

Legislative Council

Tuesday, 13th November, 1956.

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

ASSENT TO BILL.

Message from the Lieut.-Governor and Administrator received and read notifying assent to the Corneal and Tissue Grafting Bill.

QUESTION.

NATIVE WELFARE.

Rations, Amount and Qualifications.

Hon. J. M. A. CUNNINGHAM asked the Chief Secretary:

(1) What is the actual amount allowed in rations and goods to each native in the State?

(2) What is the actual list of goods which constitutes a week's ration?

(3) Is there any means test applied to natives, to indicate their qualifications for rations?

(4) Is there any other limitation to eligibility, such as age?

The CHIEF SECRETARY replied:

(1) and (2) A copy of the department's ration scale will be tabled.

(3) Yes. Since the legislation provides that only destitute natives are entitled to relief, the department must be satisfied that natives for whom ration applications are made are unable to maintain themselves.

(4) As a general rule natives of 60 years of age and over are accepted as bona fide rationee-pensioners of the State unless they are receiving a pension from the Commonwealth. Otherwise natives whose age is less than 60 are treated according to circumstances and merit.

BILLS (2)—THIRD READING.

1, Oil Refinery Industry (Anglo-Iranian Oil Company Limited) Act Amendment.

2, Pig Industry Compensation Act Amendment.

Passed.

BILL—PROFITEERING AND UNFAIR TRADING PREVENTION.

Third Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [4.38]: I move—

That the Bill be now read a third time.

HON. C. H. SIMPSON (Midland) [4.39]: I know it is unusual to speak on the third reading of a Bill in this Chamber, but it is quite in order, and I shall try to confine myself to those things which are proper to be said in regard to a Bill at this stage. I have one reason for speaking on the third reading; and that is, that I want to reply to some of the statements made by the Minister for Railways which I think need correction.

In a way this Bill reminds me of the story of Columbus, who started off on a voyage and did not know where he was going; and when he got there, did not know where he was; and when he came back, did not know where he had been.

The Minister for Railways: But he discovered some good land.

Hon. C. H. SIMPSON: This Bill, which was introduced under the name of the Profiteering and Unfair Trading Prevention Bill has left much unspecified and undefined, although some attempts have been made to make it understandable, by the introduction of definitions by way of amendment. However, it still leaves us uncertain as to how it will work, what the powers of the commissioner will be, and to whom it will apply. We are told that it has reference particularly to unfair traders and unfair methods; but there is nothing in the measure to say what is an unfair trader, or who he shall be.

There is very little in the Bill specifically to define unfair trading methods, and the only real reason given for the necessity to introduce the measure was the increase in the cost of living in the last three years. As I pointed out during the second reading debate, if that is analysed and the incidence of rents and food—particularly meat—is taken into account, there is very little difference in the actual "C" Series index as between 1953 and 1956. As I said at that time, if that is the only reason which can be advanced for the introduction of the Bill, it looks like a smoke-screen to cover the Government's own sins of omission and commission.

The Bill is obviously aimed at the business community, but it could apply to almost anyone—to the farmer, to the housewife, or to any member of this Chamber—and it was introduced while a select committee was sitting to study the question of restrictive practices. It seemed to me only logical to hold up the introduction of the measure until we had a chance to examine the report of that committee. A commissioner is to be appointed under this measure with practically autocratic powers; and unless he has been especially selected in advance, I question whether he will know, at the outset, what his duties are. He would naturally be under the direction of his Minister, who would probably explain to him what was in the mind of the Government; and that certainly has not been explained to this House.

Originally the Bill contained very savage penalties and allowed no right of appeal against the decision of the commissioner. That provision has been amended, but it is remarkable that no actual evidence was produced that the alleged state of affairs actually exists; and in view of the small effect on the cost of living over the period, and in view of the fact that merchants particularly are finding it difficult to carry on and are for the most part showing a loss on their operations, one would think that would be an indication that the application of this legislation—at the present time at least—is quite unnecessary.

If there were any specific reasons in the mind of the Government as to why such a Bill as this should be introduced, the evidence should have been produced to this House and members should have been taken into the Government's confidence, as we would then at least have known whether we were justified in opposing or supporting what the Government had to bring forward. I would point out that no similar legislation operates in any other State of Australia. This is a young State, and it requires all the support we can get through the introduction of outside capital. I believe the existence of a measure such as this would frighten would-be investors away.

I would like to read now a reply to some statements made by the Minister for Railways with regard to the oil companies. It is as follows:—

The Minister implied that there had been a threat in the past by the oil companies to withhold supplies of petrol and oil to the North-West. I have been in touch today with the oil industry in this State and I have been assured that this is not so. Never at any time in the history of its service to Australia has the industry turned the tap off, as the Minister expresses it, or even contemplated doing so. If there has been in the past any shortage of petrol in the North-West it has been wholly because of the shortage of shipping to those ports and

this is a matter in which the Government has been responsible more than the industry. As it is the capital cost of petrol supplied to the North-West, is greater per gallon sold than anywhere else in the Commonwealth. The companies make very little profit, if any at all, in that area and lose steadily on the return of empty drums to Perth. Certainly the industry has made profits in Australia but it has put into Western Australia infinitely more money than it has ever taken out. The figure of 6.7 per cent. profit for the industry in Australia after tax is a genuine one. The oil industry, did it not make a profit, could not have been the only fuel industry that has proved capable of meeting the rate of development in this State. Coal, hydro-electricity or any other source of power could not have done so and if the Minister would like to give the House a comparison of the percentage increase in coal prices and petrol prices since the war, these might speak for themselves.

We ask at this stage where are the people that the Government is so anxious to lay its hands on—the people at whom the Bill is aimed—and what they are guilty of. We have the right to know, but the Government does not tell us. What about the administration? How will it work out in the case of manufacturers? Manufacturer "A" may have capital and has bought a modern plant and produces an article and sells it cheap and makes a good profit. His competitor, manufacturer "B," is inefficient, has hardly any capital, uses obsolete plant and sells dearer and makes a smaller profit. Which is going to be penalised—"A," who sells cheaper and makes a good profit; or "B," who sells dearer and makes a small profit?

Take a concern with a large turnover. As things are, that man might make perhaps a very small overall profit, but on one particular line he might make what the commissioner considers an undue profit. Is a merchant in a big way going to be penalised because he is undoubtedly guilty, in the opinion of the commissioner, of making a big profit on one article, whereas overall he might make a very small profit or even a loss?

Then we will take the case of self-service shops as compared with the orthodox type of shop. The orthodox trader renders service with the goods he provides. He will, in answer to a telephone call, deliver goods. He may go on a round himself or send a man to take an order, all of which service costs money, but which, nevertheless, is of great convenience to the housewife. It suits her, very often, to pay a higher price for the goods which that trader supplies, than to go to a self-service store and buy her provisions there where there is a limited staff employed. For that reason the self-service store is able to supply goods at a cheaper price.

The self-service store can, of course, buy in bulk, and therefore has a great advantage over the small trader; but the point is that that store sells cheaper. Is the small storekeeper to be penalised because his prices are higher than those charged by the self-service store? Or the self-service store, because its profits are greater? It can be seen, therefore, that it is a very difficult problem.

Let us take another case. Many years ago a man may have bought property; and over the years, he has paid fairly heavy rates and taxes on the land. If he is fortunate, the value of his land may increase tremendously, and he can sell it at a great profit. Is he to be penalised because fortune has come his way? On the other hand, what about the poor unlucky individual who has bought land, and who has paid rates and taxes on it for several years, and yet the value of the land has remained unchanged?

What about the Government being included within the provisions of the Bill? I am informed that in one instance the Government charged £28 a week rent for a butcher shop at Kwinana. Is it to be accused of charging excess rent for that shop? The cost of the rent is included in the price of the meat which that butcher must sell before he makes any profit. In fact, paying that rental, I doubt whether he would make any profit.

It is a curious thing that in every misfortune it is a natural impulse to find someone to blame. In the past, savages attributed an illness to hostile magic. Newspapers or political parties will sometimes find an enemy to hate, and he is named as the responsible villain in the piece. This is much more appealing to the general public than to go to the trouble of finding an explanation for some complex problem. Hitler, for example, blamed the Jews. An appeal to hatred often proves to be very destructive. It does not create anything and it does not do anything towards solving that problem which eventually must be solved when we face up to reality. Therefore, I intend to oppose it at the third reading.

HON. A. F. GRIFFITH (Suburban) [4.53]: I think it would be true to say that there has been more debate and more difference of opinion of this Bill than on any other we have had before the Legislative Council for some considerable time. When the Chief Secretary was introducing the second reading on the Bill he said, "I think that this measure will be a test as to whether members can stand up to what has often been said, namely, that this is a House of review. I think this is the acid test." By way of interjection, I asked the Chief Secretary, "Does that mean that your members are free to do what they like?"; and the Chief Secretary

replied, "My members will deal with this Bill in the manner they think fit and that is what I want other members to do."

Every member of this House knows exactly how the members to whom the Chief Secretary was referring dealt with this Bill. We know that the Chief Secretary was the only person who spoke on the second reading. He delivered to the House his second reading speech and endeavoured, as a result of the advice he had been given, to justify the introduction of this measure. He told us that his Government had, for some considerable time, been concerned about inflation, about rising costs, and that he offered the Bill as a solution to the problem. During his speech he said, "Steadily, year by year, we have experienced a considerable rise in costs, prices, rents, interest rates, wages and salaries, etc." Then he went on to say, "But no isolated method of control can beat inflation."

I contend that at this point the Chief Secretary destroyed his own argument, because he went on further to say that his Government did not intend to use this Bill as an instrument of price fixing. He did not endeavour to justify the Bill; he did not endeavour to tell us how it would cure the ills of which he spoke. He merely asked us to accept the intentions of his Government without telling us what those intentions were. We cross-examined the Chief Secretary. We implored him to tell the House where the abuses were occurring. We asked him to tell us of the firms or the people who were committing these abuses, but we did not get anywhere. We asked him to advise us how the Bill would operate if it became law and what effect it would have on the control of prices.

He told us, as I said a few minutes ago, that his Government did not intend the Bill to halt rising prices; nor was it intended to be used as a price-fixing instrument. He said it was designed to prevent excess profit and unfair trading. However, when we asked him what excess profit and what unfair trading were he could not tell us. He said that these matters were to be resolved by the commissioner. It will be remembered that he was the only member of his own party who spoke on this Bill.

The Minister for Railways: Which is wrong, of course.

Hon. G. Bennetts: I think I spoke on it.

Hon. A. F. GRIFFITH: If the hon. member spoke on the second reading of this Bill, I humbly beg his pardon. Nevertheless, when three members of the Country Party signified their intention to support the second reading, the Chief Secretary did not even bother to reply to the points raised by members who had spoken on the Bill, but merely made a token reply, knowing that the passage of the Bill through the second reading was assured.

We then went into Committee and we argued the pros and cons of each clause. Some members were successful in obtaining a few amendments, but only those which the people supporting this Bill desired to go through.

The Chief Secretary: Doesn't that always happen?

Hon. A. F. GRIFFITH: I think it can be said that the Bill has been improved only slightly by these amendments which were supported by Mr. Diver. However, all through the Committee stage, those members supporting the Government had little or nothing to say. But we know that on each occasion they voted as they were expected to do. Mr. Diver adopted a course with which I cannot agree.

I cannot agree with some of the things he said or did. I give him full credit for having remained in his seat throughout the debate, and for having stuck to his guns. He stayed with us to argue the pros and cons of the various points that were raised. He listened to the arguments on the various clauses at the Committee stage, although he did not agree with what we on this side said. Many decisions were made on the casting vote of the Chairman. I know that it is not competent for me at this stage to debate Standing Orders.

The Chief Secretary: The decisions were not made on the casting vote of the Chairman, so again you are wrong.

Hon. A. F. GRIFFITH: Very well. I would say they were made on a deliberative vote. The effect is the same.

The Chief Secretary: He is as much entitled to a vote as any other member.

Hon. A. F. GRIFFITH: Personally I think it is a bad state of affairs when the Chairman of Committees can cast his vote after having counted the House to see whether his vote would affect the issue one way or another.

The PRESIDENT: That is an unfair statement for the hon. member to make as it reflects on the Chairman of Committees.

Hon. A. F. GRIFFITH: I am an acting Chairman of Committees, so I make the unfair statement against myself. Let us look at the protests which were raised in the deliberations during the Committee stage. We have produced a Bill which, if it becomes law as it is now written, will provide for legislation to deal with unfair profit and unfair trading, without giving any definition of what either of those things means. It will give the commissioner, the acting commissioner, and the representatives of the commissioner the powers of a dictator.

It provides that people in business shall be required to answer questions, keep books of account, costing records, copies of references, vouchers, telegrams, stock sheets

and other documents until the commissioner orders that they may be destroyed. It will allow the commissioner to investigate any person; to charge the person under this Act if he thinks he can make out a case against that individual; and to try that individual. He will be able to prosecute the accused, try the case, and, of course, convict the person.

Bear in mind that the commissioner is extremely unlikely to prosecute a man whom he is uncertain of convicting. Upon conviction the accused has the right to appeal to a judge of the Supreme Court against the decision of the commissioner, such conviction in the opinion of the commissioner being completely justified. That is the type of legislation we are proposing to put on the statute book.

It seems quite impossible to draw from the Chief Secretary the real purpose of this Bill. I ask: Is it intended to be levelled against the large traders in our community; or it is intended to be levelled against the small trader, the little shopkeeper, the businessman with a small turnover, the person who trades in the week-ends and adds a penny to the price in order that he may keep up with his overhead and continue the business? Whatever the cause may be, this all-powerful commissioner can beat the drum and call the tune on every individual, large and small, in the community—every businessman, every farmer, and every human being who is suspect.

I suggest that every human being in business will be suspect as a result of the passing of this Bill. We shall produce excellent ground for the common informer, the petty individual who will complain to the commissioner over the slightest matters, leaving the commissioner no alternative whatsoever but to investigate the complaint. As the Chief Secretary said, a small tube purchased from a chemist shop at a large price will immediately be suspect.

The Chief Secretary: I did not say anything of the kind.

Hon. A. F. GRIFFITH: Even the attempt to produce a bona fide state of affairs regarding complaints was defeated. The members who were silent in the debate on this Bill but voted obediently with the Government have accepted a very heavy responsibility.

The Chief Secretary: You voted very obediently with the Opposition.

Hon. A. F. GRIFFITH: I voted against this Bill because I do not believe in any part of it.

The Chief Secretary: Well, they also did this. They are entitled to their opinion just as much as you are to yours.

Hon. A. F. GRIFFITH: I agree. We are not in conflict on that point.

The Chief Secretary: I did not complain about members opposite who voted obediently against this Bill as you have complained about us.

Hon. A. F. GRIFFITH: I say that certain members of the Country Party have also accepted a very heavy responsibility in voting for the Bill.

Hon. L. A. Logan: It is their responsibility, not yours.

Hon. A. F. GRIFFITH: I am competent to voice my opinion in regard to that aspect. They have assisted to produce a very vicious piece of legislation. This House added a provision for an advisory council to advise the commissioner. I suggest that is merely formal in application. It is a body with no power at all, one which can be treated with positive disdain by the commissioner whenever he considers fit to do so.

I wonder whether the supporters of this Bill are very happy upon the contemplation of the state of affairs which can exist, such as a peremptory demand for books, accounts, letters, documents, telegrams and all the rest? After an order has been made that all business people shall keep records, the commissioner may search premises, serve notice—not even in the normal way—charge, try, and convict, all before himself.

Let not any farmer think that he will be safe merely because of the existence of the clause which provides that goods sold bona fide at auctions are exempt from the Bill; because, in my opinion, farmers will find that they have just as much protection under this legislation as anybody else. I suggest there is no protection at all.

I cannot allow the third reading of this Bill to go through without voicing a protest against it. I intend to vote against the third reading. Legislation of this nature will not find its way on to the statute book with my support; rather I will oppose it to the last. In my opinion the Bill is against the principles of decency and against the principles of freedom. It can very easily prove to be vicious in its application and prove to be unbecoming to a State which needs to do all it can to retain its position in commerce and industry.

THE MINISTER FOR RAILWAYS
(Hon. H. C. Strickland—North) [5.7]: Reference was made by Mr. Simpson to my remarks. I desire to explain that, following an interjection by Mr. Griffith, I stated I would like to see power provided in this Bill to make people supply goods and not be able to withhold them. I was speaking about my experiences with an oil company. Those experiences show that the oil company did not and still does not honour the full-page advertisement which appeared in the "Sunday Times" some two or three years ago arising from a conflict

between the Prices Minister in New South Wales and the oil companies, which requested an increase in price.

The full-page advertisement appeared not only in the "Sunday Times" but in every daily and weekly newspaper published in the Commonwealth. I shall read portion of that advertisement. It said this—

The oil industry has endeavoured to meet its obligations to consumers scattered throughout this vast country. Costs involved in deliveries to the out-back are much greater than costs involved in the metropolitan area. At the present time, therefore, a lot of money can be saved and the industry's loss would be so much less if deliveries to the country were curtailed. Such action would be justified but this will never happen as the industry is pledged to serve the Australian public.

There is one vast area of Australia to which the oil companies do not deliver, and that is between Darwin and Geraldton. This area represents well over one-sixth of the total size of Australia. Having read the advertisement at a time when the State Shipping Service could not carry the requirements of oil, petrol and aviation spirit to the North-West towns, I thought there was nothing wrong in asking the oil companies to stand up to the pledge made to the public. What was wrong with trying them out?

The Government carried the supplies on the State ships at a reduced rate—that is, a flat rate to all North-West ports. The rate was that which applied to Geraldton, of 41s. 9d. per ton. That same rate was paid for deliveries to every other port in the North-West even as far as Wyndham. The idea was introduced by the Wise Government in order to find a solution to the high cost of petrol in the North. The difference between the normal freight and that actually charged was subsidised by the Government—not only this Government, but all Governments since 1945. The difference between the 41s. 9d. and the 120s., which was the actual freight in some cases, was subsidised by the Government. The oil companies claim that because they stand that cost of delivery, they are losing money. They say that their loss will be far less if they do not have to deliver.

The point is they did not deliver. When the Government was in a jam and wanted to send 5,000 drums of oil to the Kimberley ports, I wrote to two oil companies which had been trading up there for years, and had nearly all the business in that area. One company replied that it had never delivered the supplies up there, and it was not going to do anything about the matter. The other company which used to deliver would not reply by letter, but the manager called at my office. When he telephoned to make an appointment I asked him to write to me, but he called personally.

I know what happened only too well. It was this: I was told that unless the Government paid the extra freight, over and above the 41s. 9d., which amounted to, roughly, 22s. 6d. a drum, we could not expect to get any oil or petrol up there. I was asked what would happen if the planes ceased to fly and if trucks and motorcars ceased to operate. That type of attitude is no different from the attitude held at times by trade unions when they say, "We are not going to work unless we get so much." The principle is the same. If the oil companies deny that this ever happened, then, in answer, I say it did. It also happened on two occasions with the previous Government when it got in a jam. It had to pay the extra, despite the fact that the oil comes in from the islands—Borneo—which are closer to the Kimberley ports than is Fremantle to where it is carted and then taken back.

Despite what Mr. Simpson says about my remarks in connection with oil companies, I point out that what I said is true, and I will repeat it anywhere. I have nothing in black and white to prove it except my correspondence to the oil companies requesting them to do what they say they are pledged to do, and what they failed to carry out. They misled the Australian public. The last paragraph of the advertisement I read says—

Such activities would be justified—
That is the curtailment of supplies.

—but this will never happen as the oil industry is pledged to serve the Australian public.

Well, that is the way those oil companies served the Western Australian Government, anyway. They simply said, "Unless we get another 22s. 6d. on each 44-gallon drum, you will not get any oil," and that is what happened.

HON. N. E. BAXTER (Central) [5.18]: When I voted for the second reading of the Bill, I did so presupposing that it was possible for it to be amended so as to become what could be considered to be workable legislation, but unfortunately that has not transpired. One matter I took into consideration was the appointment of an advisory council. Most certainly an advisory council has been appointed under the Bill, but what type of council is it? It is one that shall sit and consider any matter put to it by the powerful commissioner, and it shall advise him; and that is the end of it, because the commissioner does not have to take any advice from the council.

It may as well not be appointed for all the good it can do. I feel that those who serve on it will be serving in an entirely honorary capacity in the interest of the State. They will put in their time and hard work, which the commissioner can entirely ignore. But I believe that within a period of not less than six months the

members of this council will resign, because they will feel that they are useless and are a nonentity in the scheme.

Another factor is that at the Governor's pleasure any member of the advisory council can be done away with. In other words, if the advisory council does not suit Cabinet, all members can be done away with so that we will have no advisory council. That is how useless the situation is in this regard under the Act.

Let us take the position of the commissioner. He is to be, firstly, the investigator; secondly, the prosecutor; and, thirdly, the judge and jury. He is a properly constituted court under the Justices Act of 1902. Therefore he has power to investigate a person, charge him, find him guilty, and then impose a fine. In the clause dealing with punishment for offences, the Bill refers to a court, yet it does not set out what the offences are, because it does not state that unfair trading or unfair profit taking is an offence. To me, that is ridiculous.

With respect to the court set up under the Bill, if one looks at the definition of "court" in the Interpretation Act, one sees that the commissioner here has been set up as the court; and I would say that it is most unusual and contrary to British justice to set up a person as investigator, prosecutor, judge and jury and everything else. The Chief Secretary fully supports this idea. It was not long ago when he accused members of somersaulting. I would say that in this particular instance he has not only somersaulted but has done a couple of double-handsprings because recently, on other legislation, he almost threw his hands in the air when crying out that British justice was not being given to people under the legislation.

If the Chief Secretary were really conscientious, and if he had stuck to his views, he would never have pushed this legislation through so as to set up a commissioner in such a high and exalted position with all this power. I believe the Chief Secretary should have another look at the provisions appointing the commissioner with such strong commissary powers before he even votes for the third reading.

I cannot see that, having passed the Bill through the Committee stage, with the amendments that are now included in it, it will be legislation that is, firstly, practicable; secondly, fair to the people; and thirdly, legislation that is justice. For these reasons I oppose the third reading.

HON. G. C. MACKINNON (South-West) [5.23]: There has been a great deal of debate on the Bill and to re-read the Chief Secretary's introductory speech makes it stranger reading than ever. He implored us to deal with the Bill in an unbiased fashion when, from the study he must have made of it, he knew full well that this legislation, probably more than any other

which has ever been introduced into the House, was party political in the extreme. Indeed, in its basic principles it probably typifies the difference between the various parties here more clearly and fundamentally than could any other legislation.

I will go further than that, and say that it typifies some of the greatest dangers of modern legislatures, wherever they may be; for, in this measure, we have embodied several provisions which no legislature should embody in a Bill. For one thing it contains careless draftsmanship with difficulties of interpretation which should never be allowed by a body of this nature.

We also have a very marked example of what is known among legal luminaries as administrative absolutism by the setting up of a body that can investigate, try, and pass judgment. Without exception, virtually every great modern-day jurist has voiced warning after warning to legislatures and asked them to beware of this tendency. Indeed, some of them have even gone so far as to prophesy that within 50 to 100 years we will see in practically all countries revolutions of the nature that England went through in the time of the Stuarts.

In this matter we see a principle thrown aside with no more thought than is given to a snap of the fingers. For years the fundamental belief has been fostered that it is better that 100 guilty men go free than that one innocent man be punished; yet in this place, which we all hold in such high esteem, we see a limitation with respect to appeals; and one of the grounds put forward in favour of it is that it will save time, when with deliberate intent over the centuries our legal system and the conduct of the courts have been so arranged that time is of secondary importance.

Admittedly, in some civil actions in America under the Sherman anti-trust laws certain legal battles have dragged on. My answer to that is, that if we are to consider it as an argument, we should first of all study the American legal system. At one time I was in a position to study these matters very carefully, and I asked an American if he would go through the American Constitution with me, and in exchange I would go through the Australian Constitution with him. He agreed. Dealing first with the legislature, he said, "We have only one Parliament in the States that is worth twopence." And dealing with the Judiciary, "We have only one court worth twopence, and that is modelled on yours."

So far as the judicial set-up is concerned, our British system is pre-eminent. Many things that happen in other countries do not occur under our system because we have had more experience, and the British people are recognised as being the most advanced, politically, on earth. So it has to be proved, granted trials and

full right of appeal, that the actions would drag on to the extent that they have in the American courts.

Reference has been made to party voting. The Chief Secretary interjected that we voted as a block the same as Labour members voted as a block. Basically the Labour Party favours the legislation and, basically, our party does not.

Hon. E. M. Davies: But you are the one who is growling.

Hon. G. C. MacKINNON: Within the legislation there are many clauses which have no effect on the basic principle of controlling prices and profits or restricting unfair trading practices. I refer members to the one dealing with the keeping of records. Under our income-tax legislation records must be kept for seven years, but the provisions in that regard are carefully laid down. It has been said time and again when dealing with this legislation that a reasonable man would not do this or would not do that. We are not legislating in regard to supposition; therefore, in a Chamber such as this, we should make sure and set out the provisions very carefully.

As I read that clause, a person will have to keep records so long as the commissioner wishes; this might be two years—we do not know—or it might be 22 years. The commissioner might not be an unreasonable man, but he might have a phobia about records. The keeping of records does not help to control prices. If the commissioner is a man who wants records to be kept for 22 years, his actions will be adding to the costs of articles. But by careful legislation, we could make sure that that did not happen.

Hon. E. M. Heenan: But this legislation is limited to one year.

Hon. G. C. MacKINNON: The Bill is not limited to one year, and the hon. member knows that as well as I do. He knows that in 12 months' time a Bill can be placed before this Chamber to alter the date from 1957 to 1958; and all we can do is vote on that particular point. In other words, we can toss it out or alter the date. We cannot alter any part of the legislation other than the date. I have not been a member for long, but that is an elementary principle in dealing with continuance Bills. I have already seen one passed through this Chamber, and that is its effect. We could not alter the clause which I have been discussing.

The Chief Secretary: There is the other one—the time limit.

Hon. G. C. MacKINNON: Yes; but in dealing with a continuance Bill, we cannot discuss any of the sections in the legislation. If members walked into any business place in town and asked the proprietors about some of their troubles and difficulties with regard to keeping records, I

guarantee they would come back and say, "Seven years is ample. Let us leave it at the Taxation Department requirement in that regard." As it is now, if the Bill is agreed to and the legislation is continued for 22 years, business people could have to keep their records for that length of time.

The Chief Secretary: But the legislation would have to be continued for 22 years.

HON. G. C. MacKINNON: That is so. But even if we agree to alter the date from 1956 to 1957 and so on from year to year, as I understand it, we cannot discuss any of the other sections in the Act. I felt that it was time to point out these various matters before the vote was taken on the third reading. If anyone could prove to me that 100 people were profiteering, I would still say that this is not the Bill to deal with it, because it gives absolute power to the commissioner, without check and without balance. I oppose the third reading.

HON. F. D. WILLMOTT (South-West) [5.35]: I feel that I cannot cast a silent vote on this Bill. I tried to make my attitude towards it clear when I spoke to the second reading, and I do not propose to repeat what I said on that occasion. Admittedly, certain amendments were made during the Committee stage, and perhaps they made the Bill a little less unpalatable. But to my mind it is still very repugnant.

The Bill now provides that the commissioner shall have certain qualifications—he shall have run his own business in this State for a period of five years or have been a practising public accountant for the same period. But when we tried to apply the same provisions to the acting commissioner, the amendment was not agreed to; and so it leaves the absurd position where the Government can appoint an acting commissioner and so entirely circumvent the provision regarding the commissioner.

Therefore the requirements in that regard do not mean anything. By appointing an acting commissioner—and there is nothing in the legislation to say that a commissioner shall be appointed—we will leave him with complete power, and he will not be required to have the qualifications provided for a commissioner.

I think it is foolish for us to give any person such complete power as is given to the commissioner under this Bill. Had Mr. Watson's amendment allowing for a court of inquiry been agreed to, that would have overcome some of the objections. However, that amendment was not agreed to, and so the commissioner is still left with this absolute power; and to my mind it is entirely contrary to the concepts of British justice.

Previous speakers have said a good deal about the clause which provides for the keeping of documents. Without going into that any further, I would just like to say that the provision is absurd. Whether a man is declared or not, he will have to keep these documents at the will of the commissioner. If this Bill is passed in its present form, it will lead to a tremendous amount of litigation; and, as I said during the second reading debate, a tremendous department will be built up merely to persecute the people. I definitely oppose the third reading.

HON. H. K. WATSON (Metropolitan) [5.39]: I shall not detain the House for long, but I want to take advantage of the last opportunity I have of voicing my protest on this Bill. In its present form the Bill is no less objectionable than it was when it was introduced. It defines "unfair trading methods" in a manner which would puzzle a Philadelphia lawyer. It defines "unfair profits" as something which depends upon the opinion of the commissioner, which opinion, of course, can be anything at all.

In those two respects it offends the cardinal principles of any legislation, because the whole essence of legislation is that when we are going to make something an offence, and we are going to penalise somebody, we say, "You shall do this and you shall not do that." We specify what shall or shall not be done. This legislation does not do that; and, in my view, that is the chief objection to it.

In addition, it leaves the whole decision as to what are excess profits in the hands of the commissioner, and it also leaves in his hands the power of initiating investigations, charging a man, and then trying him. I must confess that I am astonished that this Chamber, with such a record behind it, should deny any man who is charged with an offence the right of a trial by the recognised and traditional methods in any British community—and that is, trial by a court. I am amazed and distressed that a piece of legislation of this nature, vicious in its operation and slipshod in its drafting, should reach the statute book. I record my protest, and I shall vote against the third reading.

HON. J. MURRAY (South-West) [5.41]: I do not intend to take up much time; but, like other members, I do not wish to cast a silent vote on this matter, because I think it is a very serious one. During the second reading debate I said that I considered the title of the Bill should be amended, and in certain quarters I was accused of making an extravagant statement. Before making the statement I had examined the Bill which was presented to us and, even after the amendments which have been made to it in Committee, I hold the same view now.

The only reservation I have is that we did succeed in getting a limitation placed in the measure and a Bill to continue the Act will have to be brought down next year. With that one exception the Bill as it stands, even at this stage, is just as emphatically designed to control industry and commerce in Western Australia as it was when it was originally introduced.

If anybody in this Chamber, or outside it, can prove to me that control of industry and commerce does not expedite the complete socialisation of industry and commerce in Western Australia, I will withdraw the statement and apologise. However, that is my view. It was my view when the Bill was originally introduced, and that view has not altered.

Many of the clauses which were passed in Committee are objectionable to me; but I shall not discuss them, as other members have drawn attention to them. The point regarding the qualifications of the commissioner not applying to the acting commissioner has been stressed; also the provision regarding the keeping of records. But there is one item that has not been mentioned, and that is the individual who will suffer most when that particular clause in the Bill—relating to the keeping of records—becomes law.

Books of account and records are to be kept and preserved by a person, whether he be declared or not. Who is going to suffer the most? It will be the small shopkeeper around the corner who does not keep elaborate books; who does not keep this or that record. As long as the books are sufficient for taxation purposes that is all that concerns him. But that does not necessarily mean it will satisfy the commissioner. If it did not, what would happen?

He has not been a declared person; but, under the present legislation, a person who contravenes or fails to comply with any provision of the measure or any provision of any order, direction, notice, document or matter or thing in force pursuant to this legislation, commits an offence. So it will be the small shopkeepers who will suffer; it will be those people who cannot understand two pages of this document—which, I might say, is a disgrace to this House—who will suffer. They will be the people who will be committing offences unwittingly and who will have their fate decided by a single commissioner.

Hon. G. Bennetts: We will all start crying in a moment.

Hon. J. MURRAY: If I thought I could move the members of this House to tears with any statement of mine, I would continue speaking for the next two hours. But I know what hardened citizens sit on the opposite side of the House. I know they have not a tear between them; nor have they any sympathy for these people: they could not have, or they would not have brought down and supported a measure of this nature.

HON. A. R. JONES (Midland) [5.47]: I will not apologise for taking up the time of the House, because if I could convince members that this legislation is all I think it is, I would be prepared to go on talking for a week. It is obvious from the inferences we have drawn in the past that the legislation contained in this measure will be placed on the statute book. But even at this late stage I would like to refer to one or two matters which I feel it is my duty to bring to the notice of the House.

First of all I wonder whether the Government ever wanted this Bill. If it accepts the present Bill as amended by this House, it will make me believe that it did not want the legislation it brought forward in the first place; because the present measure and that originally introduced are poles apart in their provisions.

The Chief Secretary: Why did we introduce it?

Hon. A. R. JONES: It was with a view to flying a big kite.

Hon. Sir Charles Latham: You were told to introduce it.

The Chief Secretary: The kite seems to have had a stormy passage.

Hon. A. R. JONES: The Government had no object other than to antagonise people, unless it were to say that it brought down this measure to protect the worker and the small man, but that it was not allowed to do so because the Legislative Council defeated the measure. To my mind it is the small trader who will catch it in the neck if this measure becomes law; and, strangely enough, those are the people whom the Labour Party has always said it wished to protect. I doubt that very much indeed.

Those aspects of the Bill which are most to be feared are the powers possessed by the all-powerful commissioner. I do not propose to reiterate what other members have already said, but we did try in the Committee stage to ensure that the acting commissioner possessed some qualifications. At the moment, however, an acting commissioner with no qualifications whatever can be appointed. It is possible that the Act could be administered by a commissioner who had five years' experience in the management of his own business, or who was a qualified accountant; but he could be laid off for some reason or other and the Minister could then appoint an acting commissioner who had no qualifications whatever. So it is possible that under this legislation we could have anybody administering the Act as acting commissioner.

A further objection which I have is that the advisory council, which we discussed in such detail, has no power whatsoever; the commissioner can override anything the council may suggest. I cannot see why we have troubled to appoint an advisory council to advise the commissioner, when it is not given any power at all.

There is another point which has been mentioned by previous speakers, and about which I am very concerned; and that is the provision for a person to be tried by the commissioner instead of in open court. If a person is first of all suspected by the commissioner or one of his henchmen—I should have said gangsters—then he can be investigated; and, as I have already said, the commissioner will try him and impose a penalty after having found him guilty.

Is it at all reasonable that a person on being found guilty and convicted by the commissioner should only then have a right of appeal to a judge of the Supreme Court? If that person were not guilty, the damage would already have been done; his life would be ruined, as would his business. Yet members opposite blithely tell us that this is good legislation. I hope they will recall the action they are taking on this occasion when we are discussing further legislation to protect the workers.

Hon. E. M. Davies: I remember your attitude on the Arbitration Bill.

Hon. A. R. JONES: My attitude on the Arbitration Bill has always been reasonable and fair, where a person is given a fair deal and is able to appeal to or approach a court. I think we should adopt that in the present instance. It is wrong that a person should be convicted by one man only and then only have a right of appeal to the court. It is doing things turn-about, and it is not my idea of British justice. I hope members will think twice before they support the measure that we have before us.

Some months ago we had the Premier of this State appealing to the people to use goods produced in Western Australia. He was exhorting them to buy Western Australian goods and to support Western Australian industries, and thus provide work for Western Australian people. I dare say the Premier considered this to be great stuff; but this Bill will certainly not encourage business and industry to come to this State. Only last week a representative of an Eastern States firm who was over here at Christmas time last year, bought land for his company and employed an architect to draw up plans for the erection of a factory.

That firm intended to send materials over from the Eastern States to be manufactured in Western Australia, and aimed at employing 100 people here. The gentleman concerned was over here last week, and I asked him how his project was going; and he replied that it had been completely wiped out, and that his firm had decided not to come to a socialistic State such as Western Australia was becoming.

Hon. R. F. Hutchison: And they want unfair profits?

Hon. E. M. Davies: It is surprising he did not say he could not find accommodation.

Hon. A. R. JONES: I cannot imagine what Mrs. Hutchison knows about it, because she was not here for the three days during which the measure was debated in Committee. This Bill will drive business away from the State no matter what people might say to the contrary. If anyone is at all interested I would be glad to supply the name of the firm and indicate how far it had gone before it ceased its intentions to come to Western Australia. This is a shocking measure, and one which should not be entertained for a moment. I oppose the third reading of the Bill.

HON. H. L. ROCHE (South) [5.55]: This Bill has been described today as controversial. That, I would say, is an understatement. I think it has excited as much interest as any legislation that has been introduced during the years I have been in the House. But, controversial or not, I think it also carries a considerable responsibility. If I remember correctly, it is two years since I first made some reference in this House to what I thought had developed in respect of restrictive trade practices, and certain other practices in business and finance in Western Australia.

Consequently, while this Bill in its original form did not appeal to me, I do think that the principle contained in it is something which the Government, in the interests of the people of this State, ought to have brought before Parliament. The party to which I belong has, by a majority, approved of the principle contained in this legislation relative to certain practices. We have also submitted certain amendments with a view to improving the legislation, and making it better than it was when it was originally drafted. All those amendments have been approved by this House.

In its present form, therefore, the Bill more nearly represents the general principle to which the majority of the members of the party to which I belong subscribe. I do not think there is need for anyone to worry about the opinions held to the contrary by other members relative to this legislation. For my part I am prepared to concede that there are some members who do not like the legislation; there are members who think it is necessary that some action should be taken with reference to abuses that grow up inside a semi-controlled economy such as we have in Australia at the moment.

While referring to the amendments which were submitted by the members of the Country Party here, and which were acceptable, it is well to point out to those members who seem more concerned about the fate of other amendments that it was said—presumably officially—that it would

not be the fault of the Liberal Party if this Bill became law; that the Liberal Party members in the Upper House were just as certain to oppose the Bill as their colleagues in the Legislative Assembly. To me that would imply that there is no use, no purpose and no health in this legislation from the point of view of the Liberal Party members in this House.

So any amendments they submitted could only have been designed either to weaken or destroy the effectiveness of the legislation. Consequently I think that the proper thing for me was to vote for the Bill and against those particular amendments almost without exception. I do not for one moment believe that all the "ifs" and "buts," and all the horrors that some members have conjured up in respect of this legislation will ever happen. If they do, there is not much prospect of this Bill, if it becomes an Act, having a very long life. I support the third reading.

HON. R. C. MATTISKE (Metropolitan) [6.2]: I do not intend to take up much time, because all the major points have been traversed very thoroughly by previous speakers. But there are two aspects to which I would direct attention. The first concerns the administration of the measure and the second relates to the financial aspect. One amendment that was introduced during the Committee stage considerably limits the field from which the commissioner can be appointed, which must mean that the commissioner will either be someone who has not been able to make a success of his own business and would therefore seize this opportunity of a respectable job for 12 months—

The Chief Secretary: Who limited the choice?

Hon. R. C. MATTISKE: —or he will be a political appointee.

The Chief Secretary: The hon. member voted to limit the choice and now complains about the limitation. Wonderful!

Hon. R. C. MATTISKE: There, I maintain, we have the first very serious weakness in the measure as it now stands.

The Chief Secretary: Which you are responsible for!

The PRESIDENT: Order!

Hon. R. C. MATTISKE: We have an important piece of legislation which is going to be entrusted to someone who cannot possibly be the person best fitted for the job. Furthermore, the staff that he will have to gather around him—and it will have to be fairly considerable in size for obvious reasons—must also be a staff with not the highest qualifications, because persons already in responsible positions are not likely to be attracted to a temporary job of this nature for a term of only 12 months.

Another aspect is that the cost must be very considerable. There are the salaries of the commissioner, assistant commissioner and the staff who would be expected to do the detailed work, and there is the cost of printing and other incidentals. All this must of necessity involve a considerable sum of money; and I venture to say that, in spite of that expenditure, in the 12 months available to him, the commissioner, no matter who he is, will have a practically impossible task.

I have had quite a deal of experience in the accounting field, and I would not like to be charged with the responsibility of building up such a staff and getting the necessary machinery in operation with a view to doing this terrific job. I ask whether the result from saddling the State with this vast expenditure will be worth while. I venture to say that the commissioner will not be able to produce any worth-while results unless the Government has a secret weapon up its sleeve, or has some particular individual or group of individuals in mind against whom or which it intends making a fairly quick attack.

In the circumstances, we would not be acting in the best interests of this State by passing this legislation, which would involve the State in a big expenditure and achieve very small results that would only scratch the surface, and this at a time when the Government is making every endeavour to increase taxation of one form or another to try to scrape up sufficient money to enable it to carry on. At such a time we are not justified in passing legislation which will consume more of our hard-earned money, and I hope members will not vote for the third reading.

HON. L. A. LOGAN (Midland) [6.5]: In opposing the second reading of this measure, I did so after considerable thought and because I came to the conclusion that the proposition was unworkable. The person who was to have been appointed commissioner at that stage was, as I think I said at the time, a super-sonic super man that it would have been impossible to find. The Bill has been amended to a large extent during the Committee stage. I make no secret of the fact that I supported some of the amendments in the hope of making the Bill unworkable; and it is at present, in my opinion, in that condition.

The Chief Secretary: That's a lovely admission!

Hon. L. A. LOGAN: It is, as the Chief Secretary said, in an unholy mess; and because of that, the House has no right to pass the third reading. I stated previously that the small man would be the one who would come under the hammer of the commissioner as was the case under price control. Those who can remember the days of price control will know that

it was the small man who was the victim. There is no argument about that, because court records will prove it.

The last 51 convictions in the court for profiteering under the price-control legislation involved small men who put $\frac{1}{2}$ d. or 1d. on to the price of their commodities. But surely no member of this House will tell me that profiteering did not occur in a large way in 1951, 1952, and 1953. What will happen under this measure? Exactly the same thing! The fellow who is profiteering in a large way will still do so unchecked. That is one of the main reasons I object to this Bill.

Hon. F. R. H. Lavery: He certainly will if he is working under the cost-plus system.

Hon. L. A. LOGAN: If the hon. member will cast his mind back, he will recall that what I said was correct. Not only a large number of people in business, but working men, too, made sure that they got some of the proceeds that the primary producer received for his wool. I think that when it is summed up, it will be found that the farmers got very little, and others got the rest.

Hon. J. J. Garrigan: Who were the others?

Hon. L. A. LOGAN: Every phase of industry and the workers in Western Australia and throughout Australia had their share. The working man got his cut, the same as everybody else. I am sorry that I have to oppose this measure in view of the propaganda that has been employed against the Bill. In my opinion it is very unfair propaganda. There have been leading articles and sub-leaders and special articles in "The West Australian."

Hon. Sir Charles Latham: They are the most frightened.

Hon. L. A. LOGAN: I am not worrying about who wrote the articles. The point is that they have appeared in "The West Australian," and they have been entirely wrong. If I thought "The West Australian" would be the first to come under the hammer of the commissioner, I might support the Bill. But members know as well as I do that it would not be.

The Chief Secretary: Why not—if they are offending?

Hon. L. A. LOGAN: Does the Chief Secretary think that any Minister would tell the commissioner to put "The West Australian" in?

The Chief Secretary: "The West Australian" doesn't think twice about putting Ministers in, and we could reciprocate.

Hon. L. A. LOGAN: If "The West Australian" could get out of it, so could many other firms.

Hon. R. F. Hutchison: You are justifying the Bill.

Hon. L. A. LOGAN: No; I am not. I have no intention of justifying it. Tonight we find almost a full-page advertisement in the paper criticising the opinions of the Leader of the Country Party and two Country Party members of this House. The principle upon which this House was founded was that every man who came here was to vote according to his conscience. He was to act upon the way in which he viewed a Bill. That advertisement was authorised by somebody for a group which has for this purpose called itself "The Crusade for Freedom".

What are these people trying to do to members by publishing an advertisement of that kind? They are trying to force members to kow-tow, and to vote as somebody else wants them to. But I voted on this measure in the way I wanted to, and other members of the Country Party have done the same thing. We are the only members in this House who have been game to do it; ours is the only party that has been game to do it. We have had no dictation from our leaders as to what to do. I am justifying the actions of members of my party who supported the Bill. They did what they thought was correct, and they had every right to vote the way they did. If I disagreed with them, that is my business; that is my opinion.

But here we have an advertisement questioning the liberty of members in this place to vote according to their conscience. In view of the publication of this advertisement, and the leaders and sub-leading articles that have appeared in "The West Australian," I am sorry that I have had to oppose the measure.

As it was introduced, this Bill could never have worked; and I do not believe that it can operate any better now. Quite a lot of the clauses have been referred to by members, and it is not my intention to reiterate what they have said. I rose to make my protest against advertisements in the Press attacking some members for voting as they saw fit. In all, there were about 17 divisions on this Bill, and in not one instance did a Labour supporter vote against his party.

The Chief Secretary: Nor was there one Liberal who did so.

Hon. L. A. LOGAN: On one occasion a Liberal opposed his own party.

Hon. J. J. Garrigan: But only on a minor amendment.

Hon. L. A. LOGAN: On all occasions the members of the Country Party voted according to their conscience.

Point of Order.

Hon. F. R. H. Lavery: On a point of order, Mr. President, all afternoon I have been listening to this debate and heard

members criticising other members. Many times you, Sir, have ruled Mrs. Hutchison out of order for doing that.

The President: Members have only been spoken of as a body.

Debate Resumed.

Hon. L. A. LOGAN: I did not criticise any member. I said that every member had voted as he was told to by his party. They had never divided on any issue—

The Chief Secretary: I can say that those on this side have not done as they were told.

Hon. L. A. LOGAN: The Chief Secretary knows that that is not correct.

Points of Order.

The Chief Secretary: Mr. President, that is as much as saying that I am a liar. I resent that. I have told the absolute truth. No member on this side has been told how to vote on this Bill.

Hon. H. K. Watson: I also would like to say that I have been told by nobody how to vote, and I accept dictation from nobody; and I want to tell Mr. Logan that. I have voted on this measure according to the manner in which I think it should be voted on, and I take a very dim view of the hon. member's inference.

Debate Resumed.

Hon. L. A. LOGAN: I made a plain statement of facts as to what happened in the divisions that were taken.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. L. A. LOGAN: There is only one other phase of the measure I wish to deal with, and that is in regard to unfair trade practices. On the introduction of the measure, we had little by way of explanation of what unfair trading or unfair trade practices were. Since then the measure has been amended by the introduction of a definition, but it is still more of a hotchpotch than anything else.

At present there is a select committee inquiring into unfair trade practices, and that is sufficient reason for me to vote against the third reading. I believe that while that committee is making its inquiries legislation should not be introduced here dealing with this subject, as the findings of that committee might quite easily prove that what we are putting into this legislation is entirely wrong. We should await the recommendations of that committee before dealing with this legislation. That is the second and main reason why I intend to vote against the third reading, just as I voted against the second reading.

HON. J. M. A. CUNNINGHAM (South-East) [7.32]: The few words I desire to say at this stage will be in confirmation of the thoughts I expressed when speaking to the debate on the second reading. I had hoped that more members of the Government party might have spoken on the measure and given us some justification for its being placed before us. Time was when I would have supported a Bill such as this, even in its original form, to the limit.

Hon. J. J. Garrigan: That is a long time ago.

Hon. J. M. A. CUNNINGHAM: The times and circumstances are no longer what they were, and it is a long time ago. In periods of legitimate and peaceful progress and expansion I do not think enterprise should be crushed, but fostered. I repeat that it is a long time ago, though perhaps not in years. But during the war years we had before us measures which were objectionable and hateful to us in that they imposed all those controls which we as Liberals despise, loathe and fight against. As we know, those controls bred a race of human lice that really did prey on the people. This measure would have and could have dealt with those foul people at that time of our tribulation during the war years. We then tolerated measures and controls for the sake of the successful prosecution of the war.

We are long past the days of the emergency wartime controls—price control, wage control and production control—which were all encroachments on our freedom. During the period of those controls the men who profited most were labelled as profiteers and they were profiteers in the real sense of the word. They were black marketers and spivs and any other offensive name we could give them. We could find no name offensive enough to describe them, because the profits they obtained through our difficulties and war-caused shortages went into their own dirty pockets; and any measure, however oppressive, had to be passed to stop those practices.

Who will say that today legitimate business methods can be labelled under headings such as those? If there are profits, and big profits, being made, who is to say they are unfair or unreasonable? Those profits are probably going into the pockets of other workers who have invested money, and a lot of the profit will go towards the progress and advancement of other industries. If we could have had from the silent voters in this Chamber some indication as to what were these unfair profits and unfair trading practices, we might have known what they thought; but they gave no such indication.

Business enterprise may have some accepted practices which to us, as individuals, seem unfair. From time to time

in my business career I have come across little incidents which to me did not seem quite fair, but which some inquiry into the true position showed in a different light. Just because I think a thing is not fair, that does not indicate that it is not a fair practice. I may not be a sufficiently good businessman to take advantage of circumstances which could otherwise give me some advantage in a perfectly legitimate way.

I might not be able to take advantage of some opportunity that would be grasped by a more astute businessman, and that is normal trading practice. If I am so able to arrange my ordering as to buy a sufficient quantity of a specific line, I might get it far cheaper, and that would not deprive anyone else of anything. In that way I might make a great profit. But who is to say it would be an unfair profit? Such business practices as that may not be what the Government has in mind; but we do not know, because we have not been told, and therefore we can only provide our own interpretation of what is intended.

I interpret my presence in this House as an expression of confidence on the part of the people who elected me that I will protect their interests and freedom by the careful and jealous casting of my vote on matters that do affect their freedom and principles, and I will not capriciously cast that vote in a way that will deprive them of a single one of the freedoms that they still have. I cannot see that I will be preserving any of those freedoms by voting for this Bill; rather would I be taking away a freedom which the people still have.

If we could have been convinced by speakers on the Government side—I am still open to conviction—that the alleged practices are so widespread and completely unfair that they affect the economy of the State, even at this late stage I would be willing to give the question a different consideration from that which I now feel justified in giving it. We wanted counsel and advice and information but did not get it. We can go to the Good Book and find a quotation as follows:—

For by wise counsel they shall make Thy law. In the multitude of counsellors lies the people's safety.

Hon. E. M. Davies: We also find—

What does it profit a man if he gain the whole world and lose his own soul!

Hon. J. M. A. CUNNINGHAM: I do not have one single doubt or worry about my soul in casting my vote against this measure. The silence of members of at least one political persuasion in this Chamber has been a disappointment to me, as I had hoped to hear arguments advanced which might have justified the changing of my original intention. I spoke strongly against the measure in the hope of provoking some such speeches.

The fact is that members of my party and our colleagues have all spoken for or against the measure in lively fashion, and that indicates to me, as a past Whip, that they have taken an individual interest in it. There is great difficulty in persuading members to speak if they are not interested in a measure before them, but little difficulty if they are interested. The very fact that almost without exception the members of this side of our politics have spoken, and in some cases twice, indicates that their interest is individual and personal in regard to this measure.

On the other hand, the silent vote by Government supporters might be taken to indicate a physical condition that could be described as a lack of endowment of certain qualities in the umbilical region. I would not be critical of them for not speaking, however, as we have been assured that they have adopted their attitude without any direction whatever; and far be it from me to cast doubt on that assurance by the Chief Secretary! However, a unanimity, not of opinion but of silence, such as has been exhibited in this Chamber does seem to me to conflict with that assurance.

The Minister for Railways: I was more interested in what you had to say on railways.

Hon. J. M. A. CUNNINGHAM: I have spoken at some length on that subject when it was appropriate, and I assure the Minister I will again do so.

Hon. H. K. Watson: The Minister closed the debate before anyone had a chance to speak.

Hon. J. M. A. CUNNINGHAM: Not only do I express disappointment at the lack of expression of opinion by Government members, but also surprise at the fact that the Chief Secretary dismissed almost contemptuously the pleas and arguments of those who did speak. I am sorry, but I cannot describe it in any other way. Although we were strong in our opinions and expressions of dislike for this type of legislation, I think that what has happened in regard to past measures indicates that members of my political persuasion at least are prepared to support the Government even on measures of which they disapprove if they think the legislation should be passed.

The Chief Secretary: Give me one single instance of when you voted with the Government.

Hon. J. M. A. CUNNINGHAM: The other night, by interjection, the Chief Secretary said, "You supported the Prices Bill wholeheartedly, before." I did, despite the fact that I disliked the measure. That was one occasion when I at least supported the Government on a measure which I disliked, simply because I believed there was justification for it.

The Chief Secretary: Your Government.

Hon. J. M. A. CUNNINGHAM: The Chief Secretary's Government on the last Prices Control Bill that was introduced in the year before I went out of office. In offering these last words to the debate, I feel, like other members, that it is hopeless to try to get the Chief Secretary to agree to adopt a more reasonable attitude, because no such attitude has been adopted on the Bill. When the Chief Secretary had the numbers he used them to extreme advantage.

The Chief Secretary: I never got the numbers until the bells finished ringing.

Hon. J. M. A. CUNNINGHAM: I am not looking for an argument, but I am merely expressing an opinion—not even a forlorn hope—in protest against the measure which I feel is not in the best interests of the public of this State. I oppose the third reading.

HON. L. C. DIVER (Central) [7.46]: I cannot let pass this opportunity to speak on the third reading of the Bill. I would point out that we have had a condensation of the second reading speeches during this third reading debate. We have heard much repetition of the objection members have to various aspects of the Bill, particularly against one amendment that this House has inserted in the Bill to provide that this legislation shall come up for annual review.

Hon. J. Murray: For continuance or otherwise.

Hon. L. C. DIVER: No; it comes up for annual review. If it is a continuance Bill, it must come up for annual review; because if it does not meet with the views of the majority of the members in this Chamber, the Bill will not pass.

Hon. A. F. Griffith: The legislation will operate only until the 31st December, 1957, and will not be renewed without a continuance measure.

Hon. L. C. DIVER: It has been said that there is no court of appeal in connection with this legislation; but what higher court of appeal is there in this State than this Chamber? If any injustices are to be imposed on any individuals in the community, in the final analysis and on one occasion in each year, this Chamber will have the opportunity to decide whether this legislation shall continue to remain on the statute book.

Hon. J. M. A. Cunningham: But in the meantime the good name of many businessmen will be ruined forever.

Hon. L. C. DIVER: That is sheer bunkum! In fact, there is little legislation on the statute book today which does not come up for annual review.

Hon. J. M. A. Cunningham: Wiser counsel prevails.

Hon. L. C. DIVER: That remains to be seen. Exception was taken by Mr. Watson to certain assertions made by my colleague, Mr. Logan, this evening when Mr. Watson,

with other members of his party, was accused of aligning himself with one party in divisions on this Bill. I cannot understand why Mr. Watson should have taken exception to that, because he must know that he is looked upon here as the very heart and soul of Liberalism; and consequently they, his fellow members, would not like to fall out with any of his policies. That was rather a flattering remark to come from Mr. Logan.

I now wish to refer to a leading article that appeared in an issue of "The West Australian" on the 6th November, 1956. It was headed "The New Independents." It referred to Mr. Roche and myself and the attitude we have adopted on this measure. I do not know exactly what "The West Australian" intended to convey to its readers by this leading article because it went on to say that our attitude, to say the least, had a leftist bias.

For the information of "The West Australian", I would like to point out that if, by my loyally adhering to the platform of my party; if, by my not yielding to pressures from outside interests; if, by my being loyal to the farmers I represent; if, by my being loyal to my conscience, "The West Australian" considers that I have a leftist bias and meant to convey that impression to its reading public, I could take no exception to its leading article.

However, those words are generally used to brand individuals whom such journals wish to damn. Without any fear of contradiction, I say that that newspaper cannot substantiate that veiled insinuation that I walk along the left side of the road. Moreover, on the morrow it may perhaps find that I am on its side, and I wonder what its attitude would be then!

I had to make my position abundantly clear when I first spoke on the second reading of the Bill, when I said that we were dealing with one aspect of a problem that had many facets. Therefore, whilst on this occasion "The West Australian" may not agree with my views, I believe very strongly that the freedom of the Press has exceeded its bounds to such an extent that apparently it is free to attack anyone who endeavours to do what he is elected to do, namely, the right thing by all those people whom he represents in this Chamber.

HON. G. BENNETTS (South-East) [7.55]: I did not intend to speak on this Bill; but in view of the fact that one or two members have suggested that the members of my party intend to cast a silent vote on the measure, I would like to point out that if those members care to read Hansard No. 13, dated the 24th October, 1956, they will see that I spoke on the second reading.

I am going to repeat the words that were used by Mr. Cunningham. He said he was free to vote on the Bill as he wished; and I repeat that I am in exactly the same

position. And to prove that I am speaking the truth, I will kiss the Good Book if it is so desired.

It was also said by Mr. Cunningham that no member had mentioned any case where a little profiteering was being practised. In view of the fact that four attempts have been made to get a little extra out of me for various articles, I consider it a privilege to be able to speak on this Bill in any way I like and to vote accordingly.

In view of what has been said in the House tonight on this measure, I think that members of the Opposition can be compared to a band. Apparently the music has been distributed among them; they have looked upon it favourably; and they have then proceeded to play a good tune. When the leader of the band made his contribution, it was a good selection, and when Mr. Murray rendered his cornet solo in the shape of a plea for the small shopkeepers, it sounded like sympathetic music to my ears. After Mr. Roche had made his rendition I considered that he should have been raised to the position of second in command of the band. Therefore, it is with great pleasure that I wish to state that I intend to support the third reading of the Bill.

HON. J. J. GARRIGAN (South-East) [7.57]: I did not intend to speak on the third reading of this measure; but in view of the fact that Mr. Bennetts has spoken in reply to the Opposition members, I wish to support him in the remarks that he has made. I have represented the workers for many years. Mr. Cunningham has asserted that we intend to register a silent vote. I would like to draw Mr. Cunningham's mind back to the days when he was a winding engine driver and took out a union ticket and represented the workers on the Goldfields. Based on the statements he has made today, I would say that he represents in this State the people who are not in the gutter. That is a fact.

Hon. J. M. A. Cunningham: You will have a hard job proving that one.

Hon. J. J. GARRIGAN: I merely wish to point out that I do not like recording a silent vote on any legislation if I can possibly avoid it, and I intend to support the third reading of this Bill.

HON. J. McI. THOMSON (South) [7.58]: This is a Bill for an Act to prevent undue profit taking, and to prevent methods of trading, and unfair trade competition. The debate that has ensued on the measure since its introduction at the second reading speech made by the Chief Secretary, has all centred on the question of the making of undue profits. On several occasions we have asked the Chief Secretary to describe what are undue profits, but we have had no detailed information or the slightest indication of what the

Government intends to do in regard to unfair methods of trading and unfair trade practices.

To my mind that is all-important, and of interest not only to the members of this House, but also to members of the public as a whole. There is, however, confusion in the minds of many people in regard to what is meant by undue profit and unfair trade practices. The whole tenor of the debate has been centred on what is meant by undue profit. As a result of the amendments that have been accepted, the Bill is slightly better than it was when it was first introduced into this House. Nevertheless, in view of the amendments that have been rejected by the Chief Secretary—

The Chief Secretary: Not by the Chief Secretary! By the House!

Hon. J. McI. THOMSON: The Chief Secretary was not prepared to accept them.

The Chief Secretary: They were rejected by the House.

Hon. J. McI. THOMSON: The Chief Secretary is entitled to his opinion as I am entitled to mine. He has made his point and I have made mine, so we are both happy. Because the amendments have been rejected, the Bill is still unacceptable to many people, including myself. Tremendous power has been given to the commissioner, and we are dubious of that. We have written into the Bill the constitution of the advisory council and its powers, but I am still fearful of the fact that the commissioner can entirely disregard any advice that may be tendered to him.

Furthermore, he can go his own way and report to the advisory council on his action at a later stage. There is an advisory council, but I am afraid that with the powers entrusted to the commissioner, his deputy, and the inspectors under him, no redress could be obtained unless a declared trader was prepared to appeal to the Supreme Court.

Hon. A. R. Jones: That is after a conviction.

Hon. J. McI. THOMSON: That is so. It will be a very costly procedure. I cannot see anyone being hurt more by the Bill than the small businessman. The big business firms with the tremendous means behind them, and with all the legal aid available, will be prepared to go to any length to fight a case which the commissioner may bring against them. I am not concerned about "The West Australian" or the larger business people, because they can look after themselves; but I am concerned with the small businessman who will not be able to face up to the expense of an appeal.

Hon. R. F. Hutchison: How do you know that?

Hon. J. McI. THOMSON: The hon. member was not here. She does not know anything about it at all. If people are present and know what goes on, they are entitled to make interjections. It is the small businessman who will be hurt. The commissioner will have to justify his appointment, and so will the inspectors. They will justify their existence by charging small businessmen who may be making a small overcharge, and bringing them before the court. We will be placing on the statute book something which in common justice should not be passed, and which we have not known before in the history of this State. Because I am still very fearful of the powers to be entrusted to the one man, the commissioner, I propose to vote against the third reading.

It has been stated that this is not a party measure; if it is not, I would like to know what is. The Bill is aimed at the socialisation of distribution. It is a step to socialise the commercial life of the community. I consider that the right time to introduce a measure such as this would be after the report of a select committee had been presented—one charged with the duty of inquiring into all the things enumerated in the Bill.

If this course had been adopted, if investigations had been made and recommendations forwarded to the Government, the Bill might have been justified to deal with unfair methods of trading, unfair trade competition and other incidental purposes; but to pass a Bill with one purpose in view—that is, to interfere with the profit motive of individuals and commerce—would be to do something detrimental to the State.

During the reply to the second reading debate the Chief Secretary gave no answers to the questions asked. Of course he was assured of the numbers to steam-roll the Bill through. I say he has done that very successfully. I oppose the third reading and register my protest.

HON. R. F. HUTCHISON (Suburban) [8.7]: I rise to refute what Mr. Thomson said: that I did not speak on this Bill.

Hon. J. McI. Thomson: I said nothing of the sort. I said you were not here last week.

Hon. R. F. HUTCHISON: I contend that Mr. Thomson said that I did not speak on the Bill.

Point of Order.

Hon. J. McI. Thomson: I take objection to the hon. member misconstruing what I said, and I would ask her to apologise. I said she was not in the House last week. I take exception to her imputing what I did not say. I ask the hon. member to withdraw that remark.

Hon. R. F. Hutchison: I shall apologise if there is anything wrong with what I said. I am sure that was what he said; that I did not speak on the Bill. He said, "You know nothing about it. You were not here."

The President: Order! I shall leave the Chair until the ringing of the bells.

Sitting suspended from 8.9 to 8.20 p.m.

The President: I have checked the transcript and find that these words were used—

Hon. R. F. Hutchison: How do you know that?

Hon. J. McI. Thomson: The hon. member was not here. She does not know anything about it at all. If people are present and know what goes on they are entitled to make interjections . . .

Hon. R. F. Hutchison: I rise to refute what Mr. Thomson said: that I did not speak on this Bill.

Hon. J. McI. Thomson: I said nothing of the sort. I said you were not here last week.

Hon. R. F. Hutchison: I contend that Mr. Thomson said I did not speak on the Bill.

After making a check, I find that Mr. Thomson's objections cannot be upheld. Mrs. Hutchison may proceed.

Hon. R. F. Hutchison: I do not know quite what I do now, because it has been a misapprehension. Do you wish me to apologise now; undeservedly, I think?

The President: No, continue with your speech, please.

Hon. R. F. Hutchison: Thank you.

The Chief Secretary: Found not guilty!

Debate Resumed.

Hon. R. F. HUTCHISON: Mr. Thomson said that I was not here last week. I was here at every sitting last week, so I knew what was going on.

Hon. J. McI. Thomson: I was confused with the week before.

Hon. R. F. HUTCHISON: That is the point I was trying to make. On the 25th October I spoke.

The PRESIDENT: Order! Is the hon. member quoting from an issue of Hansard of the present session?

Hon. R. F. HUTCHISON: I am just giving the date that I spoke on the measure.

The PRESIDENT: The hon. member is only checking the date?

Hon. R. F. HUTCHISON: Yes. I spoke on the 25th October, and my remarks are to be found commencing at page 1617 of Hansard. I am amazed at the bitter opposition to the Bill on the third reading. I

am sure it is unprecedented to hear in this House such a long debate on the third reading of a Bill which has been passed by a majority decision. I listened particularly to Mr. Cunningham and I think that in relation to his speech I will have to use the old word "camouflage." His speech was quite synthetic; a real cover-up. If the legislation is bad, as has been prophesied, members will have a year in which to find out about it. If then it is carried again, as Mr. MacKinnon stated, that will show it is good legislation.

Hon. G. C. MacKinnon: Not necessarily.

Hon. R. F. HUTCHISON: I do not know where all the debate comes in. If the measure passes again, it will be with the continued support of the Opposition, because it would need the support of the Opposition parties to get it through here. I do not know what all the worry is about. I think the legislation will do a lot of good. Members have said one thing and, in the next breath, have contradicted themselves. They have talked of the dreadful things that will happen, and in the next sentence they have said they knew of the profiteering that was going on during the war. We might know of some that is going on now.

Hon. L. A. Logan: Tell us of it.

Hon. R. F. HUTCHISON: We want to bring in the Bill to prevent it. It is naive to ask us to state this and that when legislation is going through the House. I will end my speech by saying again that guilt breeds fear. If a person is not guilty, he has nothing to fear from the legislation. In that case, why are members worried about it? I support the third reading.

HON. SIR CHARLES LATHAM (Central) [8.25]: I am glad the Government has some supporters on its own side of the House. Prior to the last three speakers we had heard very little from the Ministers or members on the Government side. We like to feel that members who are elected to this House, which is an important one, are able to express themselves on such an important item as the Bill now before us.

I know that members, rightly in their own minds, claim that this is a useful piece of legislation and will do no harm but a great deal of good. However, I picked up this morning's paper and I found this heading, "Profiteering Bill is Labelled Communist." The report, which is from Melbourne, is as follows:—

The West Australian Profiteering and Unfair Trade Prevention Bill came under fire at the federal conference of the Federated Master Plumbers' Association today.

The conference decided to deplore the facts contained in the report on the Bill made by the W.A. delegates, Messrs. Graham Hart and Adrian Clark.

They had described the Bill as Communist-type legislation that savoured of discrimination.

The W.A. delegates forecast that the Bill would result in a recession of capital investment and employment in W.A.

They claimed that the Bill was dangerous because it vested unlimited power in a commission or commissioner with no right of appeal.

The Minister for Railways: There is a right of appeal.

Hon. Sir CHARLES LATHAM: That quotation has appeared in the papers in such an important city as Melbourne, which is being visited by quite a number of people; and although they are coming here for the Olympic Games, that does not mean they are not intelligent.

Hon. G. Bennetts: They would not have time to read it.

Hon. Sir CHARLES LATHAM: It is marvellous what one does get time for. I would say that those of them who can read our English newspapers would want to get all the information they could.

I am concerned about Australia because, facing the facts as they are, we have to people this country as quickly as we can, and we cannot do that without industries. World affairs in the last few years must, to thinking people, give rise to a great deal of thought. At the present moment we have something facing us which is fraught with great uncertainty. Australia, with its small population, cannot live by itself. We may get a great deal of assistance from America, but we should encourage people here and the only way to do that is to encourage industry. I am doubtful whether this class of legislation will encourage it. Probably the measure will not be used much; possibly very little.

At the time of the recent war I had a great opportunity of knowing exactly what was going on. I was not leading the busy life of a politician, but had a few years' experience looking after some matters that the Commonwealth Government was vitally interested in, and I knew what few cases there were. We had this terrifying legislation, but most of the action taken was brought against the small storekeeper, very often in country towns. Items of one halfpenny would be involved. After all, the manager or the proprietor of a business has great difficulty in always checking the prices that his employees put on to accounts. So I am fearful about it. Although the legislation is totally different from what it was

when it was introduced in another place, I ask myself: "What will be the effect of it?"

I am sorry it was introduced in another place where an inquiry is at present going on in order to ascertain to what extent these practices are being carried out. It seemed to me that it was not necessary to introduce the Bill until such time as that inquiry had arrived at its findings. We may have an early session in the new year. I am anticipating something that I have no right to anticipate; but looking at the amount of legislation the Government has on the notice paper and the desire of the party it represents to have a lot of legislation on the statute book, I anticipate we may have an early session next year. If that is so, there will be no harm in postponing the measure until then. The House has decided it should go through the third reading, anyhow. I do not intend to support it.

I want to see everybody get a fair deal, and I do not want to discourage people from coming here and opening up new industries. Whether we are on this side of the House—bloated capitalists as we have been called—or whether we are Labour supporters, we should all be vitally interested in the welfare of the State and of Australia generally. We should encourage people from the overcrowded countries to come here and share with us in the great privileges we enjoy and help us to establish new industries. It is not much good having scaremongering, frightening legislation of this type on the statute book because, after all, there is nothing so shy as money; even a young lady is not so shy as money. I am sorry that the Bill has been introduced, and I think it would have been better to hold it over until after the results of the committee of inquiry had been made known.

THE CHIEF SECRETARY (Hon. G. Fraser—West—in reply) [8.31]: Like other speakers, my remarks in reply will be very brief. But I cannot follow the pattern that other speakers have followed in this debate because it seems to me that they are not too particular as to how true are the statements they make.

Hon. H. K. Watson: This will be good.

The CHIEF SECRETARY: It is that good that it is like every statement I make—it has truth behind it. Mr. Griffith and a number of other speakers attacked us because, they said, there had been so much silence on this side of the House. Mr. Griffith even went so far as to say that I was the only one who had spoken on the second reading. How true is that? If members look at Hansard they will find that there were eight speakers from this side of the House. That is the sort of argument that is being invented with the idea of making this Bill an unpopular one.

Hon. A. F. Griffith: I made a mistake.

The CHIEF SECRETARY: It was a pretty big mistake.

Hon. E. M. Heenan: Mr. Cunningham repeated it.

The CHIEF SECRETARY: Quite a number of other speakers, while not giving the actual figures, as much as said the same thing. There was a good deal said about the silence on this side of the House.

Hon. G. Bennetts: Silent workers.

The CHIEF SECRETARY: I do not know whether members want all of the 29 members on the floor to speak on every Bill that is introduced. If they do it is something unusual.

Hon. J. M. A. Cunningham: Were they speeches made in Committee or on the second reading?

The CHIEF SECRETARY: There were eight speakers from this side of the House on the second reading. Surely if members have a good case against the Bill they do not need to go to extreme limits of untruthfulness to bolster up that case!

Hon. J. M. A. Cunningham: There are no extreme limits of untruthfulness about it. He said that there were many silent votes cast and apparently there were as only eight of your members spoke.

Hon. E. M. Heenan: You were away.

Hon. J. M. A. Cunningham: For one day. Eight speakers is not a big percentage.

The CHIEF SECRETARY: It was eight out of 13 from this side. Does the hon. member want all of us to speak on every Bill?

Hon. J. M. A. Cunningham: There were 16 out of 17 on this side.

The CHIEF SECRETARY: That is the sort of argument that is being put up against the Bill. I have been surprised at the wonderful imagination displayed by members who have opposed this Bill.

Hon. C. H. Simpson: And the lack of it on the part of those who presented it.

The CHIEF SECRETARY: Members have said what terrible things will happen if this Bill becomes law. One would think, listening to their speeches, that every trader in this State adopted unfair methods of trading, indulged in unfair profits and in unfair competition.

Hon. N. E. Baxter: No, you want us to think that.

The CHIEF SECRETARY: That is what one would imagine after listening to some members. What is this Bill for? It is to deal with that sort of thing.

Hon. J. J. Garrigan: To prevent it.

Hon. H. K. Watson: What sort of thing?

The CHIEF SECRETARY: Unfair trading, unfair profits and unfair trade competition.

Hon. F. D. Willmott: What are they?

The CHIEF SECRETARY: If the hon. member cannot interpret what they mean, I will not attempt to try to tell him.

Hon. A. F. Griffith: The Bill does not.

The CHIEF SECRETARY: As a matter of fact quite a number of members said, "Whom are you after?" When we introduce a Bill dealing with some offence, do we nominate whom we are after? When we pass a Bill dealing with a charge of assault, or with the stealing of a motor-car, or something like that, do we tell the House whom we are after? Of course we do not! We say, "To do this is an offence," and we provide a penalty for it.

Hon. C. H. Simpson: But it is for a specific offence.

The CHIEF SECRETARY: What has been adopted in those circumstances has been adopted in this instance. As a matter of fact Mr. Thomson said that apparently the first to be charged would be "The West Australian" or words to that effect.

Hon. H. K. Watson: He was reading your thoughts.

The CHIEF SECRETARY: I want to contradict that because at no time have I, or anyone on my side, said that we were after "The West Australian."

Hon. H. L. Roche: They must have you bluffed.

The CHIEF SECRETARY: Whether "The West Australian" would be charged would be in the hands of the commissioner after an investigation, if one were made.

Hon. J. McL. Thomson: I do not think I said that.

The CHIEF SECRETARY: That was the effect of what the hon. member said. At no stage have we nominated who we would be after except those who were indulging in these unfair practices. When we attempt legislation of this description, if we err we err in good company. In South Australia they have legislation on slightly different lines but the effects are the same.

Hon. J. M. A. Cunningham: It is prices legislation.

The CHIEF SECRETARY: They have a Liberal Premier and price control. To me that legislation is more obnoxious than this.

Hon. L. A. Logan: Goods are cheaper here than they are in South Australia.

The CHIEF SECRETARY: What did we hear in regard to that throughout the debate? The same old story from the same people. We heard the same story as we heard when price control was in force here. We are told that in the war years it was all right and it would be supported in such circumstances.

Hon. H. K. Watson: Did I say that?

The CHIEF SECRETARY: Quite a number of members said it. It is like the old story—it would have been all right years ago; it will possibly be all right in three or four years' time; but it is all wrong now.

Hon. J. M. A. Cunningham: So there are blackmarketers now, are there?

The CHIEF SECRETARY: That is a common attitude. So if we err we are in good company. Do members know that the Liberal Minister for Health in Victoria, because of accusations of profiteering made in one of the leading Melbourne dailies, had an investigation into the charges and as a result he has openly stated—and I have the Press cutting here—that in the new session he intends to introduce a Bill to prevent this profiteering.

Hon. H. L. Roche: He won't last.

The CHIEF SECRETARY: That is not the Labour Premier of New South Wales but the Liberal Minister for Health in Victoria.

Hon. J. M. A. Cunningham: I accept that because they are Eastern States companies.

The CHIEF SECRETARY: The hon. member believes it can happen in the other States but not in Western Australia.

Hon. J. M. A. Cunningham: Because all the companies' profits quoted in this and in another place were those of Eastern States firms and not Western Australian firms.

The CHIEF SECRETARY: The hon. member believes it can happen there and not here; and so he will vote against this measure.

Hon. J. M. A. Cunningham: All your Ministers—

The PRESIDENT: Order!

The CHIEF SECRETARY: "You can't win" no matter what happens!

Hon. N. E. Baxter: Is the Victorian Minister going to pattern his Bill on this one?

The CHIEF SECRETARY: That is up to him; I am telling the hon. member that because of profiteering in a certain section of industry there he is introducing a Bill to stop it.

Hon. L. A. Logan: Based on evidence.

The CHIEF SECRETARY: Any charge under this legislation will be based on evidence, too. Do not worry about that. I did not think I would live to see the day when I would hear responsible members of Parliament—

Hon. A. R. Jones: I thought you were not going to say very much.

The CHIEF SECRETARY: —trying to oppose legislation which will prevent people, or charge people who are doing unfair things. Yet we have heard it here

during the last few weeks. Anyone who is trading fairly will not need to fear this Bill.

Hon. G. C. MacKinnon: So you say.

The CHIEF SECRETARY: Of course we differ on all things, no matter what they are.

Hon. A. R. Jones: It is a matter of the commissioner being a little Hitler. That is what you want him to be.

The CHIEF SECRETARY: I would not know about that. I am surprised to think that members would attempt to hold up legislation aimed at that sort of thing. I cannot understand their line of argument. We have on the statute book laws dealing with stealing from persons, stealing out of houses and stealing out of motorcars.

Hon. G. C. MacKinnon: Arrested by a policeman, tried by a court and with a right of appeal to the Privy Council if they want to.

The CHIEF SECRETARY: We have laws to deal with people who are charged with that sort of thing; but according to the debate members say that a businessman can steal how he likes.

Hon. J. J. Garrigan: Open season.

The CHIEF SECRETARY: There is no offence there.

Hon. A. F. Griffith: Don't you know that if a businessman stole the same court would try him?

The CHIEF SECRETARY: Is it not just as bad to steal by way of unfair profits as it is to steal by any other means?

Hon. Sir Charles Latham: Isn't it stealing if you loaf on a job when you are paid wages for doing it?

The CHIEF SECRETARY: I agree with that, too.

Hon. H. K. Watson: We all agree with you.

The CHIEF SECRETARY: If a man did that and the hon. member introduced legislation to cover it, I would support him.

Hon. J. M. A. Cunningham: But would he be sent around the streets with a board on his chest saying that he had been convicted?

The CHIEF SECRETARY: This is another form of stealing from the people and we are endeavouring to cover it by this legislation.

Hon. C. H. Simpson: How do you arrive at unfair profits?

The CHIEF SECRETARY: All we are attempting to do is to cover unfair trading, unfair profits and unfair competition. The dire things that members have prophesied will not happen here. I have been

astonished to hear some of the admissions made by members and I hope never to hear such statements again. Mr. Matthiske and Mr. Logan admitted that they had supported or moved amendments in order to make the Bill useless. I do not think there is anything honest about that.

Hon. L. A. Logan: That is perfectly honest.

The CHIEF SECRETARY: If a person believes that a Bill should be defeated and he goes about it openly, that is all right.

Hon. L. A. Logan: That is what I did.

The CHIEF SECRETARY: But I think it is wrong for any member to move or support amendments with the idea of killing a Bill.

Hon. C. H. Simpson: Is not that one way of defeating it?

The CHIEF SECRETARY: It is not very honest.

Hon. Sir Charles Latham: It has been practised often enough.

Hon. J. McI. Thomson: Hasn't the Chief Secretary done it himself?

The CHIEF SECRETARY: I would be surprised to know that it was becoming a practice here; and I hope it does not happen in the future. Whatever our opinions and attitude may be, for Heaven's sake let us be honest in our fighting.

Hon. N. E. Baxter: What did you do to my Bill?

The CHIEF SECRETARY: Let us fight fair and clean; do not let us have an ulterior motive or support something with the idea of rendering useless legislation which is before the Chamber.

Hon. H. K. Watson: What did you do to the Licensing Bill?

The CHIEF SECRETARY: I did the only thing possible; I did not support that with the idea of doing something else. I informed the House why I was doing what I did. I hope the type of debate that has ensued this evening will not occur again because it is not very pleasant.

Personal Explanation.

Hon. F. R. H. Lavery: Before you put the question, Mr. President, I would like to make a personal explanation. Earlier this evening I called a point of order; and before I did so, I think I cast a reflection on you in the Chair. That was not intended, and I hope you will accept my apology.

The President: Thank you.

Question put and a division taken with the following result:—

Ayes	....	....	....	....	14
Noes	....	....	....	....	13
					—
Majority for	....	....	....	....	1
					—

Ayes.

Hon. G. Bennetts	Hon. R. F. Hutchison
Hon. E. M. Davies	Hon. G. E. Jeffery
Hon. L. C. Oliver	Hon. F. R. H. Lavery
Hon. G. Fraser	Hon. H. L. Roche
Hon. J. J. Garrigan	Hon. H. C. Strickland
Hon. W. R. Hall	Hon. F. J. S. Wise
Hon. E. M. Heenan	Hon. J. D. Teahan

(Teller.)

Noes.

Hon. N. E. Baxter	Hon. J. Murray
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. A. R. Jones	Hon. J. M. Thomson
Hon. Sir Chas. Latham	Hon. H. K. Watson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. G. MacKinnon	Hon. A. F. Griffith
Hon. R. C. Mattiske	

(Teller.)

Pairs.

Aye.	No.
Hon. W. F. Willesee	Hon. J. G. Hishop

Question thus passed.

Bill read a third time and returned to the Assembly with amendments.

BILL—FRUIT GROWING INDUSTRY (TRUST FUND) ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—SUPPLY (No. 2), £18,500,000.

Second Reading.

Debate resumed from the 8th November

HON. J. McI. THOMSON (South) [8.50]: This Bill gives members an opportunity to discuss various questions and matters of interest. I wish to refer to a series of questions that I asked in this House earlier in the session concerning railway refreshment rooms. Among those I asked were: How many railway refreshment rooms were operating; how many were to be closed down; and what was their profit and loss account. The Minister provided me with some very interesting information to the effect that of the 17 railway refreshment rooms operating today, four have shown a profit and the other 13 a loss. On a turnover of £251,941 there is a loss of £6,380.

I was interested in this matter because I have wondered for some time if it would not be more advantageous to the travelling public, and probably more profitable to the Railway Department, to have light refreshments served on the trains instead of employing staff at the railway refreshment rooms, as is the case today, particularly when we find that some of them are not open because of the hours at which trains pass through those stations. I think it is possible to provide that service on the trains instead of on the stations.

When I look at the loss sustained on the dining-cars attached to the Kalgoorlie and Westland expresses I am not too sure about this. I only got these figures late this evening, and I have not been able to draw a complete comparison. There has been a staggering loss on the dining-cars of £6,166.

Hon. E. M. Heenan: Which one was that?

Hon. J. McI. THOMSON: On the dining-car service. There are only two operating, namely, the Kalgoorlie and the Westland. The questions I asked in relation to the dining-car services operating were: What are the dining car services operating today; the total number employed; and the total cost? The Minister advised me that there were only two services operating, namely, the Kalgoorlie No. 85 and the Westland No. 84. He also advised that there were 10 people engaged and that the operating costs for the 12 months ended June last were £18,423 and that there was a loss sustained of £6,166. From the answers I received I gather that the Minister has some plan in view to remedy the position.

When we consider the turnover and the loss sustained and compare that with the profit made by the Perth refreshment room, which was £4,136, to which was added the profit of the bookstalls and the kiosks, which amounted to £3,155, making a total of £7,522, it is apparent that there is room for some attention to be given to the refreshment-room side of the Railway Department.

I have no complaints to make about the refreshment rooms at all—they admittedly give good service to the public, both day and night—but I do think that on the turnover I have mentioned, the loss sustained is great. When we take out the losses on the dining-cars we find that the loss sustained by the refreshment rooms is only £214.

So I think the Minister should be able to give the House some advice as to the possible provision of these services on the trains themselves. This would possibly minimise the cost in wages and salaries which are no doubt attached to refreshment rooms, as overtime is one of the big items. The question warrants some investigation and I am sure, from the replies given, that the Minister is conscious that it is necessary for something to be done. Indeed, from the answers he has given it would seem that he intends to rectify the present position.

I understand that Mr. Baxter asked whether we could call tenders to let on lease. I am informed that that has been the practice before, and it could well be the solution today. As members who have travelled to the Eastern States are aware, these facilities are provided on the trains there, and it is my opinion that they can be provided here. I am only going on the figures supplied to me and those which actuated my approach to this problem.

Hon. G. Bennetts: There is a compulsory meal ticket on theirs.

Hon. J. McI. THOMSON: That is paid for in the cost of the ticket.

Hon. G. Bennetts: That is correct.

Hon. J. McI. THOMSON: We could incorporate that here. I do not think we need give a three-course meal because passengers do not require it. All that is necessary is the provision of light refreshments; three-course meals contribute largely to the losses on dining-car services.

Hon. G. Bennetts: Would you say that that should apply both on the 84 and the 85? One is the Westland service, you must remember.

Hon. J. McI. THOMSON: Those are circumstances on which the Minister could enlighten me. It is possible that there is some justification for a different system to be employed on the Westland express. I trust that in his reply the Minister will give us some information. I realise, of course, that the Perth railway station refreshment room cannot be compared with many of the refreshment rooms in the country.

I wish to refer to the proposed Albany regional hospital. Prior to last March, we were told that it was most desirable and necessary to have a multi-storeyed building. One of the reasons advanced was that it would be far more economical to erect such a building. I realise what it would cost in foundations alone. Although they would have to be of greater width and depth there would be a great saving as compared with the pavilion type. The question of convenience is also a factor in the decision to provide a multi-storeyed building instead of one of the pavilion type. In the multi-storeyed building there would be a lift to take nursing staff, patients and visitors from the ground floor to the top.

However, in the plan now presented to Albany, it appears that the idea of a regional hospital has been entirely forgotten, and we are being offered a new district hospital of the pavilion type. It is a great pity that there should have been such a departure. The Minister did not say that he was departing from the regional set-up; but, in fact, the physiotherapy block and the x-ray department which appeared on the regional plan submitted to the people of the lower Great Southern have been omitted from the present plan, and a pavilion-type hospital is now proposed with approximately 12 chains of corridors. One can envisage what that will mean—12 chains of corridors on the ground floor—in connection with the administration of the hospital.

We feel that the Government has broken its word in this matter. The Albany people, prior to the elections in April, were told that the Government, if returned to power, would provide a multi-storeyed hospital at a cost of £850,000. Plans were shown to the public, and the Government said that those plans would be implemented if it was returned to office; and I

think that that had quite a bearing on the ultimate result on the election in Albany.

Hon. A. R. Jones: It was a bit of unfair practice, wasn't it?

Hon. J. McI. THOMSON: We feel we have been sold a pup, inasmuch as we are not going to get the regional hospital which was envisaged. We are now offered what is called a regional hospital but what could more fittingly be described as a district hospital. I think it will house approximately the same number of beds; but we feel that, in view of the advance being made throughout the State, the Government should honour its undertaking to provide regional hospitals in their entirety. We should have something that will cover all the aspects of modern medical requirements which are at present concentrated at the Royal Perth Hospital.

We believed that the proposal to establish regional hospitals that would serve the entire medical and health requirements of the people in various centres was a genuine step in the direction of decentralisation; but we are now told that an attempt will be made to provide a hospital next year, if finance is available. Over the last six years when efforts have been made to secure a regional hospital, we have been told that the delay in providing such an institution has been due to lack of finance.

I can see no reason why such a building cannot be proceeded with. There is no architectural problem, and no difficulty in laying the foundations of the regional hospital which it was proposed, prior to the last election, should be established. It is not necessary that the whole building should be erected at once. Successive storeys could be added over a period of time, as was the case with the building of the Royal Perth Hospital.

In this instance, we considered that the Government offered us a sop. I am not protesting merely on behalf of the people of Albany but on behalf of all the people in the area that the proposed regional hospital had been intended to serve; and I trust that the Government will be prepared to review the whole position before embarking on the proposal to erect a pavilion-type building as detailed on the latest plans. Such a building will not serve the purposes of a regional hospital on account of the spread-eagle nature of the structure.

As I have said, there are to be 12 chains of corridor on the ground floor; whereas, if a multi-storey building were erected, there would be only four chains of corridor on each of the five floors envisaged. From a working point of view it is most inconvenient to have 12 chains of corridor on a ground floor. It would be necessary to purchase a scooter to transport people from one end of the ward to another with a view to saving time! In 1953, and again

in 1956, the Labour cry was, "If you return us to power we will build a regional hospital." And that hospital was to be on the lines detailed in the plan for a multi-storeyed building.

I consider that the replies I received to my questions regarding teachers on supply were misleading. Why the Minister, or whoever was responsible, saw fit to avoid answering the questions I asked, I do not know. I wanted to know how many teachers on supply had been retrenched, and whether any were to be retrenched between now and the end of the year. The answer I received was that none had been retrenched during the year. Yet I am given to understand on very good authority that about 10 per cent. have been retrenched. I know of two in one country town and one in another.

Why the Minister should avoid answering questions in the proper way is something which is hard to understand: and it is most discourteous. As members of Parliament, we are entitled to receive more courtesy and honesty in the replies we receive to our questions. For the Minister to say there have been no retrenchments when, in fact, there have been a considerable number in the metropolitan area, and some of which I know in the country—one having been re-employed at another school, but one retrenched entirely—is wrong.

I asked a question as to the effect of retrenchments on classroom accommodation in the country areas. But that apparently does not concern the Minister or the Government to anything like the extent it concerns people in the country. I also wanted to know what effect it would have on the proposed raising of the school-leaving age. Why he should avoid answering that question I cannot understand. Surely when we ask questions seeking factual information, we should receive more consideration than I received in regard to these questions!

When I stated last night that apparently the Government is rushing headlong into increased taxation by means of the measures brought before the House from time to time, the Minister said that I had not given much thought to what was on the notice paper. He was, of course, referring to the motion he had moved; but, if we are going to keep employed all the people now engaged on those lines, I fail to see how we will effect economies.

I come now to the question of transhipment at the nearest railhead; and as that will require costly installations to handle the freight, I wonder to what extent the committee considered all those factors in arriving at its recommendations. The people of the State are justified, in view of the increasing taxation, in demanding that the Government practise economy in its various departments. Before saying whether I will vote for or against the

Bill, I want an assurance from the Government that it intends to exercise more stringent economies in all its departments.

THE MINISTER FOR RAILWAYS (Hon. H. C. Strickland—North) [9.18]: Mr. Thomson asked me to let him know what was going to be done in regard to the railway refreshment rooms. I can inform the House that it is the intention of the department to advertise three country railway refreshment rooms for private leasing in order to see whether private enterprise is interested in them.

Admittedly the buffet-cars and dining-cars have been more costly than the refreshment rooms, and the hon. member was correct in saying that the loss was mainly on the dining-car. I can see no way to overcome the problem, as it is essential to place a dining-car on the Kalgoorlie express leaving Perth at 5 p.m. in order to provide dinner for passengers on that train.

The car is taken off at Cunderdin, and in due course put on the Westland to provide breakfast for interstate passengers travelling back to Perth. This requires the employment of staff for two meals per day—dinner and breakfast. The staff have to be maintained, which entails the payment of penalty rates for work outside normal working hours.

Hon. H. K. Watson: Is there a loss of £6,000 per year?

THE MINISTER FOR RAILWAYS: The loss on the dining-car exceeded £6,000 per year.

Hon. Sir Charles Latham: Couldn't a meal be arranged at Cunderdin?

THE MINISTER FOR RAILWAYS: If we had to stop the train for 40 minutes or an hour to provide a meal en route, that would mean further overtime rates, and perhaps a change of crew.

Hon. Sir Charles Latham: It is done in other States.

THE MINISTER FOR RAILWAYS: Breakfast used to be provided at Kalgoorlie, which made a difference, because the Westland could leave late at night; but with the speeded up time-table of the Trans-Australian railway there is no time for that now, and the passengers are served on that train.

Hon. Sir Charles Latham: There is no meal going up; only coming down.

THE MINISTER FOR RAILWAYS: Yes, breakfast coming down on the Westland, and dinner going up on the Kalgoorlie Express which leaves Perth at 5 p.m. and is shunted off at Cunderdin.

Hon. Sir Charles Latham: There is a meal at Ballarat on the way to Melbourne.

THE MINISTER FOR RAILWAYS: That is a 20-minute meal, if one can call it a meal. If one is fortunate enough not to

be on the second division one may be served; but with a crowded train one is fortunate to be served at all.

Hon. A. R. Jones: What are the penalty rates incurred?

The MINISTER FOR RAILWAYS: The penalty rates under the various awards for working after normal working hours. So far I can see no way of reducing the loss on the dining-cars, and that constitutes the actual loss over the whole refreshment service, although there would be a difference of about £200. Each refreshment room pays rental. The Perth refreshment room pays £700 per year and the rentals are based on the capital figure required when the department took over the services from private lessees.

I understand that any additional plant has been taken into consideration. It is based on the capital outlay in furnishing and fitting up the rooms, and I suppose it could really be called a depreciation and interest fund. If the refreshment rooms, kiosks and bookstalls are separated from the dining-car service they show a small profit. The idea is not to make a profit but to give good service. There were lots of complaints when the refreshment rooms were conducted privately; but since the railways took them over, we do not find critics writing to the Press as they did previously.

Hon. J. McI. Thomson: What was the position on the Australind?

The MINISTER FOR RAILWAYS: It had a buffet-car with light refreshments and was a heavy loser. The experience of catering on trains is that it incurs heavy losses. There was a buffet-car on the Mullewa line back in 1921 and I understand that it showed losses even though it sold liquor.

Hon. J. M. A. Cunningham: Was that through lack of patronage?

The MINISTER FOR RAILWAYS: That, and insufficient numbers travelling, and perhaps wayside refreshment rooms had some effect. The buffet-car on the Australind has been cut out and the people are satisfied.

Hon. Sir Charles Latham: It is only a short run to Bunbury.

The MINISTER FOR RAILWAYS: Yes; the service was not justified. We are hoping that the figures will improve by the end of this financial year. The hon. member also said that he could not understand, if some railways were closed down and there was a guarantee that those employees would be absorbed, how there could be any saving. There are nearly 14,000 employees in the railway system and the annual wastage through age retirements, dismissals and other retirements would cover the absorption of those employees. I support the Bill.

HON. F. J. S. WISE (North) [9.28]: This Bill, Mr. President, gives very wide scope in discussion. For example, one could, without infringing Standing Orders, give a discourse on Shakespeare, deal with such a complex subject as the International Monetary Fund; or enter into an investigation of why the Australian £ is today worth 16s. in London, or even muse on the amusing situation experienced tonight of how inglorious in defeat is a party which has dominated this Chamber's thinking and voting for the last 50 years. Since I do not wish to infringe the Standing Orders in any way, however, with great respect, Mr. President, I will impose on your generous tolerance no further than necessary and will deal essentially with financial matters.

I have been struck by some of the statements made in this Chamber in recent times when members have been dealing with taxation matters; and although I realise that this Chamber, this House, this Legislative Council, is steeped in party politics, I am one who is glad that such is the case and that every member in it is a party member, and to a greater or lesser degree is steeped in party prejudices. So it is now far removed from the once popular belief—and it is still dying—that this is essentially a house of review. It can now be regarded as being merely a second Chamber in a bicameral system of Government. It is a party House, and I repeat that every member in it is steeped in party politics.

I would be a very sad state of affairs, however, if—in the words of the famous late Will Rogers, contained in his splendid "The Illiterate Digest"—we were to be always of the opinion in this Chamber "that nothing is no good". I hope we do not reach that situation. But to illustrate my meaning in regard to my reference to peculiar statements, I would refer to the statement made by Mr. Griffith and Mr. Murray when they said that they were not prepared to support the Supply Bill at this stage but preferred to reserve their decision on how they shall vote. That was said a few moments ago by Mr. Thomson, too.

Of course, that attitude is a mere pretence. This Supply Bill will pass. The position is perfectly clear. If the Supply Bill did not pass, although it is unfortunate that this Chamber could not be involved in an election, there would be one; and therefore the attitude that has been adopted by the members in question is purely a pretence. It was further stated by Mr. Griffith and Mr. Murray that the State's finances are in a precarious position; and that, in fact, it is so precarious that we are over-taxed, and yet the Government is continuing to resort to every type of additional taxation. I intend to analyse those statements, because they are extremely loose.

Another member said that it is distressing to see Bills being introduced which impose taxes. Of course it is, especially to our lugubrious friend from the South-West Province who is only cheerful when he is unhappy, as instanced tonight when he was speaking to another Bill. No one appreciates the requirements that are contained in taxing measures; but, nevertheless, they are requirements. It is a condition and not a theory that taxing measures must be introduced irrespective of party flavour. However, it is not true to say that taxation has reached saturation point, or that this is a Government which has one idea only—as stated by one member—and that is, to impose more and more taxes. Mr. Logan said that the Grants Commission was dictating to this State and forcing the Government to increase taxation.

Hon. L. A. Logan: Isn't that right?

Hon. F. J. S. WISE: He asked what right the Grants Commission has to do that. That shows a clear misunderstanding of a very important situation. Sir Charles Latham, who I submit should know better, did indulge in some sort of synthetic rage because of the State's dire financial circumstances when he said, when speaking on a Bill dealing with the pig industry, that he supposed the trust funds would be found from somewhere somehow.

In fact, the trust funds are in an extremely healthy condition. They are much better than they were when the hon. member was first a member of a Government when, in very serious circumstances, not only did we lose the State Savings Bank—I am not blaming him for it, but I am merely drawing his attention to it in case his memory has become short—but his Government took very serious action in regard to the imposition of taxation.

The hon. member's Government was able to carry on for several years; but in the last dying hours of its inglorious reign, what did it do? It imposed the financial emergency tax, the hospital tax, and the drastic and desperate measure of taxing, by so much in the £, the wages and salaries of all members of the Public Service.

Hon. Sir Charles Latham: The Labour Government was in office for six years before that.

Hon. F. J. S. WISE: I will now deal, in direct reply, with some of the comments I have referred to. Firstly, I will deal with the situation in relation to the Grants Commission and show why it not only had the right to do what Mr. Logan said it should not do, but also that its members are authoritative people with the highest qualification. With the consent of the Commonwealth Parliament, that commission is clothed with an authority to decide on the State's finances; and to its credit, it has not, since it was first constituted in 1933, had any recommendations it has made, refused by either Federal House.

The Commonwealth Grants Commission obtained its authority under Section 96 of the Constitution which reads—

During a period of ten years after the establishment of the Commonwealth and thereafter until the Parliament otherwise provides the Parliament may grant financial assistance to any State on such terms and conditions as the Parliament thinks fit.

That provision in the Australian Constitution was one of many inserted by some very wise farseeing men; but it was not until the early 1930's that a condition arose which prompted men in the Commonwealth Parliament to set up an authority—namely, the Grants Commission—to alleviate distress in a State if it suffers disability. Primarily, it was a situation which Western Australia, unfortunately, found itself in that prompted such early action by the Commonwealth Parliament.

Hon. Sir Charles Latham: South Australia was worse off than we were, because we granted that State some money under a Labour Government.

Hon. F. R. H. Lavery: It must have been in a bad way.

Hon. F. J. S. WISE: It was in an extremely bad way. And so the provisions of Section 96 of the Constitution brought the Grants Commission into being. During the period of the working of the commission, it based its conclusions on findings after making inquiries into the disabilities of the States.

Section 3 of the Commonwealth Grants Commission Act, No. 3 of 1933, not only clothed the Grants Commission with great powers, but charged it with great responsibilities. The following year proved that it worked assiduously to give effect to the powers that were granted to it, and to carry out those responsibilities. That commission is appointed to examine a State's financial position. That is one of its main functions: to iron out the inequalities that exist as between the States.

Since 1936, when it was known as the Disabilities Commission, it has considered all the needs of a claimant State rather than its disabilities only.

It will be seen from Hansard that in 1934, when Sir Charles Latham was the Leader of the Opposition, I trenchantly criticised the then Grants Commission because of its niggardliness in that year in assessing the disability of Western Australia at a figure much below its real needs. Fortunately, however, under the formula now adopted, the commission sees the needs of the State in the form of a deficit that has to be recouped, and Western Australia is not only in a much healthier position today, but also it has been generously treated by the Grants Commission.

Hon. J. M. A. Cunningham: The Premier does not think so.

Hon. F. J. S. WISE: The Premier does think so. I will tell the hon. member what the Premier thinks of the State's finances in a few moments. So highly are the members of the Grants Commission regarded by the Commonwealth Parliament that its decisions and requisitions have never been disputed; and Western Australia, during that period, has always received financial help from the Commonwealth through the agency of the Grants Commission. Over the years, our grants have increased at a surprising rate, but they are based on the question of needs and are assessed on the basis of keeping budgetary equilibrium between the States.

The figures that are published quarterly by the Commonwealth Statistician show the amount of assistance that we received in those years. It has grown to £8,200,000 from an initial grant of £300,000. There are members in this Chamber who will recall how difficult it was, when we had our own taxing rights, to frame the Budget until we knew the extent of the amount that was to be granted by the Commonwealth through the Grants Commission.

In these statistical returns, which show all the Commonwealth grants, appears that contribution towards interest—which has never been generous—from the Commonwealth Government, which amounts to £437,000. That has been static for many years, as our share of the interest earned from the Commonwealth Savings Bank branch in Western Australia. That figure of £473,000 has been constant since 1930.

Fortunately our grants have grown until they have reached something commensurate with our needs to the extent of £8,200,000. In assessing figures of that kind, the Commonwealth Grants Commission has the opportunity of saying how much the taxpayers of Victoria and the well-established States should pay as a contribution to the undeveloped State of Western Australia. It is quite proper that that is so. Victoria, which prior to uniform taxation was the lowest-taxed State in the Commonwealth, rebelled against uniform taxation because it did mean a sharp increase in its income tax, and it did mean the making of a contribution by its taxpayers to the lower income States of South Australia, Western Australia and Tasmania.

I am one who believes that Australian resources, wherever they occur and wherever they are tangible assets represented in money, should be taxed to develop the latent resources of this nation wherever those resources are found. If that formula is followed, not only will we see such a backward part of Australia as the Northern Territory move to prolific production, but also the other empty spaces such as the major part of Western Australia move towards greater production and prosperity.

It can only be done by taxing the wealth of Australia wherever it is to be found, and by giving to the deserving people who

are the claimants under Section 96 their just dues in generous contributions to enable those resources to be developed. Because of that authority and because of that source of money, it is very necessary that the Grants Commission satisfy itself what the States are doing for themselves.

It is very necessary that the Grants Commission should probe into the State's avenues of revenue. It is very necessary that it should be the judge as to whether this or that explanation is a justifiable one; and if in its expert and learned view it is something which the States should either defer or abandon, I submit it is therefore right, under the charter which it works, to either grant some allowance or make some deduction for such actions of State Governments.

This year I notice in the latest reports of the Grants Commission that it heard in the claimant States 85 witnesses. It had before it 23 in Western Australia. As members are aware I was privileged on many occasions to appear before the Grants Commission. I was the first in the history of this State to put forward the State's needs for the empty spaces of Western Australia; and fortunately—apparently I was sufficiently convincing—I was able to get a landing placed in our grants to provide the needs for the empty spaces of the North-West. I can say with force and vehemence that anyone who would cavil at the right of the Grants Commission to act as it does under Section 96, should endeavour to study the Constitution much more deeply. If he did he would say, "Thank goodness we have such a provision and such people operating under it."

If we look at the incidence of taxation and compare the revenue per capita as between the States we will find that Western Australia is the lowest-taxed State of all. Never mind the blimp statements of the uninformed who might say something to the contrary. I am quoting from the official figures of the Commonwealth Statistician. These are the State revenues from taxation in the year 1954-55—

	£	s.	d.
New South Wales	10	6	8
Victoria	11	1	1
Queensland	11	9	0
South Australia	9	6	11
Western Australia	8	11	10
Tasmania	10	0	4

Hon. A. R. Jones: They all come from State taxes.

Hon. F. J. S. WISE: They are derived from all fields of State taxation. The average for all States is £10 9s. 5d., against the W.A. figure of £8 11s. 10d. Now let us look at some of the details and some of the things which members in this Chamber have been prepared to cavil about,

that is, the Government's right to impose taxation. In the field of non-income tax matters, the figures per capita were—

	£	s.	d.
New South Wales	3	2	8
Victoria	2	10	11
Queensland	3	17	3
South Australia	4	0	3
Western Australia	2	4	11
Average for all States	3	11	5

Hon. L. C. Diver: Will other factors come into it?

Hon. F. J. S. WISE: Yes. I shall analyse those. Take probate duty. The figure for Western Australia is £1 12s. 9d., but the Australian average is £2 7s. 9d.

Hon. Sir Charles Latham: They have the wealth over there and we have not.

Hon. J. Murray: Say something about the railways.

Hon. F. J. S. WISE: I shall say something about the hon. member whom, in his absence, I referred to as the lugubrious member for the South-West. Let us look at the liquor tax for Western Australia. It is 8s. 10d. per capita and the Australian average is 12s. 4d. If we take the total State taxation revenue we will get the figure previously referred to of £8 11s. 10d. per head. One of the very important things which the Commonwealth Grants Commission has to analyse is the taxable capacity which is left to the States. Where any claimant State neglects to help itself in any avenue, it is penalised to that extent.

If members will study the formula used by the Grants Commission, which is expressed annually in its reports, they will see that there is a minus or plus according to the inability or otherwise of the States concerned to collect the taxes from those avenues. In short, in respect of motor vehicles this year, we were penalised to the extent of £137,000; that amount was reduced from our grant because we were not up to the Australian average, or the average of the States which are regarded as having budgetary equilibrium.

These deficits, which will increase unless we impose the taxes which are requested, must come from one of two sources. They must come from revenue or additional revenue which must be received from taxation, or they must come from loan funds to fund the deficit. No State is permitted to continue in its deficit to someone mythical or someone real; the deficit must be funded. Money must be borrowed against it. The State is penalised for that year for its loan works to that extent, and for 53 years it has to pay interest on sinking fund on the amount so borrowed.

It is a very vital matter to us that every avenue that is left to the State should be explored without being exploited to endeavour to close the gap between the ever-increasing needs of a State of the kind that

Western Australia is, a vast area of undeveloped resources. There is no mystery about where the money must come from or how it must be obtained, especially when we have the cold hand of the Commonwealth Treasury invading the lucrative fields of taxation and leaving to the States, especially a State of our kind, very little avenue to exercise its right of taxation.

I wish to emphasise the fact that I am, without qualification, a State's righter. I believe in the sovereign rights of the six Australian States. I believe in the Australian federation of States; but having the experience we have had since the inception of uniform taxation, the States have very little opportunity of getting just dues from Commonwealth Governments of whatever political flavour they might have been. Without mincing matters or labouring the question too much, it is very obvious how essential is the Grants Commission to the State of Western Australia. I hope that we are to continue to be as fortunate as we have been in the past to have such men of profound learning and wisdom constituting such an authority as the Grants Commission.

I can detail at length some of the activities which are subsidised by this State Government and for which due regard has to be paid to the Grants Commission for the Government's management of those concerns. They include the railways.

Hon. N. E. Baxter: And Chamberlain Industries and Wundowie?

Hon. F. J. S. WISE: A lot of that sort of enterprise has an effect on the Budget. A lot of the cost of non-productive investments has a very big bearing upon our budgetary situation. For example, if we examine the Budget tables of any year, we will see listed in the public debts account a segregation of the profitable and the unprofitable assets. We will see that out of a total of £177,000,000 owing for loans, only £5,800,000 is fully productive. We have £83,000,000 partially productive and £83,800,000 totally unproductive. That is out of a total of £177,800,000; and every £1,000,000 that is borrowed has a substantial impact upon the Budget.

Let us take Sir Ross McLarty's regime as Treasurer. He carried the State debt from approximately £100 per head to £150 per head in six years. The £50,000,000 represented in that figure is costing this State £3,000,000 per annum from the Budget.

Hon. N. E. Baxter: What is the figure today?

Hon. F. J. S. WISE: It has gone up by £15,000,000 from that, and it must go up. I am using these figures not in any vicious, political partisan attitude but as an endeavour to show that petty criticism of Governments by saying that one Government is dominantly bad and another is dominantly profligate, will not bear examination. I repeat that the increase in

Western Australia's debt during the six years of the McLarty Government is costing us £3,000,000 a year.

Hon. H. L. Roche: That is 6 per cent.

Hon. F. J. S. WISE: No, it is interest and sinking fund over 53 years. It is not interest in perpetuity. When I left the Treasury bench, and ceased to be Treasurer of this State, we had, as will be seen in the Budget tables, a per capita debt on every man, woman and child in Western Australia of under £200. If we study these tables, we will see that Western Australia is far from being in a hopeless position because of its per capita indebtedness. If we consider the relative value of money through the years I submit that this State, with its existing developed resources and its latent ones, is still in a very healthy position.

I would like to refer to what happened in the three years of the Hawke Government and the six years of the McLarty Government with respect to charges on the consolidated revenue fund and how, after the defeat of the Government which I was privileged to lead, taxation rose, it would be considered in the minds of members opposite, to an alarming degree, but because it was Sir Ross McLarty who imposed the taxes, he would have a free pardon.

The land tax in 1946-47 was £112,000 and in 1952-53, it amounted to £269,000. Almost every tax, including stamp duty, probate duty, licences, land tax, and revenue from timber and law courts, increased and some, manyfold, during that six years of government.

Hon. H. K. Watson: What increase in probate did it impose?

Hon. F. J. S. WISE: Whatever brought about the difference between £262,000 and £842,000.

Hon. H. K. Watson: I suggest it made no imposition on probate duty during that period.

Hon. F. J. S. WISE: However it was arrived at, it illustrates my point that if we are to compare—I hope I am generously interpreting this—the value of money during those two periods it is futile to condemn one Government because it had to pass through a bad era. In the 1930-33 period, prices were dreadfully worrying with respect to our exportable commodities, and the State revenues declined in every sphere.

No matter what Government succeeds Government, the States expect to get revenues based on past experience, but there are always varying conditions which make any anticipation likely to be violently incorrect. But it is true, is it not—we have two members of the McLarty Government present—that since the present Premier

inherited the Treasury bench he has had to send a high Treasury official to London to arrange the deferment of £8,000,000 because provision had not been made to meet it? It is further true that orders placed by that Government were cancelled and some cash arrangements made for the cancellation because there was not the wherewithal to meet the orders. But if we look at the taxing capacity of the Commonwealth Government we get the reasons why members should cavil at the high taxes that obtain.

The analysis is clearly shown in the consolidated revenue accounts of the Commonwealth Government and the figures give us cause for concern if not alarm. The Commonwealth Government, from the customs last year, received £102,000,000; from excise £143,000,000; from that insidious tax, the sales tax, £100,000,000; from income tax on individuals £361,000,000; from companies £171,000,000 and from payroll tax—I do not know how many members opposite would try to justify that one—£41,500,000. These amounts, together with other taxes such as estate duty, gift duty and so on, brought to the Commonwealth a total of taxation revenue in 1954-55 the sum of £930,000,000. From other miscellaneous receipts, such as the post office, the total Budget came to £1,060,000,000—nearly £1,100,000,000. The payroll tax alone cost the State Government £1,050,000.

Hon. H. K. Watson: Yet we have to have the Grants Commission to get some money back.

Hon. F. J. S. WISE: Section 96 provides for it, but that is not where the fault lies. It lies in the Commonwealth octopus retaining the taxes that it has been able to collect by invading every lucrative field. When we regard the situation seriously, and shorn of political prejudice, we are entitled to question what is happening in regard to Commonwealth collections as from pre-war, the date of the imposition of the uniform tax, and now.

Let me give some figures. Prewar the Commonwealth tax collection from income tax was £9,398,000. The total of the States was £29,750,000. In 1942, the period of the imposition of the uniform tax, the Commonwealth, after three years of war, had its revenue swelled to £77,500,000. The total of the States had moved by £7,000,000 so that whereas the Commonwealth had gone from £9,000,000 to £77,000,000 the States had gone from £29,000,000 to £36,000,000. In 1956 the Commonwealth's total collections were £573,990,000 and the six States' collections were £157,000,000 between them. So, out of collections totalling nearly £800,000,000 the States got under £160,000,000.

Hon. N. E. Baxter: What does the Commonwealth spend it on?

Hon. F. J. S. WISE: If members can study the Commonwealth Budget and say that it is not wasteful in the extreme—

Hon. N. E. Baxter: No more than those of the States.

Hon. F. J. S. WISE: That is sheer nonsense. The latitude given to the Commonwealth Government in its massive collections has enabled it, in the last 12 months, to spend instead of reimbursing the States from some of the surplus as it used to do, £120,000,000 on public works from revenue—revenue collected from within the States; but the States, if they want money for public works, whether a bus shed, a school or a hospital, must borrow the money from loan raisings approved by the Loan Council. Does the hon. member suggest that is a fair proposition? After providing for this expenditure they still finished with £100,000,000 surplus.

If it is good enough for the Commonwealth Government to use that £120,000,000 on Commonwealth public works and territorial needs, it is fitting and proper for the State to have a share in that portion of the surplus revenue because, after all, it is from their industry and their people that the tax collections were made possible. That is the situation in regard to Commonwealth revenues which I intend, with no threat, to analyse in much detail when the Appropriation Bill is before us.

If we study the tables which give the complete Commonwealth and taxation revenue analysis, we will see that Commonwealth Governments are hoping to subject the States into being mendicants, and, because of the power of the purse, which the States did unsuccessfully challenge in regard to uniform taxation, to dominate the situation as long as possible. But I suggest that is not a fair approach if we believe in the rights of States.

I could relate, but I do not intend to, many experiences which were mine in another sphere of public service. It was my pride and pleasure, being a representative not of the Public Service but of the Governor General in another place, to see that the expenditure in neglected parts of Australia soared, if possible.

Hon. H. K. Watson: A lot of our money is being spent.

Hon. F. J. S. WISE: A lot of Victoria's, not ours.

Hon. H. K. Watson: Western Australia's, too.

Hon. F. J. S. WISE: More is reimbursed than collected here, so that cannot be. In the same way we enjoy, through the Federal Aid Roads Agreement, moneys that petrol users in other States expend. That, too, is something, distasteful as it may be, which reflects great credit on a Labour legislator from Western Australia who had the area-population-formula carried at a Premiers' Conference.

But to return to my theme; I have lived long enough to see a fond hope realised—some prosperity brought to a place the name of which had formerly been associated only with failures. I say that without any ego and as an earnest Australian endeavouring, as I have endeavoured to do for the major part of my life, to see the empty spaces developed wherever they may be, and, where sparse population existed, to see that population increased.

One could speak at great length on the situation which has arisen but which is expressed forcibly in the table I quoted regarding relative tax collections of State and Commonwealth since uniform taxation was instituted. I am not cavilling at uniform taxation; I want to make that quite clear. I think that one tax is the best means of tax collection provided that the formula under which the disbursement is made, whether under the existing taxation reimbursement formula or by any other means—

Hon. H. K. Watson: Mr. Tonkin favoured my scheme and said that it was a good one.

Hon. F. J. S. WISE: It may be that miracles will happen, and I too, will agree with the hon. member, because I think the formula applied to the States under uniform taxation is grossly unfair.

Hon. H. K. Watson: Of course it is!

Hon. F. J. S. WISE: Until we have a review of the formula used under the Taxation Reimbursement Act, 1942, there is no cure no matter how distasteful it may be to State entities, State Governments and State Parliaments.

Hon. C. H. Simpson: How does Western Australia fare?

Hon. F. J. S. WISE: In regard to taxation, Western Australia collected on its own account £2,084,000 in 1938; in 1942 a sum of £2,624,000 was collected; and in 1956 she received a sum of £12,310,000 out of a total of £157,000,000 reimbursed to the States. That £12,000,000 was reimbursed to this State from a total of £573,000,000 collected by the Commonwealth. It is not a case of the Commonwealth's giving largesse to the States or giving them something to which they are not entitled. It is a question of the Commonwealth Government not being realistic in regard to State needs and just issues in reimbursement from taxation. I refer to income tax and social service taxation because in the other forms the Commonwealth Government dominates some of which formerly did belong to the States.

But when we consider that we still have sovereign rights, and that the States still own the land, and the States are still responsible for the production upon which

all Commonwealth revenue is based, a most powerful case is urgently necessary to be laid at the door of the Commonwealth, shorn of political prejudice and based on equity and justice. Until we can bring that point in its true perspective before the Federal Treasurer and Federal civil servants, who I feel to a large degree dominate Treasurers' thinking, we have very little chance, no matter how objectionable other courses may be, of curing the present situation.

Whatever weaknesses there are in the finances of any State at this moment, are due, I think, to the power of the purse held by the Commonwealth Government. There is no other answer, because no State Government willingly taxes its people. It endeavours to find enough to meet public requirements and demands; but while the present situation lasts, no State Government, excepting the more opulent, has any chance of that situation obtaining.

I think, too, that although only the Auditor General of the Commonwealth has a chance of commenting on Commonwealth accounts, there is a vast field open in that direction. We heard recently of some comment regarding unspent surpluses of a big Defence Department which was £100,000,000 out in its estimate. It was able to put tens of millions of pounds away which were not calculated in its estimates of expenditure.

All of that money is coming from the citizens of Australia and equality in taxation is based on the principle that whether a dentist lives in Perth or Cairns, he is taxed according to his income. The principle, under the reimbursement formula, is that those who are not endowed as richly as the strong States should get some reimbursement from those States, and that formula must continue if Australia is to have the true Australian spirit in the future as was anticipated by the founders of the Federation.

No matter how we may cavil at the State's requirements in this Bill, we must go a lot deeper than petty criticism based on parochial instincts, which I will admit are quite justified since the first law of nature dominates the thinking of most members—self-preservation. But we must go much deeper than mere party criticism of things being not what they seem, when a State Government is endeavouring to carry on under difficult circumstances and when we know that but for reimbursement under Section 96 it could not carry on at all. I support the Bill.

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

House adjourned at 10.24 p.m.

Legislative Assembly

Tuesday, 13th November, 1956.

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