the United Kingdom which have the effect of requiring the parties to the agreements or any of them, either absolutely or to such extent as may be specified or described in the agreements or determined in accordance therewith—
>
> (a) not to apply that process to the goods of any persons so specified, described or determined;
>
> (b) only to apply such process to the goods of such persons on terms and conditions which are less favourable than those applicable in the case of other persons;
>
> (c) to offer to any person rebates to be calculated at rates dependent on the total value of work done for that person by all the parties to the agreements.

The commission then proceeded to break those terms of reference up into six categories and I think they are much clearer from the general point of view. The categories were numbered one to six as follows:—

I. Collective discrimination by sellers (without any corresponding obligation on the buyers.

II. Collective discrimination by sellers in return for exclusive buying.

III. Collective adoption by sellers of a policy of maintaining resale prices or imposing other collateral trading obligations on the buyers.

IV. Collective discrimination by sellers to enforce resale prices or other contract terms.

V. Collective discrimination by buyers (without any corresponding obligation on the sellers).

VI. Aggregated rebates.

Members will notice that in those categories they have emphasised the collective nature of these practices, again lending point to my previous observation that individual manufacturers seeking to enforce retail prices were not objected to by any parties under the British practice, least of all, strangely enough, by the union representatives themselves.

I find that this growth of restrictive practices became most prominent and most widely adopted during the depression. I previously referred to my surprise that when I traced this subject back, I found that the 1930's really gave birth to a greater growth of these restrictive arrangements than any other period, with the exception of that very closely controlled period of wartime. I find the position very well summarised as follows:—

> Common price agreements and agreements to enforce resale price maintenance became relatively common in British industry after 1918,

and their adoption was much accelerated by the world depression of the 1930's.

And here are the reasons—

> In such circumstances these practices have a definite prima facie justification. In a declining market free competition has the effect of driving prices below true cost and thereby eroding the capital of all the firms in an industry. Where this is occurring in a single unfortunate industry in an expanding economy it merely forces the transfer of labour and other economic resources to places where they can be used more profitably. When, on the other hand, the whole economy is contracting there are no such places, and the consequence of free competition may be a series of bankruptcies, with their resulting aggravation of unemployment, among firms which could and should have survived the worst years and lived through to see the return of prosperity.

I think that precisely and fairly summarises the reasons why there was this big upsurge in the number of restrictive practices during the 1930's in places abroad although their effect was not felt in this country. Competition was at its keenest and there was a tendency in Australia to slaughter rather than to stabilise prices. It could be that experience in this country, which has expanded industrially so much in the last 30 years, would be similar to that of the United Kingdom, if we ever had to face a period similar to that which confronted the world in the 1930's.

It was held by both capital and labour alike that these restrictive practices, which we are now seeking to break down and which the Monopolies Commission of England is seeking to break down, were the bulwark against unemployment, business annihilation and instability. It is ironical that in the 1930's, and a little before, statutory measures were taken in England to bring about the very practices that the Monopolies Commission of England is endeavouring to bust open and which we, by this measure, are seeking to prevent. It is, of course, one of those changes that take place in the economic cycle, and it will be very interesting to note what will be the reaction of some of the restrictive practices under less buoyant conditions. It will also be interesting to see the reactions of people who do not have restrictive practices if they move into less buoyant times.

The next acceleration of these restrictive practices occurred during the wartime period, when it was only natural that many activities came under government control. We had price control, control of labour and a host of other controls more severe in the United Kingdom than they were here. It followed that trade just fell into line with the several controls. I blame those engaged in private industry to a certain extent, because when the war was over they were reluctant to let go some of these rather easy conditions that had grown up. I feel they could have shown more initiative and enterprise in throwing off the shackles of some of these restrictive practices. But when one appears to be on a good thing, at the time it is easy to take a short-term view rather than the hard way out.

It seems to be one of the objects of the Government of England to try and throw off some of these restrictive shackles, and return industry to its most competitive state, without creating unnecessary hardship or upsetting arrangements which are at present not against the public interest, or are, in fact, in the public interest. I did want to proceed, if I could, and explain briefly some of the reports that have been submitted on this subject.

Mr. SPEAKER: I am afraid the hon. member's time has expired.

Hon. A. V. R. Abbott: I move—

> That the hon. member's time be extended.

Motion put and passed.

Mr. COURT. Thank You, Mr. Speaker.

The Minister for Education: That is free enterprise for you!

The Minister for Housing: We are certainly good to you.

Mr. COURT: The main United Kingdom inquiries have extended from 1919 until the present Monopolies Commission and could briefly be summarised as follows:—

> In 1920 there was a sub-committee on fixed retail prices.
>
> In 1930 there was a committee on restraint of trade known as the Greene Committee.
>
> In 1949 there was a committee on resale price maintenance which was known as the Lloyd Jacob Committee.

These three committees were mainly concerned with resale price maintenance, but covered some enforcement practices. The general outcome of those committees was that they could see no objection to price maintenance, provided it was from the individual manufacturer to a reseller. They seem to have adopted the principle that a manufacturer selling his goods had the right to fix the selling price if he so desired and name the conditions of sale. But they were opposed to the collective price maintenance approach.

It is interesting to interpolate here that under the United States legislation it is basically against the law to have price maintenance, whether it be of a collective nature or an individual nature. But in 1930, just

as we had these restrictive practices growing up in England as a bulwark against instability and unemployment, and so on, so 45 American States introduced laws which made legal price maintenance between individual manufacturers and the reseller, and made those rights enforceable at law.

In addition to the three reports to which I have referred, there have been several others in England dealing with particular industries. For instance, there was one headed "Tendency to Monopoly in Cinematograph Film Industry;" that was in 1944. There was another in 1947, headed "Cement Costs," and another in 1948 on "Distribution of Building Materials and Components." The present commission has reported on the industries I shall mention. Although the number of industries seems fairly small, I would add that there are further subdivisions of industries which, in themselves, are very large. Accordingly, the actual field they have covered is larger than it would appear. The reports submitted covered dental goods, cast iron rainwater goods, electric lamps, insulated electric wires and cables, insulin, imported timber, and the supply and export of certain semi-manufactures of copper and copper-based alloys. It is a fairly comprehensive list and we can assume they would have selected those first that they considered to be most in need of investigation.

It is also interesting to note that in the course of their investigations they have dealt with no less than 290 trade associations, and in the main the report is very eulogistic as to the great support and co-operation received from those particular trade associations. I think it was felt when the commission was appointed that these associations would fight tooth and nail to resist, but on the other hand they have been most helpful and co-operative in their approach, and as a result have enabled the commission to make some very valuable and factual deductions.

As members are aware, the main law in the United States on this is the Sherman Act of 1890 and the Clayton Act of 1914, which modified the former in some ways. There was a further Act known as the Robinson-Patman Act, 1936. As I mentioned, in the 1930's during the depression years, 45 States rather cut across one of the basic principles of the Sherman law and adopted "fair trade" laws, permitting contracts between individual producers and distributors setting a fair resale price for a commodity so that the producer had a cause of action against persons who knowingly sold the article below such resale price.

This attitude was confirmed and adopted by the United Kingdom Board of Trade Committee which sat on this subject. It held that it was a desirable provision to permit price maintenance as between an individual producer and a distributor. As we all know, there has been much litigation in the United States and terrific expense has been involved from protracted inquiries and litigation, but in spite of this law and the enforcement thereof—and I am assured it is fairly vigorous enforcement as far as the Government is concerned—we still find that some of the very big concerns of America are getting bigger and bigger. To mention a few, there are such well known ones as General Motors, Ford, General Electric Company of America—all of them huge organisations, continually expanding and progressing. There does not appear to be any great criticism of what they do and achieve.

Canada has a set-up which I do not think has any great interest to us in particular. The whole of the law seems to be governed mainly by their Criminal Code and their Combines Investigations Act. Like the basic American law, they do not favour the right of individual price enforcement between producer and distributor, and, of course, they are opposed to the collective arrangement. The Swedish system is interesting inasmuch as since 1946 there has been a principle of registration. Under their law it is necessary to register restrictive agreements, and there are now some 1,200 of these agreements on the register.

The significant feature is that the register is open to inspection by the public and summaries of the agreements are actually published for the public. There is provision for some of these agreements to be treated as secret agreements and they are not available for public inspection, either in the summarised or the complete form. They seem to think that is sufficient. From what one can read, the general attitude there seems to be that the fact that these agreements have to be made public in a complete or summarised form is sufficient to make the parties to the agreement more careful and less restrictive than they would be if they did not have the publicity to contend with.

It is interesting to note that the Hon. Mr. Wilson, who leads for the Opposition in the House of Commons on this subject, has swung round to a suggestion that the British law should be based on this principle of registration of agreements. He seems to be swinging away from the more restrictive type of legislation that he appeared to be advocating some six months ago, and the indications are that it is mainly because of the calico print report that he favours registration of the agreement rather than a more restrictive form of legislation.

The general conclusion of the United Kingdom commission—it studied the situation in the three countries of the United States, the United Kingdom and

Sweden as being the best cases on which to base its international investigations—was that all practices were not bad, although they might appear to be before examination. The commission made a submission that there were two possible forms of legislation, and this is probably the most vital part of its report as far as we are concerned in view of the Bill before the House. The members of the commission submitted that the alternatives were agreement registration, such as the Swedish system, or the prohibition of certain types of agreement. But they made one important proviso, namely, that there must be legislation to permit of exceptions.

If I may reiterate these: The alternatives were agreement registration or prohibition of certain types of agreement, with provision for exceptions. In other words, they were emphasising the fact that all these practices and agreements are not necessarily against public interest. In expressing preferment for one of those methods, the commission itself did favour legislation for the prohibition of certain types of agreements with exceptions.

It went further, however, and said that in its opinion the Government of the day had a duty to clearly define as a guide to industry what the policy of the Government was. In other words, this matter should not be left in the air for people to guess what restrictive practices were to be frowned on, and what were not. I think it is important in any law to make clear to the public, and to those who have to operate under the law, the exact conditions under which they can operate without offending with the restrictive practices complained of.

In conclusion, I would like to reiterate that I agree with the principle that the Bill aims to achieve. I am not in complete accord with the method by which the proposer attempts to reach his objective, but that is a matter which can be discussed in some detail in the Committee stage. I cannot imagine that he would be unreceptive to suggestions if he felt they were going to make the proposition work more smoothly, and at the appropriate time I will bring forward any suggestions I may have. I do prefer a system where there is ample provision for factual examination of the problem, and where there is ample provision for making sure that the expression "public interest" or "in the public interest" is given due consideration in any legislative action or litigation that may result. Finally, we should ensure that in the legislation there is ample provision for what the British commission refers to as exceptions. I support the second reading.

MR. ROSS HUTCHINSON (Cottesloe) [6.1]: I find this a very interesting Bill, and I am sure the House regards it in the same light. Certainly, the public has found it interesting. Indeed, the Leader of the Country Party has written a best seller. The widespread interest which the Bill has created throughout the State has occasioned discussions along the line principally of what will be the impact of this legislation if it becomes law.

Like the member for Nedlands, I approve in principle of the objectives of the Bill, which is designed to do away with monopolistic or restrictive trade practices, and to eliminate any so-called abuses appertaining to private enterprise. I agree whole-heartedly with those objectives; but I wonder whether the Bill, in its present form, will achieve that end. If the Bill were an ideal one—and I do not imagine the Leader of the Country Party would claim that for it, despite what he would refer to as its obvious merits—it would then achieve its purposes; and one thing it would definitely accomplish would be to destroy the creed of socialism or to destroy what the proponents of that creed would regard as the necessity for it. Of course, that is asking a great deal of a Bill.

But, as I said, the measure is too wide; it is not specific enough. I feel that members should note carefully that what it attempts to do, and what it would do if it were passed in its present form, are two entirely different things. There are few in this House who could fully appreciate the impact of the Bill. If it would really achieve what it sets out to accomplish, then no doubt it would receive the wholehearted support of all concerned.

I feel like comparing it, in a way, to the price control measure. As I see it, the prices Bill attempts to control the upward trend in prices; and that can be termed an admirable objective. But, while that Bill might be partially successful in controlling the upward trend of prices, at the same time—and through no desire on the part of those supporting it—it would bring in its train what I have previously referred to as a whole host of attendant evils. Many other problems would be created; and, as I have also stated previously, the disadvantages of such a measure, to my mind, completely outweigh its advantages.

It may be said that this Bill, in the form in which it is presented to us treads a somewhat similar path. It could create a great number of attendant evils. What it sets out to do would be only partially achieved, and the harm thereby created would be far worse in every aspect than the good accomplished. To sum up, one can see that, in theory, the Bill is as sound as it could possibly be, and its intentions are particularly good; but in practice, because of the all-embracing nature of the provisions and their very simplicity, it could be a very dangerous Bill so far as

legitimate businesses are concerned. I for one do not imagine for a moment that there are no malpractices in private enterprise that there are no monopolistic tendencies; and that there are no restrictive trade practices. But I believe that the manner of tackling them must be very carefully approached with a view to seeing that legitimate trade practices are not destroyed.

Hon. A. F. Watts: You do not really believe that the Bill would destroy any legitimate trade practice, do you?

Mr. ROSS HUTCHINSON: I believe it could do so. I believe it has in it elements capable of doing just that.

The Minister for Works: Is it its danger that makes it a best seller?

Hon. A. F. Watts: I think you are stretching a long bow.

Mr. ROSS HUTCHINSON: I believe that is so. I tried to point out that it is the very nature of the Bill that has created the controversy concerning its impact on the business world and on people by and large. I am sincere in saying that, and I would be interested to hear the Minister's views on the matter. I feel sure they would be very interesting indeed.

Hon. A. F. Watts: Are you sure of that, too?

Mr. ROSS HUTCHINSON: Yes; I am. I have always found that Minister's remarks particularly interesting, though I have not always agreed with his sentiments.

The Minister for Works: Not at any time.

Mr. ROSS HUTCHINSON: I do not agree that I have never seen eye to eye with the Minister. In fact, I have felt that he has never seen eye to eye with anything I have attempted to put forward.

The Premier: You are both right.

Mr. ROSS HUTCHINSON: That is a matter, Mr. Speaker, which I appreciate we cannot pursue. There are some points in the Bill on which I wish to touch. There is an important clause dealing with interpretation. I do not believe that the phrasing in this connection is sufficiently down to earth; it is not specific enough, and it is too wide.

Mr. J. Hegney: Its head is in the clouds, you think?

Mr. ROSS HUTCHINSON: So far as the ideal Bill is concerned, I would say that is almost impossible to achieve, and it would mean that the hon. member might have had his head in the clouds with regard to the objectives. The clause dealing with interpretation is much too wide and should be far more specific. I trust that in the Committee stage some amendments will be moved of which the House could approve to delimit this section. There is a provision that contains the words—

> subject to the provisions of Section 5 of this Act, the controlling or influencing the supply of, demand for or price of any goods. . . .

As previous speakers have pointed out, that is a terrifically wide provision. There is hardly an individual or association that could not be brought under that definition at some time or other and that could not be accused, at one time or other, of having influenced the supply of or demand for certain goods.

We can find examples in advertisements that appear from time to time in the newspapers that could be construed as indicating a combination of firms to influence prices. That, of course, is not the intention of the hon. member, but it is how the provision could be construed. Advertisements often appear indicating that firms mentioned therein have for sale, for instance, radios at such-and-such a price—say, a very competitive price. The firms mentioned could be accused of combining to influence prices, and action could be taken against them.

The definition of "goods" includes freight and transport charges. I consider it unfair that they should be included. It seems rather inequitable that, of all the services provided in the everyday world, freight and transport should be selected for inclusion in this definition. The definition does not cover flour or wheat products, which are exempted. If it is fair to include freight and transport charges, I do not know that it is not also fair to include wheat and flour products.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. ROSS HUTCHINSON: Before tea I was pointing out that the first specific object of the definitions is to define combines as controlling or influencing the supply of, demand for or price of any goods. As I have said, on the face of it that has an extremely wide application. Any association which attempts in any way to affect the production of any commodity must, by way of improving the quality of the product ultimately, even if indirectly, influence the supply of or demand for and probably the price of such product. I can say that on a strict application of the definition, advertising, in a general way, by any trade association of the goods produced by its members must to that extent make the association a combine.

I know that the definition presumably aims at restricting those associations which indulge in malpractices or attempt to restrict the supply of goods and therefore increase the demand for and the price of such goods to their own advantage. I have little doubt that in a court of law serious attempts would be made to give

the words that meaning. But from what I am led to believe, in the history of legislation of this nature and in certain common law findings in regard to restraint of trade, the courts might be tempted to hold that an association formed to influence the supply of and demand for a product and the price to the extent only of eliminating ruinous or cut-throat competition, was not a combine.

There is no certainty that the courts would hold in that way, of course, and the fact that there are words of similar nature in certain Eastern States legislation and in the repealed Profiteering Prevention Act of 1938, does not appear to be any good reason why this definition should not be more specific. With regard to the second section of this definition, the object is stated as "creating or maintaining a monopoly in the supply of any goods." Having consulted the Oxford dictionary, I find that that authority defines "monopoly" as the exclusive possession of the trade in some commodity, which suggests that a monopoly by such methods means that certain goods are the exclusive possession of a person or corporation, and it is extremely doubtful whether a court of law would hold to that very narrow definition of "monopoly."

The only other point I wish to touch on is the name of the Bill, which appears to me to be rather inappropriate. It is called the "Free Enterprise Protection Act, 1955," and although that name might be correct in theory it would not hold in practice. I believe it is a misnomer as the measure attacks private enterprise through its legitimate trade associations. It is possible that a lot of desirable and traditional business and commercial activity carried on at present could be severely curtailed to the detriment of the public by and large by this measure. I suggest that a better title would be the "Restrictive Trade Practices Act," or something of that nature. That is a minor point, but one that has a bearing on the Bill.

I would much prefer the measure to be in the ideal form so that it could be supported without equivocation. As it is written, it is too embracing and could bring in its wake a great many dangers to legitimate trading. I support the second reading but trust that the measure will be extensively and usefully amended during the Committee stage.

On motion by Mr. Lapham, debate adjourned.

BILLS (4)—RETURNED.

1, Associations Incorporation Act Amendment.

2, Spear-guns Control.

3, University of Western Australia Act Amendment.

4, Electoral Districts Act Amendment. Without amendment.

BILL—CEMETERIES ACT AMENDMENT.

Received from the Council and read a first time.

BILL—POLICE BENEFIT FUND ABOLITION ACT AMENDMENT.

Second Reading.

Order of the Day read for the resumption from the 21st September of the debate on the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—LICENSING ACT AMENDMENT (No. 1).

Second Reading.

MR. ROSS HUTCHINSON (Cottesloe) [7.48] in moving the second reading said: The purpose of this Bill is to grant a licence to the concessionaire at the Perth Airport. Although many people disapprove of what is generally termed "tinkering" with the Licensing Act, I make no apology for introducing this measure because I believe it completely conforms firstly, to modern transport trends; secondly, to what is required to keep Perth abreast of the amenities provided at overseas airports; thirdly, to the principles of equity applying to air passengers as compared with rail passengers in regard to liquor facilities.

Mr. Manning: What about members of the air crew being able to get a drink?

Mr. ROSS HUTCHINSON: I do not know whether that interjection was facetious, but it is well known that air crews are forbidden to consume liquor whilst they are on duty.

Mr. Court: And for a considerable time before.

The Minister for Housing: That might apply to loco drivers.

Hon. A. F. Watts: There is no provision in the Bill for it, is there?

Mr. ROSS HUTCHINSON: There is no provision in the Bill for the licence to be used to cater for air crew personnel. They are covered by the Civil Aviation Department regulations.

The Minister for Housing: If he is catered for, a pilot would be entitled to have a drink.

Mr. ROSS HUTCHINSON: No, he is covered by the regulations which govern his employment. If he commits a breach

of them he is subject to instant dismissal. The purpose of the Bill is to grant to Perth Airport a licence to sell liquor in the premises known as the overseas terminal building. The licence is extremely restrictive in that liquor may be served only to a passenger who has alighted from or intends to board an aircraft, to any official or officer of the Civil Aviation Department or to any person who is in the company of an airline passenger, official or departmental officer. So it should be immediately appreciated that if a licence is granted to the Perth Airport, the building which is provided with such amenity cannot be turned into a public house in which any person can take the opportunity of having a drink outside of the normal licensing hours. The prime object of the Bill is to enable air passengers, if they so desire, to take advantage of the facilities that will be provided by means of this liquor licence, if granted.

The *Minister for Education*: Is there any similar provision or amenity provided in any of the Eastern States airports?

Mr. ROSS HUTCHINSON: No, there is no provision made in any other airport in Australia to sell liquor. At other important overseas airports, particularly transit airports, such provision is made. At Darwin, to this day, the airline companies have a place set aside about three or four miles distant from the aerodrome which is used to provide such an amenity.

Mr. Lawrence: What is the position now? You say that a passenger who alights from an aircraft will be able to obtain liquor, but cannot such a passenger obtain a drink before he alights from the plane?

Mr. ROSS HUTCHINSON: Yes. A licence may be granted by the court to a person nominated in writing by the Civil Aviation Department. The Bill goes on to say that the court may grant such a licence if it considers it is necessary and desirable for the refreshment, entertainment and convenience of passengers and certain other persons whom I have just mentioned. I have already said that the licence envisaged in the Bill is restrictive in the sense that it restricts the sale or disposal of liquor to air passengers, certain other specified persons accompanying passengers, or to airline officials or departmental officers.

Mr. J. Hegney: How will you police that?

Mr. ROSS HUTCHINSON: The object of granting the licence is not that a profit shall be made, but its sole purpose is to provide an amenity for passengers and the people they associate with while a plane is grounded.

Mr. J. Hegney: There are other people who visit the airport to see the aircraft off. If they are not accompanied by passengers, would they be able to partake of liquor?

Mr. ROSS HUTCHINSON: No, they would not be able to partake of liquor because of the restrictive nature of this licence.

Mr. J. Hegney: How are you going to check on that?

Mr. ROSS HUTCHINSON: If the hon. member could tell me how that would happen—

Mr. J. Hegney: It is your Bill, not mine.

Hon. A. F. Watts: In the same way as they police the selling of liquor to passengers on the railways.

Mr SPEAKER: Order!

Mr. ROSS HUTCHINSON: I did anticipate such questions and I can understand that some members might be alarmed because certain factors might not be able to be policed as well as they should be. I freely admit that there is always the possibility of this and possibly other minor happenings in contravention of the provisions of the Bill. However, such eventualities are always occuring in regard to other legislation.

Mr. Nalder: Are the air companies sponsoring the Bill?

Mr. ROSS HUTCHINSON: I should like to answer that question. I have been asked if air passengers have requested the introduction of the Bill and I can reply that they have on numerous occasions. However, if I could be allowed to continue with the introduction of the Bill in ordered sequence, I might be able to satisfy members' curiosity along the lines of the questions they have asked. I was speaking of the restrictive nature of the licence in so far as it concerns people who can be served at the airport.

The Bill also restricts very severely the hours during which liquor can be served under the terms of the licence. It restricts the drinking periods to 30 minutes before the arrival of an aircraft—either from overseas or from another State—and to 30 minutes after its departure. It also restricts the period during which liquor can be served to six hours while the aircraft is grounded and then, as I have said, for a period of 30 minutes after its take-off.

Mr. Norton: Does the Bill apply to aircraft that operate within the State?

Mr. ROSS HUTCHINSON: No, it does not. It applies only to those planes that arrive from and depart to other countries and other States.

Mr. J. Hegney: How does the period of six hours come to be mentioned?

Mr. ROSS HUTCHINSON: I shall be able to answer that to the satisfaction of the hon. member. In fact, during the period when liquor may be served under the terms of this licence, the actual drinking time would normally only amount to about 2½ or 3 hours. I would be pleased if the hon. member would listen to my explanation which I am making in answer to his question. Liquor would be served during the normal period the aircraft is grounded and that would be for only 2½ to 3 hours. During that time the aircraft is serviced, refuelled and the like. This period is also used by customs and quarantine officers to carry our their duties and also enables passengers to shower, change and have a meal before boarding the aircraft immediately prior to its departure.

It so happens at times that minor repairs must be effected to an aircraft when it is on the ground, and the normal two to three hours are extended. It is found that possibly six hours might be reasonable, but for most of the time the licence would operate for the two to three hours during which an aircraft is normally grounded. I have here the arrival and departure times of the Qantas-Super Constellation Kangaroo service which operates between Sydney, Perth and London. The aircraft arrives here on Thurday at 0420 hours and departs from Perth at 0700 hours. Members will appreciate that the grounding time is only 2 hours 40 minutes. That is the normal time during which such an aircraft is grounded and that will be the time for which the licence would operate, plus 30 minutes before and 30 minutes after. The six-hour period is stipulated to cater for passengers who find the time hanging heavily on their hands when maintenance is being carried out on an aircraft past the normal period.

Regarding this point Qantas Airline Co. did request me to insert a provision in the Bill to provide that the licence should operate for the whole period that a plane is grounded. It could happen that a major repair would have to be effected and the plane might not be able to take off for 24 hours or more. I pointed out to the company that members in this House might not agree to such a provision and that six hours seemed to me to be a more reasonable period. I envisage that in the near future Perth Airport will become one of great size and importance, and the licence may have to be amended to cater for such an eventuality. For the present a round-the-clock licence is not warranted. For that reason I told the company that I was not prepared to ask for a 24-hour licence.

Mr. J. Hegney: It is not intended to sell bottled beer.

Mr. ROSS HUTCHINSON: No, the licence provides that liquor must be consumed on the premises.

The Minister for Education: Overseas planes do supply passengers with liquor on board.

Mr. ROSS HUTCHINSON: Yes, passengers are able to purchase liquor on board an aircraft.

Mr. Heal: Did I not read recently in the newspaper that one air service has been diverted back to Darwin?

Mr. ROSS HUTCHINSON: Yes. It is most unsatisfactory for this State that the change was made to the South African air service route, and that Darwin will be used as the point of entry for that service into Australia instead of Perth. Of course, we must keep this change in the right perspective. This service is by no means the most important one going through Perth. By far the most important is the Kangaroo service running from Sydney, Perth and through other transit points to London. I feel this service will benefit the State most.

To get on to some of the reasons why I consider the licence is desirable for the Perth Airport, I would say, firstly, that air passengers who are in transit on world, inter-state or inter-country flights, should at least have the facilities for drinking if they so desire, similar to the facilities granted to rail passengers at country railway stations. It is well known that the Licensing Act provides such an amenity for rail passengers.

For many years rail passengers have enjoyed the facilities that are offered under certain specified conditions, by a liquor licence at railway stations. In these days of modern transport and air travel—and I firmly believe we are only on the verge of much more important air transport—surely, without prejudice and in the interests of equity we should assure air passengers of the same amenities and facilities as are applied to rail passengers.

The second reason why it is desirable that the Perth Airport should have a licence is that practically all overseas airports of any size which handle international air traffic have facilities for serving drinks to passengers. Not so long ago the Leader of the Country Party, when browsing through the magazine "Sphere," showed me a double page feature which concerns the amenities inside the modern airport of London. If members would care to look at this publication, it is available in the magazine room. I would point out that the facilities and comfort at the London Airport are far in advance of those in Perth.

Mr. J. Hegney: It is the largest airport in the world.

Mr. ROSS HUTCHINSON: Yes. In one of the pictures is shown a very nice dining room with a bar featured. I consider that the Perth Airport should conform in this respect. Although I have

said that the comforts provided to passengers in the London Airport are far better than those available in Perth, yet the latter are by no means poor. If members care to visit the Perth Airport and see the facilities provided for passengers, they will be delighted with the standard of comfort that prevails.

It is quite an experience to see an aircraft landing, to see the efficient way in which passengers are handled by the customs and quarantine authorities, after which they can go through the change and shower rooms. It is all done in a very modern and efficient fashion. Members would be delighted to see how well passengers are catered for. In answer to the interjection inquiring if passengers have asked for these facilities, I can say that very many of them have asked for the supply of liquor at the Perth Airport.

Under the International Air Transport Association Regulations, airlines may provide first-class passengers with drinks free of charge, but they cannot give away or sell drinks to tourist-class passengers when they are on the ground. It has been found to be quite embarrassing for both passengers and airline companies when tourist passengers ask for drinks to be served to them at meal time. Often when it is explained that only first-class passengers have the privilege of free drinks with meals, they inquire whether they might be permitted to buy their drinks. Then they have to be told that the State laws do not allow them to buy drinks with their meals. So it will be seen that there are quite serious anomalies.

Mr. Norton: How would you treat the M.M.A. passengers who come from overseas, interstate as well as within the State?

Mr. ROSS HUTCHINSON: If any aircraft comes down from Darwin these provisions would apply to the passengers.

Mr. Norton: Even if they are passengers within the State?

Mr. ROSS HUTCHINSON: Unless an aircraft crosses a State border these provisions do not apply. It is not so important to provide for those cases. It must be appreciated that the Perth Airport is an international transit airport at which passengers stay for only two to three hours. During this time they have to go through the customs, the quarantine and they usually have a wash and brush up before a meal. During some part of this period the passengers are frequently met by people from the metropolitan and country areas, by their friends or firms' representatives for private or business discussions. It is at this time that the facilities which a liquor licence provide are most needed. Where an aircraft operates within the State the same need does not obtain because passengers leave the airport to go to their homes, hotels or the city within a very short time.

Mr. Norton: Passengers could travel from Broome to Perth and then through to Melbourne.

Mr. ROSS HUTCHINSON: That is so. A very sound point has been raised. At a later stage some provision could be inserted in the Bill to cater for such passengers. The fact that no provision is included at present will, I hope, not prejudice the hon. member's feelings towards this Bill.

Mr. Norton: The same remark would apply to passengers coming from Darwin to Perth.

Mr. ROSS HUTCHINSON: I follow that line of reasoning and some provision can be included in the Bill at a later stage. Almost every convenience is offered at the Perth Airport, except the amenities provided by a liquor licence. I also mentioned the embarrassment occasioned by the fact that tourist-class passengers are not permitted to purchase drinks at the airport while the plane is grounded because the law does not permit of that being done. Nobody is permitted to buy drinks at the airport at the present time. The only ones to get drinks are those who are supplied free of charge by the airline company as a privilege for the extra money they pay as first class passengers. The Bill before the House will tidy up that anomaly.

The measure, in addition to permitting licence facilities to passengers, certain officials and persons accompanying them, proposes to allow the sale of liquor to any person served with a meal in a room set apart for the purpose, provided the liquor is consumed with the meal during the hours prescribed by the Licensing Court. The object of that provision is to afford reasonable facilities in a first-class dining-room conducted under strict supervision. Liquor may not be carried away from the premises, but must be consumed with the meal. That will obviate any anomaly in the case of local people who may be having a meal there.

Thus the whole tenor of the proposal would conform to the procedure adopted at international airports outside of Australia. The progress of this measure will be watched with keen interest by the airline companies that operate to other parts of Australia, and I feel sure that if we set the example, similar facilities will shortly be provided at other important Australian airports.

The Minister for Education: Has any attempt been made to have similar facilities provided in the Eastern States?

Mr. ROSS HUTCHINSON: Not to my knowledge. The need for these facilities is not as great in Sydney as it is in Perth

because Perth is really a transit airport, whereas Sydney is the terminus, and people alighting there from interstate or overseas aircraft leave the airport almost immediately. At the same time, I think Sydney should have these facilities, though the need there is not as great as it is here. People about to embark at Sydney for overseas countries would doubtless desire the facilities that can be provided in licensed premises, but, as I have stated, such facilities are not available there at present.

The Bill calls for little further comment by way of explanation. I desire to avoid entering upon a long-winded explanation; I did not want to be verbose or to make any striking points. I should like the issue to be kept fairly clear and simple. I have endeavoured to point out that at this stage of our development, surely air passengers are entitled to expect similar treatment to that which has applied to rail passengers for many years. The measure contains a number of provisions, but most of them are of a consequential nature. There is no necessity to explain them at this stage; my desire is that members should accept the principle that this is a fair and just proposition, and the consequential amendments can be explained during the Committee stage.

Various amendments are scheduled at the end of the Bill. There are proposals to amend the Second and Third Schedules. The first sets out a pro forma airport licence containing the conditions and requirements, and the second states the method of making application for an airport licence. I emphasise the fact that the restrictive nature of the proposed licence will not affect any licence in the vicinity; in fact, one of the amendments provides that the Licensing Court, before granting a licence, shall have regard to licences in the vicinity, that bottles must not be taken away from the airport, and that the licence is restricted to serving the people enumerated and within the hours laid down. I commend the measure to the House and move—

That the Bill be now read a second time.

On motion by the Premier, debate adjourned.

BILL—ADMINISTRATION ACT AMENDMENT.

Second Reading.

MR. OLDFIELD (Maylands) [8.23] in moving the second reading said: At the outset I would like to thank the Premier for the opportunity he accorded me of interviewing one of his departmental officers, with respect to the Bill. The interview was most helpful in framing the measure and in knowing, possibly, what might happen to it during its passage through the House.

The salient feature of the Bill is that it is aimed at tidying up certain sections of the Act which require clarification. One of its chief objects is to delete from the Act the word "Curator" wherever it appears and substitute for it the words "Public Trustee." This is being done so that to any layman who reads the Bill it will be clear that it refers to the Public Trustee and not the curator. The curator was at one time a public officer, but he is no longer in existence.

Another clause seeks to clarify the position in the case of intestacies. It provides that the specified sum shall not be applied in relation to the value of the estate as at the date of death for the purpose of calculating the fractional shares of beneficiaries, including anyone entitled to the specified sum. It is considered that the specified sum, being a set figure, should be regarded as a straightforward legacy and, therefore, deducted from the net value before any fractional shares are arrived at for the future distribution of the estate.

I was instrumental in having this section amended some years ago with respect to the amount of the specified sum. I had it increased from £1,000 to £2,500, at which figure it remains today. In the past, certain legal argument has arisen as to how the fractional shares should be arrived at. I feel that this amendment will clarify the position regarding what was originally intended, which is that the fractional shares are to be applied after payment of the specified sum.

The Bill also provides how any income derived from an intestate estate, prior to distribution, shall be distributed. The suggestion is that the spouse shall receive 5 per cent. of the specified sum, which I previously stated must be regarded as a straight-out legacy, and the remainder must be distributed according to the fractional shares to which all the next of kin are entitled.

A further clause provides that the governing factor in the court's decision regarding the use of a minor's interest in an estate for its maintenance and education shall be the minor's share of the estate and not the value of the whole estate. In amending this section, cognisance has been taken of the fact that £5,000 is the least amount which would provide sufficient income to support a minor; that is, at today's values, the sum of £5,000 at least would be required to be invested to provide sufficient income for the maintenance and education of a minor.

Another provision is that in order to avoid the expense of applying to the court in the case of obvious necessity—that is,

when it is necessary to mortgage an estate to pay death duties, and funeral and administration expenses—the section of the Act shall be amended to coincide with those principles already provided in the Act regarding the sale or mortgage of estates for these purposes. The Bill contains two consequential amendments to other sections that have been included for the same purpose. A further amendment to obviate unnecessary expense is the provision requiring the amount to be raised from £1,000 to £3,000 where a person may apply for letters of administration when the deceased resided 15 miles or further from Perth. This apparently was overlooked at the time when Section 55 of the Act was amended some four or five years ago. This will bring the provision into line with Section 55.

In order to bring the Act into line with the Federal Estate Duty Act, and what is already departmental policy, the Bill provides that in arriving at the final balance of an estate there shall be deducted from the gross value of the estate, in additon to all other liabilities of the deceased at the date of death, such amounts as may be due for Federal income tax up to the date of death, including all amounts of such tax that might be assessed under Section 101A of the Federal Income Tax Act.

When I stated that that was to bring it into line with the Federal Act and departmental policy, the position is that prior to provisional taxation being enforced in the Federal sphere, according to the way our Act was interpreted any income earned prior to the deceased's death, but which had not yet been collected, such as JO wool certificates or wheat certificates, was still assessed by the Federal taxation authorities for the purposes of income tax as money having been earned prior to the death of the deceased and therefore taxable.

Under the Federal Estate Duty Act, provision is made for that amount of income tax to be deducted from the whole of the estate for the purpose of assessing probate. Our Act did not provide for that but when provisional taxation came into operation the mere fact of the taxing power being continuous and not having to be brought into the Federal House each year in the Federal Income Tax Assessment Act to strike the rate of taxation, meant that departmental policy was directed to bring it into line with the Federal Act. Therefore, this amendment will not bring about a state of affairs which is not actually in practice today but will only place on the statute book what is today's practice.

Another clause aims at giving some relief in respect of death duties to beneficiaries sharing in an estate of less than £12,500, by providing a rebate of one-half of the payable duty on estates up to £7,500, one-third on estates between £7,501 and £10,000, and one-fifth on estates between £10,001 and £12,500. This scale is a suggestion only and I understand that an acceptable amendment will be forthcoming during the Committee stage from elsewhere in the Chamber.

In explaining that provision, I might point out that at present an estate to the value of £6,000 is allowed a one-half rebate of the payable duty. That was brought into operation in 1939 and it was considered that the Government of that day was a little over-generous but, like many such things where some concession cuts out automatically at a certain figure, hardship can occur. The beneficiaries of an estate of up to £6,000 today pay only 2½ per cent. probate whereas an estate of net value of £6,001 pays 5 per cent. on the full amount and therefore pays virtually double the duty paid on an estate of only £1 less value.

Various schemes have been suggested from time to time in this regard, one being that when the relief cuts out automatically at a statutory figure, as regards any rebate, the full amount be paid only on the sum in excess of that statutory figure. However, in an endeavour to overcome the anomaly which exists, I would favour a graduated scale such as I have outlined.

A further clause deals with the position of service personnel based in Malaya, Korea and similar places, or who in future may serve elsewhere overseas in the interests of Australia in times when, although we are not actually at war with a foreign power, our service personnel are exposed to all the rigours and dangers of warfare, just as they are in Malaya today. As the Commonwealth Australian Soldier's Repatriation Act has been repealed and replaced by the Repatriation Act, it is intended that this Bill should amend the principal Act accordingly so that where the words "Australian Soldier's Repatriation Act" appear they shall be replaced with the words "Repatriation Act".

There are further small consequential amendments to meet the position in which we are today in regard to our service personnel. The final provision of any consequence seeks to overcome an anomaly in respect of certain charitable institutions, but, in my discussions with departmental officers, the position has been more or less ironed out and the department concerned has taken steps to have the matter adjusted by a departmental ruling at departmental level. That clause will therefore be struck out during the Committee stage.

I submit this Bill for the earnest consideration of members and trust that if any of them have objection to certain of its provisions they will agree to the second reading and move the necessary amendments during the Committee stage. I am sure that if members will do that, the measure can be amended in an amicable way. I move—

That the Bill be now read a second time.

On motion by the Treasurer, debate adjourned.

BILL—TRUSTEES ACT AMENDMENT.

Second Reading.

MR. OLDFIELD (Maylands) [8.40] in moving the second reading said: This Bill is a very small one but it is aimed at setting up in two instances machinery whereby trustees can apply to the court to do what may be in the best interests of a beneficiary or of an estate but which they are precluded from doing by the Act as it stands. In many cases, trustees have found that they cannot do what they would like to with certain moneys, even though it may be in the best interests of all concerned. There is no machinery to allow them to apply to the court for permission to do certain things. This Bill, if passed, will allow a trustee to apply to the court and, in turn, will give the court power to act in whatever way it thinks best.

The first provision is to amend the section of the principal Act which deals with authorised investments. It is suggested that a trustee should be permitted to approach the court for consent to provide a beneficiary with a home financed from trust money where it is considered that this would be in the best interests of the beneficiary. There are certain cases where it would be most advantageous to all parties if this could be done. I wish to quote the case of a pensioner who is living in Melbourne and who has an income for life of £6 a week from an estate in Western Australia. A certain charitable organisation in Melbourne is doing as much as it can, within the limited means at its disposal, for the family of this pensioner, and has been in touch with the trustee in Western Australia pointing out the exact position of the family.

This pensioner is what can be regarded as a "no-hoper." He has six children and his wife is compelled to find employment to try to augment his invalid pension. I understand that this family is living in terrible conditions in the infamous Royal Park housing settlement in Melbourne and the income from the estate, which is being paid to this family, has affected this man's pension. There are six children in the family and although the pensioner is receiving £6 a week—say 5 per cent.—from the estate, his invalid pension has been affected and the family are having trouble in making ends meet.

It has been suggested that if a home could be provided for them from the £6,000 estate, it would be of considerable help to them. The wife is a very good woman and mother and has battled hard to do everything she can for her children. If a home could be provided for the family, the husband's pension would not be affected and, with certain assistance from child endowment, and the wife being able to supplement the income to a certain extent, they would be in a reasonable position. At present, the income from the estate is of no advantage at all.

The trustee is anxious to use the funds available to provide a home but he is not permitted to do so under the Act. He is only permitted to invest in certain gilt-edged securities. He would like to provide a home and, on the death of the pensioner, who has a life interest in the estate, the home would be sold and the money distributed according to the further provisions of the will. If we continue to go through a period such as we have had over the last few years, it is unlikely that a home would lose its value.

The second provision in the Bill is also to give the trustee an opportunity, if he thinks fit, to apply to the court in certain circumstances to have any annuity varied according to the circumstances of the trust and money values of the day. Many annuitants, who, in 1939 or 1940—I refer particularly to widows—were thought to be well off if left £6 a week for life, are finding it difficult to make ends meet. I instance the widows of farmers, pastoralists and the like whose husbands had fairly large estates. Many of these people left their wives an income for life as well as a life interest in a home. But, owing to the inflationary trend, those people are not now so well off and unfortunately there is no power to alter the annuity and there is no provision under which a trustee can apply to the court to have it varied in any way.

If the reverse happened and we had a deflationary trend, an annuity could gobble up the whole of the principal and leave nothing for further distribution later on. In both provisions I have mentioned, it will be at the discretion of the court to decide what shall be done. All the Bill seeks to do is to provide machinery, in certain circumstances, for a trustee to apply to the court if he thinks fit.

Referring back to the first provision, other people, as well as those in the case I cited could be involved. I refer to people who are drawing old-age pensions. Because of the means test, many of these people are prevented from drawing a full pension,

even though they do not own their own homes. In such instances, it would be of great benefit to them.

As regards the final clause, it may be argued: Why give only the trustee power to apply to the court and not the annuitant? Considerable thought was given to that point when the Bill was drafted, and it was considered that if such power was granted to the annuitant, the court could be cluttered up with applications to have annuities varied in their favour. Knowing that most estates are administered by trustee companies, the Public Trustee or a solicitor acting as trustee, such persons will make an approach to the court only when an application is justified after taking full cognisance of the position of the estate and whether it is of sufficient value to warrant any variation in the annuity provided. I therefore submit the Bill to the House for its favourable consideration and I move—

> That the Bill be now read a second time.

On motion by the Treasurer, debate adjourned.

MOTION—BETTING CONTROL ACT.

To Disallow Restriction on Operations Regulation.

Debate resumed from the 14th September on the following motion by Mr. Hearman:—

> That regulation No. 31 made under the Betting Control Act, 1955, published in the "Government Gazette" on the 6th May, 1955, and laid upon the Table of the House on the 9th August, 1955, be and is hereby disallowed.

THE MINISTER FOR POLICE (Hon. H. H. Styants—Kalgoorlie) [8.52]: This motion seeks the disallowance of regulation No. 31 and I think it embraces the original intention of the member for Blackwood. My objections to the disallowance of this regulation are the same as I had against the disallowance of regulation No. 24.

For some obscure reason the hon. member complained that the conditions under which a licence is issued are not made clear to the House or to the person who applies for a licence. As I pointed out last week, the conditions under which a licence is issued, either for betting premises or to a bookmaker, are clearly set out in the regulations, but they are so voluminous that it would be impossible to set them out on the licence itself.

Regulation No. 31 reads as follows:—

> A licence authorises the holder of it to do only such acts and to do them only at such times and places and in such circumstances as are specifically stated in these regulations . . . .

As I have already mentioned there are over 100 regulations and they set out in detail the conditions under which a licence is granted. Regulations Nos. 19 to 30 set out the conditions relating to the application for a licence; there are regulations governing the security to be given by bookmakers. There are 20 regulations dealing with bookmaking in general.

There are regulations referring to the suspension and cancellation of licences; the classification of registered premises; the conditions relating to registered premises; the conditions governing betting on racecourses that have to be observed by the bookmaker. Then there are general regulations. There are 12 regulations dealing with the betting tax which set out how much a bookmaker has to pay and in what manner he has to make the tax available to the Treasury and there are the general rules relating to betting.

All of these cover 5½ pages of the "Government Gazette." So to say that the board has not taken the House into its confidence in stipulating the various terms and conditions attached to the issuing of a licence cannot be sustained. I quoted only portion of Regulation No. 31 and the remainder reads—

> . . . or as are specified in the licence itself, and authorises the holder only to do any of the acts while he is doing it in accordance with the regulations.

As I explained during the debate on the previous motion, which was similar to this one, the only specifications that have been set out on the licence itself are in regard to licensed premises and under the column headed, "Conditions" are set out the hours during which the premises shall be kept open. According to the information I have received from the board, there has not been any endorsement, in any shape or form, setting out the conditions on any bookmaker's licence issued to date. I cannot see anything wrong with the regulation.

The claim that the board has not made the terms and conditions clear to the House and that there is something secretive about the issuing of such licences, as suggested by the member for Blackwood, cannot be sustained. The regulations are fully informative in regard to the issuing of a licence for betting premises or to a bookmaker. To say that the terms and conditions should be printed on the back of a licence would set an impossible task with ordinary print. I suggest to the House that the motion should not be agreed to.

MR. HEARMAN (Blackwood—in reply) [8.56]: I do not intend to take up much of the time of the House. Again, the Minister has not mentioned whether it is a good or a bad principle to adopt for this type of regulation to be proclaimed without Parliament first being consulted. He has merely said that the existing regulation makes the position quite clear.

At the outset I say that the Betting Control Board, with this particular regulation, has not been very secretive. I cannot see any great difficulty in printing the hours of business or other conditions on the back of the licence under the terms of regulation No. 31 because they are not so voluminous. However, difficulty might have been experienced in that the board did make some amendment to the specified hours of business which, of course, would have meant an alteration in the printed conditions specified on the licence.

However, in view of the fact that the board has made it quite clear to me what the terms and conditions are, I am not particularly concerned about the fate of this motion. The effect of this debate has been to make it quite clear that it is possible for the House to obtain the information it requires and to that extent I think the motion has succeeded.

I reiterate that I knew perfectly well that the regulation would not be disallowed, but the effect of the motion has been that this matter has been well ventilated. I do not think there is any point in calling for a division on the question, but I am sorry that the Minister again evaded the point as to whether he considered it was a good or a bad thing to stipulate terms and conditions relating to a licence before making the position clear to the House.

Question put and negatived.

House adjourned at 8.59 p.m.

Legislative Assembly

Thursday, 29th September, 1955.

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The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTIONS.

MEDICAL SCHOOL APPEAL.

Subscriptions by Insurance Companies.

Mr. JOHNSON asked the Minister for Health:

Will he advise which insurance companies, concerned with workers' compensation insurance and motor accident insurance, have subscribed to the medical school appeal, and the amounts of each donation?

The MINISTER replied:

This information is not available to the Government but it is understood contributions to the appeal are published in the Press from time to time.

BREAD.

Price per 2lb. Loaf, Donnybrook.

Mr. HEARMAN asked the Minister for Labour:

(1) Can he say what the price of a 2lb. loaf of bread was in Donnybrook at the termination of price control in 1953?