

been in this country for some 35 years. I take a tremendous interest in its early history, seeing that I represent a district that can lay claim to early settlement in this State.

It was my duty to find out about the early inhabitants in Kelmscott and in the Murray district, where there was a fight with the natives in the earlier part of the 19th century. It is very difficult to pinpoint what happened in the early days. Unfortunately most of the earlier citizens have passed away. About 10 or 11 years ago, when the late Dr. Battye was alive, I had occasion to see him at the Public Library to find out about the early history of the Church of England in Kelmscott. For years he had been associated with the Historical Society, but even he had difficulty in supplying the information I wanted.

The Historical Society concerns itself with the history of Western Australia. Anything we can do to further its work will be in the interests of the State, including the early history of the Goldfields. It seems that £50 is a small donation.

Mr. ROBERTS: I want to bring forward the tourist aspect of the Historical Society. That society is doing a good job in preserving a number of places of historical value in the country districts and the metropolitan area. We have witness of that on the walls of the corridor at Parliament House. The painting of the old dwellings and buildings create a considerable interest. I urge that greater consideration be given to the donation to the Historical Society.

Mr. HAWKE: I understand this society receives a good deal of support from some members of the public, and therefore does not require as much Government assistance as may be thought to be necessary. I have no doubt the society can spend more money; I have not yet found a society which could not. Should the society make an approach at any time for a free rail pass to enable an officer of that society to travel on a worth-while project, I would be prepared to give sympathetic consideration.

Progress reported.

BILLS (4)—RETURNED.

1. Unfair Trading and Profit Control Act Amendment.
With amendments.
2. Rents and Tenancies Emergency Provisions Act Continuance.
3. City of Perth Scheme for Superannuation (Amendments Authorisation).
4. Child Welfare Act Amendment.
Without amendment.

TRAFFIC ACT AMENDMENT BILL.

Council's Message.

Message from the Council received and read notifying that it had agreed to the amendment made by the Assembly.

LOCAL COURTS ACT AMENDMENT BILL.

Council's Message.

Message from the Council received and read notifying that it had agreed to the amendments made by the Assembly.

House adjourned at 11.58 p.m.

Legislative Council

Wednesday, the 3rd December, 1958.

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

QUESTIONS ON NOTICE.**SANDSTONE WATER SUPPLY.***Rehabilitation.*

1. The Hon. J. D. TEAHAN asked the Minister for Railways:

In view of the very unsatisfactory water reticulation service in the Sandstone town-site, and the inadequacy of the local water board's finances to cope with the position, will the Minister cause inquiries to be made with a view to assisting the local residents to rehabilitate the service?

The Hon. H. C. STRICKLAND replied:

The department does render assistance, but further inquiries will be made.

DENTAL CLINICS.*Items of Equipment and Cost.*

2. The Hon. J. M. THOMSON asked the Minister for Railways:

(1) What is the approximate cost of equipment supplied to the Albany dental clinic?

(2) Would the cost of equipment be in excess of the amount for the Bunbury and Boulder clinics? If so, to what extent?

(3) What are the items included as equipment in these dental clinics?

The Hon. H. C. STRICKLAND replied:

(1) £2,000.

(2) No definite figure available as yet for Bunbury and Boulder, but estimate is approximately £2,750. Bunbury and Boulder clinics will have three chairs, whereas Albany has two chairs.

(3) Dental chairs, dental units, operating lights, x-ray equipment, sterilisers, dental cabinets, instruments, furniture.

Staff Salaries.

3. Hon. J. M. THOMSON asked the Minister for Railways:

What are the respective annual salaries paid to the following staff, employed in the dental clinics—

- (a) dentist;
- (b) staff nurse;
- (c) dental mechanic;
- (d) clerks;
- (e) part-time cleaners?

The Hon. H. C. STRICKLAND replied:

(a) £1,903.

(b) Trained nurse, £646; dental nurse, £555 to £594.

(c) £909.

(d) Female—£625 to £715.

(e) £233.

**MINE WORKERS' RELIEF ACT
AMENDMENT BILL.***Second Reading.*

Debate resumed from the previous day.

THE HON. R. C. MATTISKE (Metropolitan) [4.35]: The effect of this Bill is simply to carry out something that is being done in the industry, and from the inquiries I have made among the different parties likely to be concerned with it, there is absolutely no objection. I therefore support the second reading of the Bill.

THE HON. C. H. SIMPSON (Midland) [4.36]: Like the hon. Mr. Mattiske, I, too, have made inquiries and have realised that this is in every way a desirable measure. The treatment of silicosis and the examination of those likely to be affected by it have been features of our mining law for a considerable time. I remember that in the second decade of this century, I worked in a mine which produced the silicotic particles which are such a danger to those working underground, and the death rate in the mine was very high; and although men were provided with respirators which minimised the risk involved, many of them could not be persuaded to wear them and it was not until proper regulations were framed later, and the Mine Workers' Relief Fund was established, that any properly organised measures were effective in minimising the risk.

The secretary of the Chamber of Mines (Mr. Jennings) is a member of the Mine Workers' Relief Fund Committee and is one of those who is responsible for asking that asbestos workers be brought under the same regulations as others. There is very little danger from coal dust in Western Australia, and the only other mining operators likely to come under the ambit of this fund would be, perhaps, those working on some of the lead mines; but in any case the Bill is eminently desirable and I have no hesitation in supporting the second reading.

THE HON. H. C. STRICKLAND (Minister for Railways—North—in reply) [4.39]: I was very pleased to hear the remarks of the hon. Mr. Simpson and the hon. Mr. Mattiske in relation to this measure, which is a most desirable one. When I was introducing the Bill, I mentioned that asbestosis could be contracted at Wittenoom, but there are, of course, other asbestos mines such as the one at Nunyerry which produces white asbestos. It appears that this mine will have a larger demand for its product and thereby increase the output—which is very pleasing—as a result of the new industry proposed to be established at Melville.

Question put and passed.

Bill read a second time.

In Committee.

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

Third Reading.

Bill read a third time and passed.

HIRE-PURCHASE BILL.*Second Reading.*

Debate resumed from the previous day.

THE HON. J. D. TEAHAN (North-East) [4.43]: It is difficult to legislate on hire-purchase in such a way that the legislation cannot be circumvented; and it is particularly difficult for a State Government, as hire-purchase activities are Commonwealth wide and anything in the nature of control should be done on a Commonwealth-wide basis. The present measure follows the pattern of the Victorian legislation, and if it is passed we will have the opportunity to see how it operates, with a view to future amendment in the light of experience.

While hire-purchase, in general, is giving excellent service to the community, it is possible that this form of business will have to be regulated in the future because, while most hire-purchase firms have high ethical standards and can be relied on for the service they give, it appears that a few of them are more in the nature of loan organisations. Whereas in the past, if a man wanted a loan, he probably raised a few pounds on a diamond ring, he now trades-in a refrigerator, which is probably operating successfully, on one from which he expects little, if any, better service, in order to receive a trade-in allowance which is more in the nature of a loan, while the security lies in the balance of the value of the trade-in.

It may therefore be necessary to regulate the finance companies in the future, rather than the sellers of the products concerned. However, hire-purchase is doing an excellent job, inasmuch as it enables many people to enjoy things which they otherwise could not have. I support the second reading.

THE HON. F. R. H. LAVERY (West) [4.45]: I believe the hon. Mr. Murray hit the nail on the head last night when he said that the public have to be educated in the use of hire-purchase. I believe that hire-purchase is here to stay, under our new order of life, and no legislation will remove it; but I think it would be advisable for those who are concerned about the ordinary householder being tied up under hire-purchase agreements to give some thought to the sellers.

I will refer to one or two instances that have been brought to my notice and which I think could be investigated by the firms concerned. I know of a railway worker

with seven children, who was living in a State housing home and receiving only 5s. 6d. per week above the basic wage. All of his children were under the age of 16 years and he received a rebate of 7s. a week on his rent. He asked me to see whether I could secure him a further rent rebate, and when I investigated his commitments I found that he was up for £7 18s. per week for hire-purchase on household requirements such as a refrigerator, washing machine, wireless, polishing machine, vacuum cleaner and electric saw and drill outfit.

The Hon. H. K. Watson: Had he paid off his wife's engagement ring?

The Hon. F. R. H. LAVERY: I was beginning to wonder about that. One very big firm in this State has methods that could well be adopted by all in the hire-purchase business. It has done so well in selling various products to the people under hire-purchase, that it is now expanding largely out in the Scarborough district. When the prospective purchaser goes to that firm to buy something under hire-purchase, he or she is invited into the credit officer's office. He has a friendly discussion with the intending purchaser and finds out the salary or family income and the existing commitments. After investigation he might say to the person concerned, "You can afford £50 per year more than you are now spending on hire-purchase. In those circumstances we will allow you credit which can be repaid to the extent of £50 a year, but I would suggest to you that that is the limit you can afford."

If every firm adopted a similar policy to that, the hire-purchase business would become much more stable. Today goods are being repossessed from many people who should never have had the goods sold to them. All the anomalies that are creeping into the hire-purchase industry should be analysed and, if possible, obviated.

I know of another case of a man who was renting a State rental home and who died suddenly. His wife was left with the responsibility of continuing with the payments on a washing machine which had been purchased on hire-purchase. The firm concerned told this woman that she need not worry for a while, because at a later stage they would come and discuss the agreement with her. When that time arrived the firm re-wrote the agreement and saved her £32 by doing so.

In giving a case to illustrate the opposite side of the picture, I know of a man who bought a secondhand car for £700 from a reputable firm in Perth. He paid £150 deposit on it. His hire-purchase agreement showed that, with the insurance payments and all the other encumbrances associated with the sale, he was up for £189. As I have said, he paid £150 deposit and by December of this year he will owe £450 for the car. When he discussed the

matter of the insurance premium with the firm that sold him the car he was told that it would amount to £13 or £14 a year. He accepted the word of the firm, but a few days ago he received an account from it which showed that he owed £32 odd for insurance premiums. The car was insured for £450.

As he considered the premium to be unreasonable, he ascertained from the R.A.C. that its rate was approximately £16 10s. He also found out that the premium quoted by the State Government Insurance Office was £15 and some odd pence. Both those charges were under half the amount of the insurance premium he was expected to pay to this firm in accordance with the terms of the hire-purchase agreement. Hon. members may not associate insurance with hire-purchase but, of necessity, it must be tied up with it, because when this man signed the agreement he, like many other people today, apparently did not read all of the clauses. The average person who enters into a hire-purchase agreement reads only the principal parts of it and does not bother to read the small print.

This man, who is a school teacher, took the matter up with the Unfair Trading Commissioner who told him that, according to the terms of the agreement, he was entitled to insure the car with any company he nominated. He informed the firm of that but he has now received a letter stating that he has signed the insurance policy taken out with the firm—which I will not name—and he will have to pay the £32 premium. I am quite sure that many people who enter into hire-purchase agreements do not know what they are signing; and I have cited this case purely in the hope that in the future more people will be cognisant of what they are putting their names to when signing hire-purchase agreements.

I believe that those firms which send travellers around calling on various houses in an endeavour to sell their goods should place some restriction on the amount of credit that is allowed to any one home. When the hon. Mr. MacKinnon spoke last night, I am inclined to think that he was hinting at some restriction in that regard. The efforts of some of the salesmen place some people, including their firms, in an invidious position.

The matter of insurance rates and methods, as quoted previously, needs some investigation. I support the Bill.

THE HON. L. C. DIVER (Central) [4.55]: The Bill represents an endeavour to place hire-purchase on a footing so that it will be in line with the present-day usage of this facility. In the depression years, hire-purchase was a secondary form of credit trading agency compared to what it is today. Perhaps too much of our national credit is being used for hire-purchase, as

such, at the present time as distinct from bank credit which used to be made available by the banking institutions in the depression years.

I am sure that it can be established without any doubt, that the banking institutions, in the depression years, would agree to make overdrafts available to the members of the farming community on a reasonably liberal scale. Therefore, any person who had assets which he could lodge with the bank for security, used to be granted these liberal overdrafts mainly for the purpose of purchasing farming machinery, motor vehicles and other necessary commodities. He could purchase these goods by writing a cheque against the credit he had established in the bank by means of an overdraft, and when it came to insuring them he could obtain the maximum cover at the minimum premium.

However, I am sorry to say that those days have gone. Whilst the value of money has lost much of its purchasing power compared with the value of money during the depression years, I have yet to learn of any borrower today who is permitted by a financial institution to have an overdraft granted much in excess of the overdrafts that were granted in depression years, despite, as I have said, that money has lost much of its value since those days.

In the depression years, one could obtain an overdraft of £4,000 or £5,000, but today one can get only £600 or £700. There is no comparison between the overdrafts that are granted today and those that were granted to clients in the early 30's. There are many financial houses today which inform their clients that they cannot be accommodated with an overdraft, but that they will be able to obtain the finance required from other financial institutions that deal in hire-purchase. Of course it is common knowledge.

There is no comparison at all between the cost for accommodation which a person may obtain as an overdraft from a bank, as compared with the cost which he has to pay for accommodation under hire-purchase. In that respect the banking institutions are letting this country down. They should be much more lenient and expand their advances. I suppose there is no law to stop them from channelling their funds into hire-purchase, although they may stoutly deny doing that. Figures will show that certain securities, against which advances were made even during the depression years, do not now receive the same confidence from the bank.

The wealth of today is being channelled into hire-purchase—an avenue never contemplated before. Perhaps I am old-fashioned and this is a new agency of business. I consider that where there is substance behind an individual who wants

accommodation, money should be advanced by the financial institutions at a cheaper rate.

The position has altered greatly over recent years in regard to the amount of wealth made available for hire-purchase. I am wondering how we can bring home the suggestion put forward by the hon. Mr. Murray about educating the public against the dangers of accepting almost unlimited hire-purchase accommodation. If we look at this evening's "Daily News" we will find an advertisement which entices people to purchase a refrigerator for Christmas, on practically no deposit; in other words, it invites them to mortgage their future. The future of many of those people is already clouded. Yet such advertisements are made to induce people, who are financially less fortunate than others, to buy goods under hire-purchase. The temptation is extremely great. I doubt whether any of us in similar circumstances could, or would avoid the temptation.

I wonder what would happen if the recession predicted by financial writers came to pass. A recession has taken place in the price of wool, which has fallen by one-third. We have been warned that all other exports will come down relatively in price. When that happens the basic wage will be reduced. In those circumstances many of the people will be committed to hire-purchase payments which will exceed their earnings. How then will the people face this problem? Are we not making a problem for tomorrow? I feel we are.

In the State, with the advent of television just around the corner, we will have hire-purchase on a scale not yet experienced; it will build another floor to the debit structure of the working masses. This Bill is highly desirable to provide some protection to hirers. The genuine hire-purchase companies need have no fear of the Bill. The interests of the hirers, under the terms of agreements with some not highly reputable companies, need protection.

I suggest to the Minister in charge of this legislation that the Bill should go a little further in giving people protection, by making all hire-purchase contracts of a uniform nature. A sample of the contract should be approved by the Registrar of the Supreme Court. By this means any person, especially one untrained in business dealings and unable to understand the contents of a contract, could be assured that the contract had been approved by the Registrar of the Supreme Court, and that he had an even break on entering into a hire-purchase contract.

There has been some misgiving about the part of the Bill relating to the hirer being unable to insure through a company of his own choosing. Some people think that such a provision could act harshly against the hirer. That may be so, but I feel that if such a state of affairs

comes about, and the position is harsh on the hirer, it will not be long before approaches are made to Parliament to remedy the situation; or the firms—the insurance companies—which are not giving satisfaction will take the necessary steps to see that any shortcomings that develop will be remedied without an approach being made to Parliament. In other words, there may be a few growing pains in our approach to hire-purchase.

Before concluding, I point out to the hon. Mr. Lavery, who mentioned the case of a man who entered into a hire-purchase deal, and subsequently died, that today there are reputable companies which exist and from which the public may purchase their requirements under hire-purchase terms, and those companies provide insurance cover for sickness or death. Therefore, we would come to the position outlined by the hon. Mr. Murray.

The public needs to be educated not to rush into hire-purchase contracts, but to ascertain which company offers the greatest protection for the least amount of money. It behoves every intelligent person in the community to do this, because this great credit agency of hire-purchase has grown to such dimensions as to become an important part of our economy. Hire-purchase is creating a fabulous amount of employment; it is really keeping the wheels of industry rotating at, perhaps, a rate much higher than any other method of credit, that we know of, could. Subject to two or three minor amendments, which I hope will be agreed to, I support the Bill.

THE HON. A. R. JONES (Midland) [5.14]: I support the Bill. This type of business is not new to us, but the proportions which it has reached in recent times make us very conscious of the part hire-purchase is playing in our community, and in the economy of our country.

I welcome the legislation, and remind hon. members representing the Government that some four years ago I said I was amazed that, as there was then a Labour Government in power, something had not been done about hire-purchase. It struck me that the opportunity was available at least to restrict some of the malpractices which we knew existed; and to level interest rates to a figure which people could afford, and which would be fair to them.

It is my experience that the main firms dealing in hire-purchase have met the general needs of the community, and that only a few firms—not the recognised companies—can have the finger pointed at them. It seems that once again we are here to legislate to protect a few from a few. Apparently we always will be doing this. Other hon. members have mentioned that in the changing circumstances, many millions of pounds are involved in hire-purchase; and this means that people are

buying forward those things which they need for their general welfare and comfort; and in many instances they are indulging in extravagance. I welcome the Bill because it is a start on legislation which will in the next two or three years require amendment as circumstances arise.

The Hon. F. J. S. Wise: They are sure to arise.

The Hon. A. R. JONES: We will need legislation to protect all concerned; and I hope it will be aimed at stabilising the economy of our country as well. It is obvious to anyone who thinks at all that if we are to continue to accept no deposits, or very small deposits, and carry on the business as it is being run today with fairly high interest rates, we will get into quite a lot of strife. This will apply not only from the point of view of the hirer but also from that of our general economy, because the more money which is channelled into this type of business—and the less deposit which is paid, the greater the outstanding debt—the less money there will be available for industry; and I am particularly concerned with the development of our primary industry. In these circumstances, our earning power will not increase as it should do. Anyone who thinks must know from the general experience of the last twelve months—since the fall in wool prices—that we are very dependent upon the commodities which we grow, and sell overseas.

If money is not available from the institutions which lend money—banks and insurance companies—for development, but is channelled into the hire-purchase business, we will, in my opinion, in the not-too-far-distant future have a lopsided economy.

I trust that between now and when Parliament meets again we will have had sufficient experience of the working of this legislation to be able to put suggestions forward to improve it. I say that, particularly in view of the fact that Ministers from all States will be able to meet in the near future and discuss hire-purchase and that as a result we will, I hope, have the general acceptance of a larger deposit for goods purchased under this system. This may mean a slight recession or falling off in sales for a little while—perhaps for only three or four months—because people will need to have a greater amount for the deposit.

Then they would have a larger equity in the article they bought; and this would provide a greater insurance for themselves and the company that arranges the finance. If this were done, and a close study made of the interest rates which would be payable—taking into account the type of risk involved; whether a motorcar, motor truck or something else that might depreciate very quickly—and a sound basis were laid down whereby

there would not be too much of an attraction for capital to be channelled into this field, we would have greater amounts of money available for purposes for which money is so much needed in Australia—our primary and secondary development.

I feel that sufficient has been said about this matter without going any further into it. But there is one point I would like to discuss and that concerns insurance. While I do not wish to stifle free or private enterprise in any way, I can see some dangers in allowing a person to select his own insurance company. Perhaps the Minister can tell me, when he replies to the debate, just what will happen with regard to the State Government Insurance Office, and what policy it will adopt, because at the moment the Government insists that if a person buys a motorcar with Government financial assistance under the Government scheme, he has to take out insurance on it with the State office. In view of this legislation, under which a person can select his own insurance company, what will be the Government's policy in the case I mentioned?

I have here a copy of an insurance policy covering a motorcycle. Apparently the company concerned is one that is approved and well thought of by firms dealing in motorcycles. The firm is the Liverpool and London and Globe Insurance Company Limited. I also have a policy of a firm called the Victoria Automobile Chamber of Commerce Insurance Company with reference to a motorcycle. The person who took out the policy with this company was purchasing a motorcycle under hire-purchase. He was only a young man of some 20 years of age and apparently did not study the policy, as I suppose is the case with nine-tenths of these people. In fact he told me that he purchased the motorcycle under a hire-purchase agreement and did not sight the insurance policy until it was forwarded to him for his signature at a later date. Even then he did not read it carefully. That again is what happens with most people, particularly at that age.

But about 12 months after he signed the policy he had an accident and a good deal of damage was caused to the bike, his passenger and himself. When he tried to claim for damages, to his amazement he found that he had no claim. When I checked up the policies of the two companies I have previously mentioned, I found that the firm with which he had taken out his policy, as compared with the other reputable firm, did not cover all contingencies as regards road accidents. The Victorian Automobile Chamber of Commerce Company policy had a special clause in it which had the effect of preventing this chap from being able to claim for damages. The accident was caused by a tyre blow-out; his back wheel hit a rut,

the tyre blew out and the accident occurred. The clause which excluded him reads as follows:—

Damage to the cycle and/or sidecar due to (1) road shock, (2) bad road surface, (3) contact with the road surface, which has not resulted from collision or impact of the cycle or sidecar with an object foreign to such road surface, is not included in the indemnity granted under this policy.

Because of that clause this man lost approximately £120 which he had to pay for damage to the motorcycle, his girl friend and himself; in other words, he had to bear the whole cost. There is the danger that people, if they are able to select their own insurance companies, may not select a reputable firm. It will leave the matter too open. Now that hire-purchase is to be properly regulated by this new legislation, all the reputable hire-purchase firms will see that the insurance companies with which they deal are reputable; and that in turn will be a protection for the hirer. Apparently, in the case I mentioned, the company which sold the motorcycle was not a reputable firm because it elected to take out the insurance with a company whose policies contain the provision I have just quoted.

If the matter of taking out an insurance policy is to be left to the discretion of the hirer, we will be running the risk of some people not being protected. If we could insert a provision in the Bill to the effect that insurance shall be effected upon agreement between the hirer and the owner—provided that the insurance was with a firm approved by an authority such as the court—the matter would be well covered. At the moment I think it is a little too open, and that people could be exploited.

This is new legislation which, in my opinion, will be of assistance to both hirers and owners, and to the general economy of the country. We can only hope that all State Ministers in charge of this legislation can get together and work out a policy which will cover the whole of Australia. If that is done it will be a step in the right direction, and I trust that next session it will be possible for us to make any amendments that are deemed necessary in the light of those discussions. I have much pleasure in supporting the Bill.

THE HON. H. K. WATSON (Metropolitan) [5.28]: I support the second reading of the Bill. In the main it simply perpetuates the provisions of the original Act, and contains some further provisions several of which have quite a lot of merit and others which, I am afraid, are not open to the same ready acceptance. The Bill provides, for the first time, to make it obligatory for an owner to set forth in the agreement full particulars of all the

various figures relating to a sale. There is nothing startling about that, because the fact of the matter is that all reputable companies have been doing that for many years.

The Bill also provides for a definition of "statutory rebates," and stipulates that on the termination of the agreement, either by repossession, or voluntary action on the part of the hirer, the rebate to be granted shall be the statutory rebate, which is set forth.

Another provision in the Bill that appears for the first time—and which, to my mind, is a very desirable and necessary improvement—gives the hirer the same rights against both the finance company and the trader, as the hirer would have had under the Sale of Goods Act had he actually purchased the goods at the time. In other words, whereas in the past the hirer could hire goods, and pay the price on the strength of representation or warranty on the part of the dealer, he had no recourse at all against the finance company and little or no recourse against the dealer.

This Bill makes it very clear that, where there has been misrepresentation, or a breach of warranty, the hirer now has definite rights against both the finance company and the trader. In that respect I think that particular provision in the Bill, together with the one that appears later in the measure, will largely prevent the prevalent practice of an unscrupulous trader, and an equally unscrupulous hirer, acting in collusion to mislead and defraud finance companies by declaring in their agreements, and in their representations to the finance company, that the vehicle has been sold at a certain price—which is in fact a loaded price—and that against that price a deposit has been paid; whereas, in fact, no deposit has been paid at all.

That will be a protection in the ultimate result for the hirer himself. From some remarks that have been made by the various speakers it would seem that, whilst it is elementary that any person entering into a business transaction and signing a business document should at least read the document and know what it contains, a vast majority of people engaging in business dealings do nothing of the kind. They then later say, "Who would have thought it?" For the life of me I cannot understand the mentality—or lack of it—and the complete half-wittedness of any person signing a legal document without first knowing what is in it or, if he is unable to read, at least obtaining the assistance of someone who could, to explain the matter to him.

The Hon. F. R. H. Lavery: Larry Gill had a lot of people to sign his documents.

The Hon. H. K. WATSON: Another phase of the Bill that was touched on by the hon. Mr. MacKinnon and the hon.

Mr. Jones, is the proposal that henceforth the hirer shall have the right to insure the vehicle in the name of himself and the owner in any company which the hirer may desire. The hon. Mr. MacKinnon yesterday gave a clear illustration of one instance in which a finance company could be put to serious and unwarranted loss.

The hon. Mr. Jones has enlightened the House this afternoon with an illustration where both the finance company and the hirer could be put to serious loss. On this question of insurance, we must bear in mind, firstly, that whilst at first blush we may think it is unfair or unreasonable, or rather hard, for the two or three years' insurance premium to be paid at the outset, and lumped into the agreement, upon reflection one finds that it is not so, because one finds that the mentality of the hire purchase addict—for the want of a better name—is a fixed-sum mentality. He budgets. He is not concerned with the purchase price, or with the fact that the insurance cover is £20, £30 or £40. He is mainly concerned with the question of how much he is up for each month. He asks himself whether he is up for £20, £30 or £40, or whatever the figure might be. These people settle the transaction at the outset—the agreement to run for one, two or three years, as the case may be—and, finding they have covered themselves completely in regard to all contingencies, including insurance charges and everything else, and knowing that their weekly, or monthly, payment is so much, they feel they are able to budget for that amount, and that they have nothing further to worry about. They know exactly where they stand.

Let us consider the other case of the man who has the right to arrange and pay his own insurance. He is up for his monthly payments under the agreement. He must then find an extra £15 or £20—or perhaps £40—to pay his insurance, assuming it is only for one year; then, at the end of that year, in addition to his weekly or monthly payments, he must find a special lump sum to pay the insurance premium again, and so on till the end of the next year. I think it can be taken as certain that a private, or public, insurance company will not issue a policy to a hirer until such time as he has actually paid the premium; a cover note would not be sufficient.

It is equally certain that the hire-purchase company will not allow the vehicle to go into the possession of the hirer until such time as all the formalities have been completed, and the premium paid. That could well mean a week or a fortnight's delay in the hirer obtaining his vehicle; it could even prove to be longer. Today, however, the minute the finance company signs the agreement, without seeing the policy it is covered by an overall treaty with its own insurance company by which

the whole transaction is automatically covered; the vehicle goes out, and the cover runs from that moment.

But now we will find that if a person who desires to take out a policy in a separate company, happens to live in the country, the proposal form will have to be posted to him, and he will have to sign it and send it back. He will then get a debit note from the insurance company, pay the premium, and have the policy posted to him. I can see some hirers, who might decide to enjoy the luxury of insuring with their own insurance company, deprived of the use of their vehicle for anything up to a fortnight or a month.

For those reasons I have grave doubts as to whether this proposal, concerning insurance, is really in the interest of the hirer. That being so I was rather surprised to hear the Minister imply that if this particular clause were struck out of the Bill there would be no Bill.

The Hon. F. J. S. Wise: I think I shall give good reasons for it.

The Hon. H. K. WATSON: Does it mean nothing to the Minister that he has in the Bill a provision whereby the hirer now has rights virtually the same as those of a purchaser under the Sale of Goods Act? Does it mean nothing to the Minister that everyone—not only the reputable companies, but the less reputable companies—must now enter into an agreement and state the full particulars of the whole transaction?

The Hon. F. J. S. Wise: I think there is an absolute counter to the illustrations you have given.

The Hon. H. K. WATSON: I would certainly like to hear them from the Minister. I am open to conviction on this matter, and I do not want to be dogmatic. I will listen with interest to what the Minister has to say in reply. I do not think I have anything more to say on the Bill. It is essentially a measure for consideration in Committee, and I shall defer until then discussion on the three amendments that I have on the notice paper.

THE HON. R. F. HUTCHISON (Suburban) [5.44]: In supporting the Bill I would like to say that I consider it is a measure which any person, after considered thought, would be glad to support. I think the time has come when we must do something to rationalise the actions of some of the hire-purchase companies, and the effect they have on the public generally. The matters to which I refer are not being carried out by the more reputable companies, but by those which are always ready to take advantage of any loopholes in the law for their own ends. It is against those people that we are endeavouring to protect the people.

I am a woman of mature years, having reared my family under rather poor circumstances and, many times in my life,

hire-purchase has really been helpful to me as it enabled me to have some comfort and pay honestly for it. However, in later years, hire-purchase seems to have gone mad; and that is why I say now is the time when we should take steps to put something on our statute book that will stop the malpractices which go on in regard to this matter.

Hire-purchase has become part of our way of life, and by it the ordinary working people are able to obtain goods which, perhaps, they would otherwise not be able to afford. For instance, I recall buying my first sewing machine—a Singer—under hire-purchase. I was rather handy with the needle, and when I was left as the bread-winner I was able to augment my income by sewing at home. Had I had to pay a lump sum for that sewing machine, I would have been deprived of its help.

Hire-purchase is a legitimate way of doing business, but lately I have come across some very wrong things which are going on. I happened to be at the home of a neighbour, and this woman was very ill. Also, her husband was out of work. There was a knock at the door and when I answered it a man said the woman was overdue with her payments by four days. I went in to her and she said, "Tell the man that my husband is out of work and I have not got the money; I am ill at the moment, but will fix the account as soon as possible."

When I told the man she was ill, and that the debt was of a temporary nature, he was quite offensive. After I asked him if he could have a little patience and give the lady an extension of time, he said, "No; it is costing her 10s. every time I come out here to collect this bill." I said, "Ten shillings!" He said, "Yes." I said, "Goodness gracious me, if the woman cannot pay her ordinary contribution, how do you think she can find another 10s.?" He said, "That is her business. How do you think I live?" I said, "This is about the worst instance of usury I have ever come across in my life." I would not like to earn my living at it.

The firm concerned sent someone to this woman's home and seized her goods; yet she was then not a month overdue with her payments. She was required to pay £2, because this man had called to collect the money. This incident was the first to impress on me that things were not all as they should be in the hire-purchase field. It should not be possible for the hire-purchase companies to batten on the misfortunes of people.

There is something wrong in regard to second-hand car dealing. A neighbour of mine had a truck which he wanted to trade in on a car. He did so and also paid £50. He thought he could sell the car. I do not know whether he thought it would be easier than selling the truck. However, he ended up by getting out of work and could

not pay his next monthly instalment on the car and therefore, it was seized by the hire-purchase people—I think it was a credit company. He could not find out where he became liable to that company or where the matter ended; although he said he had signed a paper—as pointed out by the hon. Mr. Watson—which he could not understand. The hon. Mr. Watson said that people signed legal documents without reading them. I will tell the hon. Mr. Watson that this is quite commonly done, for the simple reason that people do not think. I am not excusing them, but it is commonly done.

A businessman with a trained mind he would probably sit down and read the document from end to end; but I would say that nine out of 10 people who did so would not understand its contents and would sign.

The Hon. J. M. A. Cunningham: Many are designed for that purpose.

The Hon. R. F. HUTCHISON: One requires to be an expert to understand a legal document; and the person who wants to buy something on hire-purchase is not so experienced. People see something which they want and they are quite willing to sign documents to get the article on hire-purchase. It is quite feasible that people do this without reading the documents. I know this is wrong. When people hire or sell an article there should be a certain amount of faith between them; and naturally the person who is hiring the goods feels that the person with whom he is dealing is honourable. However, that is not always the case, and there are some very questionable practices going on.

There could be a case where a car is bought in good faith and that car breaks down on the road. I heard of one such case. This car could be brought back for repairs and nobody own to any responsibility; and the next thing the person may find is that the car is sold. It is very difficult to find out to whom it is sold or how much the credit company received for the car. The unfortunate hirer, who may be a wages man, might find himself in the position of being landed with the difference between the deposit he paid and what was owing on the car. He could be quite innocent of any intention not to do his best under his agreement.

I draw the attention of the House to these things, because I think the Bill should be passed. However, it does not satisfy me, because I do not think it goes far enough. But at least, it is a recognition that all is not well in the hire-purchase field. I am sure that there is not one member of the Opposition or of the Government in this House who would not want to see business stabilised so that it may be carried on with trust.

The provision to enable a hirer to insure with his own company is very good and I support it; because I know that with

some of these transactions it is not possible to find out what interest one is paying. A woman I know bought some furniture on hire-purchase and the cost came to something like £330. At the end of two years and nine months, when she had finished paying for the furniture she found that she had paid £97 15s. interest. I do not think she has found out yet how that amount was apportioned. Each time she tries to find out she is put off on to someone else. The matter is very difficult once one has signed a contract.

She bought this furniture from a firm and then received a letter from one of the credit corporations. This happened although she had signed the paper in the shop. The interest she had to pay seems exorbitant to me. Had she known she would have to pay that amount, she would not have bought the furniture. As the hon. Mr. Watson pointed out, she read the document, but did not know what she was signing when she returned it to the firm. However, when she found out what she had to pay it was another matter.

I know that we are feeling the strain of things now; and I think I have made clear what I wanted to say in respect of this Bill. I think there are cases which will not stand the light of day; and they should be brought forward and exposed. If this were done, some of the practices being carried on today would be cut out. Let us hope that with the passing of the Bill it will lead to something being done in a real way to protect the public and protect the honest businessman.

I still maintain that hire-purchase is very good and is a help to the community. I have nothing against it, but I have something against the methods that seem to have gone mad in our midst, leading to great distress and loss to the unfortunate people who fall between the legal points of these transactions, and do not know with whom they are dealing or how they are dealing. They have no idea. I support the Bill.

THE HON. G. BENNETTS (South-East) [5.56]: I am pleased that the Government has brought down this measure in order to protect the people in regard to hire-purchase business. Unless we have hire-purchase, many people will have to go short of the numerous commodities which are obtainable, because they could not hope to save the cash with which to buy them. However, under the hire-purchase system they are able to obtain these amenities. I have been rather fortunate, because I have never had to use hire-purchase; but my family has used it in moderation.

If everyone used hire-purchase in moderation they would know just how much money they could afford to pay. The

hon. Mr. Lavery mentioned a dealer who went to see the purchaser. This dealer explained the price and other matters and asked the purchaser if he could afford to pay for the article.

If business were done in that way everything would be all right, because many of these firms are honest and willing to assist the people. However, there are some firms in Perth which are not interested in the customer. A few months ago we saw in the Press where a judge mentioned that boys were buying scooter-bikes; and, unless the parents were prepared to accept responsibility for the transaction, the bikes were sold.

I happen to know one or two people who are very easily led by the people who go around and knock on doors in order to sell articles. Therefore, I am of the opinion that an agreement should be signed by both husband and wife, instead of these men going along to the wife and persuading her to purchase goods for the house. The women do not understand what the agreement means.

I heard it said today that many people do not read what they are signing, and take a risk. I think that about 18 months ago I took one of the biggest risks that anyone could have taken; and I should have known better. I sold my motor car for £1,000 to a person about whom I did not know anything. I took his cheque at about two o'clock on Good Friday. After I realised what I had done, I could not get to the bank quick enough on Monday to see whether the cheque would be honoured. Fortunately it was.

The Hon. J. G. Hislop: That would have been Easter Monday and the bank would have been closed.

The Hon. G. BENNETTS: I mean on the Tuesday. Of course, by then he could have been anywhere; even in the Eastern States.

Whilst I was in the Eastern States on the 21st June, there was a lot of trouble in connection with racketeering in T.V. sets. A 17-inch set was sold to a pensioner who paid £355 for it. He signed an agreement, his interest being £96. He had 48 months in which to pay, at the rate of £7 per month. After he had signed the agreement he found that in addition to buying the set, he had to pay another £85 3s. for a small aerial that was attached to it. As well as this, he had to pay a certain amount for anticipated repairs. The matter was taken to the Government and was looked into. In that State, they are at present bringing in legislation to protect these people, the same as we are here. All businesses are not like these, but these are undermining the good name of the others.

The Hon. H. C. Strickland: Did the court rule that the man was forced to enter into the agreement?

The Hon. G. BENNETTS: I do not know the final result of the case except that it was stated that satisfaction was gained. We experienced this type of racket in Norseman some time ago. The hon. Mr. Cunningham will be able to substantiate that. The racket was in connection with the sale of Kelvinator refrigerators. People were persuaded to sign an agreement and were told that any repairs or service would be carried out by the agent in their town. When these people went to the agent, they were told that as he had not sold them the appliance, he was not responsible for the repairs.

With regard to the question of insurance which has been mentioned, although I do not know for sure, I feel that if the person wanted any particular insurance firm to look after his interests, the dealer would find ways and means of a quick cover with that firm. I believe we should accept the Bill as it is and if we find any anomalies in it, we can bring it before the House again to enable amendments to be incorporated to correct any faults. I support the second reading.

THE HON. J. G. HISLOP (Metropolitan) [6.7]: I do not want to say very much because hon. members, who know a lot more about this subject than I do, have spoken at considerable length. There are only two things I would like to mention. The first is that I trust that when amendments are drawn up, they will be able to be understood; and I would have liked to see something in this Bill to make it clear that agreements must be in such a form that they can be understood, if they are going to be legal. Every hon. member in this House knows exactly how understandable documents are, because some of the drafting we have had here has been far from easy to comprehend.

A question that must be dealt with arises because the people in the street have no legal training, yet they are asked to sign documents which, as the hon. Mrs. Hutchison has said, they do not understand even when they do read them. I was most amused this morning when a document came into our home from a share company. In the middle of this document was a sentence that not one of us could understand. I took a stab at it and we decided on that explanation. Whether we are right or wrong will be proved in time.

The Hon. A. F. Griffith: You will find out!

The Hon. J. G. HISLOP: I think something should be done to ensure that these people are presented with an agreement that can be understood; and that technical terms are, as far as possible, avoided.

The second comment I would like to make is that I believe deposits should not be mentioned in this Bill, as I feel that deposits are very difficult to legislate for, and it would probably be unwise even to attempt to do so. One feature I would like to stress—I do not know how this can be done—is that I believe the Government should issue a small pamphlet to those who are about to sign hire-purchase agreements. Some of the traps they will encounter should be pointed out to them. As I said last night, I do not believe in attacking people—it is the schemes and the systems which should be criticised. If one had a look at this morning's paper and this evening's "Daily News" one would find all sorts of inducements for people to buy. Would anyone try to tell me that the person who pays no deposit fails to realise that he is paying interest on what he would have deposited normally for the term of the agreement? But apparently, the man in the street does not take that into account. He is, nevertheless, paying a considerable interest if the agreement is undertaken for any length of time. I do not believe that the individuals who get money as well as an allowance on their old article which they have tendered as a deposit, do not pay interest on the cash in hand. Of course they do. They pay to a very large extent because they must pay interest on that amount, surely, for the whole term of the agreement.

I would say that over three years—if that is the term of the agreement—it could be taken on an average that they would pay 20 per cent. on the amount—£7, £5, £10, or whatever it might be. Also, when somebody is allowed to take away, in addition to the article that is purchased, a number of goods to a certain value, I cannot see that there would be any truth in the statement that he would not have to pay anything more or any increase in the weekly payments. I cannot for one moment imagine that they are to be a gift of goods in actual money, as it were, over a period. At the end of the period, that amount would go into the sum on which the purchaser has to pay interest.

The Hon. A. F. Griffith: It is understood that if you borrow money, you expect to pay interest on it.

The Hon. H. C. Strickland: How much interest?

The Hon. F. R. H. Lavery: Ordinary bank interest.

The Hon. J. G. HISLOP: If a person wants to borrow money, there are ways by which he can do so, but I do not believe that hire-purchase should be a means for the owner of goods to become a money-lender, in addition to being the person who arranges to finance the goods. I believe that something could quite well be added

to this Bill to ensure that the owner of goods who sells on hire-purchase, does not lend money. This is one way in which I think the public could be protected. As I said before, I will always attack a wrong practice. I realise that business today is such, apparently, that individuals must offer inducements to get business; but let those inducements be real and let the significance of the inducements be known to the individual. I would make the suggestion to the Government that it prepare a small pamphlet to be given to every person signing a hire-purchase agreement, so that he will know what he is doing when he takes goods away without a deposit, or accepts any inducements beyond the normally recognised ones.

The Hon. H. C. Strickland: What is wrong with the owner issuing such a pamphlet?

The Hon. J. G. HISLOP: I do not know whether this provision can be incorporated in the Bill, but I make the suggestion because I think that if the hirer was asked to read this pamphlet—which should be brief and to the point; and written so as to describe exactly what each clause meant—he would be protected.

An hon. member: It should be made compulsory.

The Hon. J. G. HISLOP: Yes. So that everyone taking out an agreement will know exactly what he is doing.

The Hon. G. Bennetts: He should have to read it before he signs an agreement.

The Hon. J. G. HISLOP: I do not mind when it is given to him, because I think in time the pamphlet would go from hand to hand and be a means of education, such as the hon. Mr. Murray suggested. I make this proposition to the Minister, realising that I do not think there is any place for it in the Bill.

On motion by the Hon. E. M. Davies, debate adjourned till a later stage of the sitting.

(Continued on page 2618).

Sitting suspended from 6.15 to 7.30 p.m.

STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT BILL (No. 2).

Recommittal.

On motion by the Hon. A. F. Griffith, Bill recommitted for the further consideration of Clause 2.

In Committee.

The Hon. W. R. Hall in the Chair; the Hon. H. C. Strickland (Minister for Railways) in charge of the Bill.

Clause 2—Section 2 amended:

The Hon. A. F. GRIFFITH: When the Bill was first considered in committee I moved an amendment to Clause 2 with the intention of deleting the wording in proposed new paragraph (b3) and substituting a rather long amendment. Hon. members seemed to consider that the amendment was rather too long, but I indicated that it was necessarily long as it had to write back into the measure what had been taken out. In an endeavour to place in the measure something which I think would be more acceptable to the Committee I have had prepared another amendment which I intend to move.

In view of the original undertaking which I gave to support a Bill simply giving the State Government Insurance Office the right to provide cover for 24 hours a day for school children, under the same conditions as the cover which it now provides for a shorter period, I expected the Government to bring down a short Bill to attain that end. Unfortunately, the measure with which we are dealing covers a greater range than that, and does not give the equal opportunity to which we referred during the second reading debate. During the introduction of the measure, in reply and during the Committee stage, the Minister for Railways said that if the Committee accepted my amendment all sorts of things would take place in State schools owing to the activities of insurance agents.

The amendment I propose to move simply provides for the other offices, which write insurance to be given the same opportunity as is at present given to the State Government Insurance Office. If the Director of Education, on his own behalf or under instructions from the Minister, issues regulations instructing the headmasters of State schools that such activity shall not take place, the primary effect will be that not only the private companies but also the State Government Insurance Office will be excluded from schools; and that is only fair.

On the other hand, the instructions sent out by the Director of Education, to the effect that the only scheme teachers were permitted to recognise was that of the State office, was a direct exclusion of every other office and opened the gate to the State Insurance Office only. Whilst the State Government Insurance Office has been operating on its limited basis one company—I hold no brief for any particular company—has in operation in a number of schools a scheme giving cover on a 24 hours basis. I think it is only fair that that company should be allowed to continue the scheme which has been entered into by a number of parents, but if the Director of Education is able to exclude that company from the schools it is reasonable to suggest that the arrangement, which is apparently operating satisfactorily, will not

be able to continue. I appeal to the Committee to accept what I have put forward. I move an amendment—

Page 2—Delete all words in proposed new paragraph (b3) and substitute the following:—

indemnifying the parent or guardian of a child or a university undergraduate against moneys paid for first aid ambulance or other transport service medicines medical or surgical requisites medical surgical dental optical hospital nursing or other necessary treatment and funeral expenses supplied given or incurred in respect of the child or university undergraduate as a result of bodily injury or death suffered by him by accident if the same facilities in the schools for obtaining proposals for such policies of insurance as are granted to the State Government Insurance Office are granted to other insurance offices. In this paragraph "child" means a person under the age of twenty-one years.

The Hon. R. F. HUTCHISON: I oppose the amendment—

The Hon. A. F. Griffith: Don't wait until you hear the Minister.

The Hon. R. F. HUTCHISON: I think we should leave the position as it is at present, as the parents and citizens' associations are in favour of the State Insurance Office.

The Hon. A. F. Griffith: Some of them are.

The Hon. R. F. HUTCHISON: It is strange to hear members of the Opposition always opposing the State Government Insurance Office in an endeavour to deny it the opportunity to compete on equal terms with the other insurance companies.

The Hon. H. C. STRICKLAND: I hope the Committee will not agree to the amendment, which is similar to the previous one which was not accepted by the Committee. That amendment has been modified to such an extent that I consider it would further restrict the activities of the State Government Insurance Office. The hon. Mr. Griffith has previously said that he desires to see equality of opportunity in regard to this type of insurance, but that would not be the position if the amendment were agreed to.

The amendment contained in the Bill would give equal opportunity to every insurance office, and would, in fact, meet the requirements of the hon. member. It would allow the State Insurance Office to undertake personal accident insurance for any of the types of persons mentioned in the provision.

Surely that is fair enough. The amendment moved by the hon. member could be interpreted to mean that it confines

personal accident insurance to a child or person enrolled at a University as an undergraduate. It could have the effect of eliminating all schoolchildren from this legislation, because a child is a person under the age of 21. In my opinion it could eliminate a University student even after he had turned 21. The Bill places everyone on an equal footing.

Some hon. members have said that the Minister directs schools to do this and that. I have some information on the directive that was referred to the hon. Mr. Griffith. This directive that has been referred to was sent to all Government schools by the Director of Education on the 4th June, 1958, but not upon ministerial instruction. It was sent because the department was being inundated by inquiries from head teachers as to whether they could allow insurance canvassers into Government schools to sell children's and other insurance. That was contrary to the regulations and the director considered that it was necessary to clarify the position for all head teachers.

At all times, the department has acted through the Parents and Citizens' Federation, whose scheme the State Government Insurance Office underwrites. The directive was issued by the Director of Education, not for the purpose of giving preference to any articular insurer, but because the schoolchildren's insurance scheme in the Government schools was sponsored by the Parents and Citizens' Federation and the State Government Insurance Office happened to underwrite that scheme.

One could visualise what sort of a problem the school teachers, and headmasters in particular, would have if any representative of an insurance company was permitted to enter schools, canvass schoolchildren and leave literature in order to effect insurance. The position could become impossible in those circumstances, and none of us would desire to see that sort of thing happen. I have made that explanation because great play was made of preference being given to the State Government Insurance Office. The hon. member's amendment would definitely restrict the operations of the State Government Insurance Office, but no restriction would be placed on any other insurance company. I hope the Committee will not agree to the amendment.

The Hon. A. F. GRIFFITH: I must answer the argument put forward by the Minister. In the first place, he asks us to read the amendment and then he places his own interpretation upon it. He has told the Committee that the wording could be limited to the University graduates. That is beyond the realms of possibility. The first two lines of the amendment read—

Indemnifying the parent or guardian of a child or a University undergraduate.

The Hon. H. C. Strickland: "or a person."

The Hon. A. F. GRIFFITH: It could be that I am reading the wrong amendment. I am quoting from Legislative Council paper No. 41, page 2.

The Hon. H. C. Strickland: You are quite correct.

The Hon. A. F. GRIFFITH: Without going any further, I think I have destroyed that argument. The Minister now says that the directive was not sent out under ministerial instruction and I accept that, but I point out that the director sent out that directive without asking for guidance on the matter from the Government.

The Hon. J. G. Hislop: What was the date of that directive?

The Hon. A. F. GRIFFITH: The 4th June, 1958.

The Hon. H. C. Strickland: I did not give you the date.

The Hon. A. F. GRIFFITH: I wrote the date down. The Minister said the 4th June, 1958. Obviously, I have been taking too much evidence on the Select Committee in the last two or three days.

The Hon. H. C. Strickland: You are getting a bit fuddled.

The Hon. A. F. GRIFFITH: I feel certain that the Minister said that the directive was sent out on the 4th June, 1958. The original Bill presented to Parliament by the Government was passed by both Chambers and was slightly amended by this Chamber to give it more scope. The hon. Dr. Hislop was instrumental in inserting a small amendment in the legislation in 1954, which gave the State Government Insurance Office authority to insure University students. The Minister now says that my amendment is going to limit the age of a child to 21. So it will. It is obvious to us that unless the Government is going to read that into the Bill we will not have a limit to 21. It will apply to a student anywhere or a University graduate anywhere, which would be beyond the scope of the Bill.

The Hon. H. C. Strickland: You said there should be equality.

The Hon. A. F. GRIFFITH: There is.

The Hon. H. C. Strickland: Would you limit the other companies?

The Hon. A. F. GRIFFITH: The amendment itself limits them. It reads, "a child would be a person under the age of 21 years." That will be written into the law. Arrangements have been made between some schools and other insurance companies in regard to insurance. The Minister says that the headmasters of schools particularly are inundated with inquiries as to whether insurance agents can enter schools and write up insurance business. We will accept that statement. All the director has to do in that case is to issue

an instruction that there shall be no canvassers allowed in schools and no distribution of insurance literature. Let us ask him to issue a directive that there shall be no collection of cards or distribution of money, because that is contained in the directive that was sent out by the Director of Education.

I was not sure of the date the directive was sent out, but the Minister said that it was the 4th June, 1958. The directive instructed the head teachers that the only thing they were allowed to do was to take out insurance on behalf of the State Government Insurance Office. Any other arrangement had to be scrapped, because the department was not prepared to accept any arrangement whereby the parents had entered into negotiations with private insurance companies. This time I am accused of introducing an amendment in an abbreviated form. It is in an abbreviated form, but the last time I brought down an amendment the Minister complained about the length of the verbose amendment and said that he could not understand it. On this occasion I got the amendment drafted by a solicitor and this is the response I have had. There are times when one cannot win. I hope the Committee will agree to the amendment, because I think it is a reasonable one.

The Hon. H. C. STRICKLAND: The hon. member got this amendment drafted by a solicitor, because the Chamber would not accept his previous one. It was not because I said it was too long. If this amendment is carried it will restrict the State Government Insurance Office in the issuing of personal accident insurance for trainees. The hon. member has confined the provisions to a child, or undergraduate who attends the University. Trainees at a teachers' training college would be excluded. There are some at the moment who do business with the State Government Insurance Office. I cannot understand the hon. member wanting to place any restriction on this legislation.

We have had it published in the Press and repeated in another place that when a change of Government takes place all the State trading concerns will be sold. I would think that members opposite would desire to broaden the activities of the State Government Insurance Office so that it may bring a better price. Even the railways are to be sold, if a buyer can be found for them. The Bill gives equal opportunity to all insurance companies. That was the expressed desire of the hon. Mr. Griffith, but his amendment restricts the State Insurance Office.

The Hon. A. F. GRIFFITH: I would refer to the first two lines of the amendment which says, "indemnify the parent or guardian of a child or a University undergraduate." The last two lines say that "child" means a person under the age of

21 years. Anyone under 21 years is a child, whether he be attending school or not.

The Hon. H. C. Strickland: Where is the trainee over 21 years of age covered?

The Hon. A. F. GRIFFITH: The limitation is 21 years of age. A person ceases to be a child at that age. The Bill introduced in 1954 had the same provision to indemnify the parent or guardian of a child. In regard to the University student not being able to get cover, we wrote in about that matter. There is the combination of University and the child in my amendment.

The Hon. H. C. STRICKLAND: A child could attend the Teachers' Training College and be insured with the State Insurance Office until he was 21, but he would have to change the insurance company after that age.

The Hon. J. G. HISLOP: We should agree to the clause. The State Insurance Office was the first office to suggest this type of insurance.

The Hon. A. F. Griffith: It was not the first.

The Hon. J. G. HISLOP: It was the first to bring the matter to the notice of Parliament. In my view it was the first to extend this coverage. I agree with the Minister for Railways that the amendment is likely to bar children over 21 years of age, who are attending the Teachers' Training College. An undergraduate is a person who will graduate with a degree. Scholars in technical colleges and teachers' training colleges would not be regarded as undergraduates. Those who graduate from teachers' training colleges and become teachers will not receive a degree. I appreciate the fact that a person might obtain the B.A. degree of the University and then undergo training at the Teachers' Training College. He would not be eligible to take out insurance with the State Insurance Office because he was no longer a child or an undergraduate. This amendment might bar the very people we desire to be covered. Just because we do not like State enterprises we should not do an injustice to a group of people. If it is right to permit the State Insurance Office to give this type of coverage, we should not stop other companies from obtaining the same business. We all know it is difficult to stop an inspector of a private insurance company from getting this type of business.

The Hon. A. F. Griffith: What about the arrangements already made where the parents and citizens' associations are getting a commission?

The Hon. J. G. HISLOP: They can carry on.

The Hon. A. F. Griffith: What about the directive from the Director of Education?

The Hon. J. G. HISLOP: Directives of that type will not stop the insurance inspectors, if they are worthy of their salt. The directive will not stop me, as a parent, from insuring where I desire. Although I dislike offending the Leader of my own party, on this occasion I have to support insurance coverage which will protect all students. Under the Bill these persons will be covered by not only the State Insurance Office, but any other company. If the amendment is passed we may deprive students who are more than 21 years of age, and who are attending technical colleges, of this coverage.

The Commonwealth Taxation Department permits a rebate for the education of children up to 21 years of age, but there are many students who finish their training after that age. My own son, 24 years of age, is only just finishing his course.

The Hon. J. M. A. CUNNINGHAM: The more debate that takes place on this amendment, the more confused I become. When this subject was first discussed I was the president of the Parents & Citizens' Association of the Kalgoorlie High School. Everyone of us understood this was to be insurance coverage for the time children were attending school. Now it is to be a 24-hour coverage. It is intended to cover not only school children, but students and trainees. This extension can be abused. Reference was made to undergraduates of over 24 years of age. In Kalgoorlie at the School of Mines there are trainees and undergraduates who are 45 years of age. There are married men attending technical schools as students, well over the age of 40. This Bill seeks to offer cheap insurance for 24 hours of the day for all students. I could not agree to it.

The Hon. H. C. Strickland: You want to prevent them from getting insurance.

The Hon. J. M. A. CUNNINGHAM: Yes, in respect of cheap insurance for the type of students I have mentioned. The Minister is trying to bring about full coverage for 24 hours of the day under the guise of a school-children's insurance scheme.

The Hon. A. F. GRIFFITH: I would refer the hon. Dr. Hislop to the principal Act. He will find that the Bill introduced in 1954 amended Section 2 of the principal Act by adding a new paragraph to indemnify the parent or guardian, etc., whilst the child is attending school. The three important words are, "whilst he is." If the Government intended to give a 24-hour coverage to school-children it could have left out those three words in the measure. The Bill before us is camouflage of the first order. I refer it to the hon. Mrs. Hutchison because there is no better judge of camouflage than she.

The Hon. H. C. Strickland: You admit she is right at times.

The Hon. A. F. GRIFFITH: I am quite sure the hon. member is right at times, but not on this occasion. Those three words could have been left out. I did not get the opportunity to strike them out, because the Bill before us deleted the very clause which was in the principal Act four years ago. I tried to reinsert it into the Act, but the Committee decided against me. By taking out those three words, school-children could have been given a 24-hour coverage.

The Hon. H. C. Strickland: But not equal opportunity.

The Hon. A. F. GRIFFITH: I have tried to overcome the obstacle created by the directive that nobody but State Insurance Office personnel shall be permitted to go into the schools, by providing equal opportunity to all insurance companies. It is not suggested that the insurance inspectors of the private companies should be able to run all over the schools. If the headmaster decides it is inconvenient for them to go into the classrooms they will not be admitted, but they should not be excluded if the officers of the State Insurance Office are admitted. This directive states that no one but State Insurance Office collectors can go into the schools.

The Hon. H. C. Strickland: The State Insurance Office collector does not go to the schools.

The Hon. A. F. GRIFFITH: Then why not accept the amendment? Schools in the metropolitan area are receiving benefits from the scheme provided by these private insurance companies. A commission from this insurance is being paid into the funds of the various parents and citizens' associations.

The Hon. H. C. Strickland: The Bill will not alter that practice.

The Hon. A. F. GRIFFITH: The Minister is going to tell them that they cannot carry on with it because they cannot go into the school.

The Hon. H. C. Strickland: Camouflage!

The Hon. A. F. GRIFFITH: I do not want to labour the point.

The Hon. L. C. DIVER: We are making a mountain out of a molehill. I have made inquiries, and there is nothing to prevent free competition among the insurance companies. Surely the hon. Mr. Griffith knows that many children are insured before they go to school. They are insured at the rate of 10s. per cent.

Amendment put and a division taken with the following result:

Ayes—13

Hon. C. R. Abbey	Hon. H. L. Roche
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. J. M. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. R. C. Mattiske	Hon. G. C. MacKinnon
Hon. J. Murray	(Teller.)

Noes—14

Hon. G. Bennetts	Hon. G. E. Jeffery
Hon. E. M. Davies	Hon. A. L. Loton
Hon. L. C. Diver	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. E. M. Heenan	Hon. W. F. Willesee
Hon. J. G. Hislop	Hon. F. J. S. Wise
Hon. R. F. Hutchison	Hon. F. R. H. Lavery
	(Teller.)

Majority against—1.

Amendment thus negatived.

The Hon. J. G. HISLOP: I see quite a lot of merit in the efforts which the hon. Mr. Griffith has made; and the Minister might well give thought to the suggestion I am about to make, although I do not know that it can be carried out at the moment. I do not believe in inspectors of insurance companies dashing into schools, or of teachers giving their views to students as to the company with which they should be insured. I do not believe the director or the teachers should sponsor companies.

We have a body through which these insurances could be effected. The Minister might give thought as to whether the insurances could be carried out only through the Parents and Citizens' Federation. If that were done, we might be rid of insurance company inspectors invading schools and wasting the time of headmasters. We would have no objection to the insurances being effected through the Parents and Citizens' Federation, but we do object to children being badgered by insurance agents.

The Hon. H. C. STRICKLAND: That is the practice now. The scheme came into being at the request of the Parents and Citizens' Federation; and it was brought in originally to cover school children. It was handled in the same way as Commonwealth Savings Bank business was handled—through the teachers. I give the assurance that no officers of the State Government Insurance Office, or of any company, will be allowed to approach the children at the schools. But equal opportunity will be available, through the federation, for any company to make an approach. To make certain that the Minister concerned is advised of the matter, I shall discuss it with him.

The Hon. A. F. GRIFFITH: I cannot accept the explanation which has been put forward by the Minister. Contained in Hansard is the history of how the school children's insurance scheme came into existence in Western Australia. It was originally established at the instigation of the Employers' Liability Insurance Company. Negotiations were carried out with the then secretary of the Parents and Citizens' Federation (Miss Hooten), but at some stage negotiations broke down because the State Insurance Office came in and said "We will do it." Now the Minister assures us that there are arrangements for collecting the money and

that the schools will not be inundated by inspectors from the State Insurance Office. But they are doing it now.

The Hon. H. C. Strickland: They are not.

The Hon. A. F. GRIFFITH: The director's letter says so.

The Hon. H. C. Strickland: It does not.

The Hon. A. F. GRIFFITH: It says, "Teachers are authorised to distribute cards, etc., and collect money."

The Hon. H. C. Strickland: Teachers.

The Hon. A. F. GRIFFITH: They are doing it now.

The CHAIRMAN: Order! I think some of these speeches are bordering on tedious repetition.

The Hon. A. F. GRIFFITH: This is a bit tedious, and it is a pity we cannot all appreciate that, in view of the instruction that has been sent out, what the Minister says is not going to be done, is being done.

The Hon. H. C. Strickland: By whom?

The Hon. A. F. GRIFFITH: By anybody.

The Hon. H. C. Strickland: Come clean. By whom?

The Hon. A. F. GRIFFITH: It is not going to be allowed to be done by the teachers. So far as the badgering of a child is concerned, of course no child is badgered. A contract for insurance cannot be undertaken with a child but with the parents. They are invited by the S.G.I.O., and by others, to undertake the insurance. It is possible that the information is taken home by the children in the same way as they take home other information.

I undertook to support a simple amendment which would give the State Office the right to grant insurance cover for 24 hours; and I am sure that is all that was intended at the time. Not only do I propose to vote against the clause, but against the third reading of the Bill.

The Hon. J. G. HISLOP: No matter what we said or did, nothing would prevent the Director of Education saying that we sponsored insurance through the State Office; or would prevent the parents and citizens' associations from saying we sponsored some company. I think too much has been made of this.

I want an assurance from the Minister to the effect that if there is an indication of actions by any insurance company which would be injurious to the interests of the schools or the children, he will amend the Bill at the next session to ensure that insurances can be effected only through certain channels.

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

Ayes—16

Hon. C. R. Abbey	Hon. G. E. Jeffery
Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. L. C. Diver	Hon. J. D. Teahan
Hon. J. J. Garrigan	Hon. J. M. Thomson
Hon. E. M. Heenan	Hon. W. F. Willesee
Hon. J. G. Hislop	Hon. F. J. S. Wise
Hon. R. F. Hutchison	Hon. A. L. Loton

(Teller.)

Noes—11

Hon. J. Cunningham	Hon. J. Murray
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. G. C. MacKinnon	Hon. H. L. Roche
Hon. R. C. Matliske	

(Teller.)

Majority for—5.

Clause thus passed.

Bill again reported without amendment and the reports adopted.

Third Reading.

THE HON. H. C. STRICKLAND (Minister for Railways—North) [8.32]: I move—

That the Bill be now read a third time.

THE HON. A. F. GRIFFITH (Suburban) [8.33]: The Council, in Committee, has divided on two occasions in the last five minutes on this Bill, and I do not propose to pursue the matter any further by calling for a division on the third reading. I only wish to enter my protest against the measure.

Question put and passed.

Bill read a third time and passed.

HIRE-PURCHASE BILL.

Second Reading.

Debate resumed from an earlier stage of the sitting.

THE HON. J. M. THOMSON (South) [8.34]: I do not wish to delay the House long at this stage, but I have been impressed by what has been said about the Bill; and I was struck with what the hon. Dr. Hislop had to say about the fact that we could afford to pay more attention to the principles that are involved in hire-purchase transactions. I support the second reading because, although the Bill may not do all that it should do, or could do, I think there is some justification for its introduction. Recently I had experience of hire-purchase by acting on behalf of a person whose vehicle was repossessed. Because of what I did on that occasion, I have a greater knowledge of hire-purchase procedure than I had previously. I intend to support the measure because I think it is a step in the right direction.

The sale price of this vehicle, which was repossessed, was £580; the insurance totalled £32, making £612 in all. The person who bought it paid a deposit of £172, leaving a balance of £440.

The Hon. A. R. Jones: Was it a second-hand vehicle?

The Hon. J. M. THOMSON: It was. To the above balance was added a sum of £122 for charges including registration fee and stamp duty, making a total balance of £562. He sold a vehicle on trade-in for a price of £172, and thus the list price was £734. The man concerned was quite happy to accept the hire-purchase agreement; he signed it and went on his merry way. He was the proud owner of a vehicle; the salesman, no doubt, was pleased with his efforts; and the finance company was also satisfied that it had entered upon a reasonable deal. This individual kept up his payments for some time, and when he had paid a sum of £60 he struck bad times and was unable to meet his commitments. Consequently, the company stepped in and repossessed the vehicle.

I will admit that the company gave him three months' grace from the time he first failed to meet his commitments before it repossessed the vehicle. However, the vehicle was repossessed and subsequently sold for a figure of £385. If we do a little mental arithmetic we will see that if the car was sold for £385, and the deposit was £172, and he had paid £60 in instalments, the total price at the date of sale was £617. I happened to meet this individual and he told me the trouble he was having, and I considered that the matter was worth looking into. We started to probe into it.

When the vehicle was resold the person concerned was notified by letter that the sale price was £385 but, because of the loss the company had sustained in having to resell the car, he was charged £64 and asked to make the necessary arrangements to pay this sum or the company would be compelled to take steps to obtain it by way of a court order. It has been a rather protracted business and while we were endeavouring to sort it out this person received a further statement from the finance company stating that because of rent, which was £45, plus interest at 8 per cent. per annum—6s.—plus 90 per cent. of the unremitted rent, £111 6s., and plus the costs of repossession, the total was £467 2s., from which the company deducted the sale price of the car, namely, £385. This left a balance of £82. As a result the company sent this individual an account for £82 although he had received a prior account, which was supposed to be the final account, for £64.

The Hon. R. F. Hutchison: I have two similar cases.

The Hon. J. M. THOMSON: It is the principle involved in these two transactions that irks people who take out hire-purchase agreements. They do not know where

on earth the matter is going to end. I said to this man, "For goodness sake do something about it or the sky will be the limit!" The first account he received from the finance company, which was supposed to be the final account, showed that he owed £64, but a few weeks later he received another account showing that he owed £82. The question is, where will these things end?

Whilst I fully appreciate all that has been said by those who are interested in preserving the present position of the finance companies in this State, I have a better appreciation of the whole story because of the contacts I have had with cases such as the one I quoted. I certainly know more about it than I knew before. Mistakes such as these should not be made because they affect the confidence of the people who are buying goods on hire-purchase. We are called upon to legislate for all the people and we should do what we believe is right to help the people.

However, not being completely satisfied at that stage, I took it upon myself some eight weeks after the company had repossessed the car, to see if I could locate it. After a considerable amount of walking and by a great stroke of coincidence, I came upon the car in question in a dealer's yard. Being interested in the vehicle I approached the dealer and, only after I assumed the role of a prospective buyer, was I told its price. The dealer asked me if I was a prospective buyer, and I replied that I was. He then asked me if I could pay cash. At this stage I must say that unless I can pay cash for a thing I never buy it, and I am certain that if the finance companies were to depend on people like me for their money, they would go out of business. On the other hand, I must hasten to assure the House that I think hire-purchase is very necessary in our community today. Perhaps I am an exception to the rule, or perhaps I am loth to pay interest that could be avoided by paying cash for an article.

The Hon. F. D. Willmott: It is your Scottish blood coming out in you.

The Hon. J. M. THOMSON: That may be so. But to get the information I sought, I said that I could not pay cash for the vehicle. I was then asked what I could pay, and I replied that I had no idea. For argument's sake, let us say that he asked me if I could pay £15. I said I did not think I could. The dealer then pointed out that a deposit of one-third was necessary, and, after having discussed the purchase of the vehicle, I was permitted to buy it for £465, which was the figure they quoted.

Hon. members will recall that when I was detailing the figures in connection with the last account that this individual received, the total cost was £467 2s., less the value of the car. Now, by this strange coincidence, the same car was to be sold to

me for £465. We discussed the terms and I found that the insurance for two years would work out at £60. I put that down as £40 insurance for the first year which would be reducible to £20 in the second year when I paid off the car.

I pointed out that I had never had an accident claim even though I had driven a car for many years, and asked whether I would be given a reduction for that amount in the second year. The dealer said, "Oh no, we do not do that," to which I replied that he was making it a bit tough.

The Hon. F. J. S. Wise: What is the name of the company?

The Hon. J. M. THOMSON: I do not think that matters. I am now talking about the principle involved. I feel that the people are concerned with that position, and they feel the necessity for something to be done about it. However, as I have said, I did not purchase the car. When we went further into the business I was told that the £64 the company claimed on the first occasion was a mistake. They said they regretted the error very much indeed, but the amount should have been £44.

When the car was repossessed the gentleman was notified that it was sold for the figure of £385. Hon. members will recall that the company said in the letter that the loss was £64, which it was claiming against him. Considerably later after we had started delving into this matter the company admitted it had made a mistake in the claim in the first place, and pointed out that it should have been £44: They regretted the mistake. They went on to say, however, that on the figures I quoted regarding the overdue instalments plus unremitted rent, plus damage to the car, the amount was £82.

What opinion can one form when one is faced with a situation like that? The hon. Dr. Hislop was quite right when he said that the principles involved are what we must consider, and that is my greatest concern.

The Hon. J. D. Teahan: How would you legislate against it?

The Hon. J. M. THOMSON: I am supporting the Bill.

The Hon. F. J. S. Wise: It is a lack of principle but not a lack of interest.

The Hon. J. M. THOMSON: This case proves that mistakes like these do occur whether accidental or otherwise. Because of the circumstances, I feel there is justification for a measure to deal with hire-purchase activities. In conclusion, I would say that the matter has not reached finality, and I feel the whole thing probably will be settled at an amount considerably less than the figure I have mentioned to the House.

Possibly this hire-purchase company has done what many other people in business do when they come up against such difficulties and has cut its losses. When I see such things happening I feel there is a great necessity to support the legislation which will be of some benefit, not only to the person who is going to hire the vehicle, but also to the people in the business who are lending the money to enable purchases to be made. I support the Bill. No doubt the amendments will be considered in Committee, and it is possible that we will have an opportunity to amend the measure next session in one or two respects.

THE HON. F. J. S. WISE (Minister for Industrial Development—North—in reply) [8.55]: I appreciate very much the many thoughtful contributions that have been made to this subject by the several speakers to the debate. This Bill has aroused an interest in this Chamber as great as any measure that has been dealt with this session. It is obvious that hon. members who have spoken are actuated by different ideas in their reasons for supporting the measure. Some hon. members are concerned with the situation in which the hirer—as well as the owner in some instances—finds himself. On the other hand, certain hon. members are concerned with the machinery the Bill contains in an effort to straighten out the difficulties associated with this class of trade at the moment. Then again there are other hon. members who are concerned with the investor, whose money is at stake in the many companies associated with this class of business.

It is obvious from the several speeches that have been made that there is a statutory need to protect quite a lot of people; there is certainly a need to afford protection to the hirer who, judging by many of the comments that have been made, is apparently too often a gullible person and one far too ready to purchase something he neither needs nor can afford.

It is obvious that the motorcar or motor vehicle trade has received particular attention during the debate. But there are of course many other features apart from motorcars, involved in the handling of hire-purchase agreements, and matters that affect such agreements. I thought the hon. Mr. Murray put his finger on a very important spot when he referred to the necessity for educating the hirer, the salesman and the people who verify, or guarantee, the hirer.

There is no doubt that so little is understood of the statutes that affect any form of money advances, or money lending—or of statutes that affect goods for sale—that a review of many of them would be most timely, because there are inter-related features in all these statutes which could even have some effect on parts of this very Bill we are now debating. The

review of the background of the hire-purchase systems that was made by more than one speaker did not, I think, give sufficient emphasis to the change in the needs of the people whose business it is to trade in money, and others whose business it is to use money to better advantage than at the price they are able to borrow it.

I can clearly recall being approached by certain interests in this city, not very long ago—perhaps in the late 30's or early 40's—to have legislation introduced into the Parliament of this State to prevent the invasion of hire-purchase companies into Western Australia from other States. It was so serious, that a request for a Bill was made at very short notice. But within a week I was advised by the very same interests, who had further analysed the position, that they had no wish for a Bill; they found they were able to adjust the matter, and the adjustment of the matter was their entering into the business themselves.

If we take the attitude of the banks at that time—and without endeavouring to speak at all in any derogatory fashion—I can say with definiteness that they were averse to the growth of the lending of money to companies in association with a vast acceptance of hire-purchase transactions.

Naturally, the banks which had advanced money at ordinary rates of overdraft interest—say, at that time, 6 per cent.—did not like the situation where other people, at short term or long term, on overdraft, were making 30 per cent. out of the money they borrowed from the bank. That became such a proved business, that the banks took stock of the situation; and all of us know of the undesirable features—I think definitely they are undesirable—of banks being so involved today in hire-purchase matters that there is a very serious diminution of moneys available for other necessitous circumstances.

That position was dealt with by the hon. Mr. Jones at some length this evening, and I agree entirely with the point of view he expressed. I think this can be said to have some alliance with secondary industry and the necessity for secondary industry to be able to sell its products to an ever-increasing number of consumers.

There is not any doubt that in that process a lot of undesirable situations and practices have been either evolved or have developed. The hon. Mr. MacKinnon asked for clarity on several points contained in the Bill. I shall endeavour to deal with some of them, not necessarily serially.

The hon. member referred to the Hire-Purchase Agreements Act which has, in Section 3, reference to the size of type we adopt—it is not to be smaller than eight point face. It might be desirable to have, in the agreements that will be made

under the measure, when it becomes an Act, a type very legible and properly spaced and of a size suited to the purpose.

I have looked at what we might do in that connection, and I think there is a place in this Bill, particularly in relation to the making of the agreements—Clause 3 of the Bill has a lot to do with the point—to stipulate, just as we stipulate in the Second Schedule, information that the hirer must be acquainted with; and to provide that he should have the opportunity, legibly, to read what he is supposed to read, but rarely does, and to have the agreement presented to him in a type not less than the size of eight point face. Eight point type is almost, if not identical, with the size of the type on the front page of "The West Australian" at the present time.

If that were double spaced at the particular points necessary in the agreement, I think it would be an advantage. At any rate, I propose, when the Bill is in Committee, to give the Committee a chance to consider that aspect.

The Hon. H. K. Watson: Have you circulated the proposed amendment?

The Hon. F. J. S. WISE: Not so far. I have an amendment with which I will be sure all hon. members will be acquainted before that time. The hon. Mr. MacKinnon particularly asked for the reason for the two methods of payment, which are referred to in the clause on page 12 of this Bill.

I would point out that this Bill is designed, in many respects, to protect the hirer and not to do any injustice to the owner. In particular, it is to protect the hirer. In this case, where the hirer has given notice in writing that he is re-delivering goods to the owner, he may terminate the hiring by payment to the owner of two methods that are described.

If an amount is required to be paid in such circumstances under the agreement, these circumstances affect the terms of the agreement as well as the circumstances applying to the handing over of the class of merchandise or article at that time. It could be in the agreement that unless certain circumstances were honoured by the hirer, double interest rates over six months, and all sorts of things which were put in the agreement because they were thought never to be operative, would obtain at the time of re-delivery; and indeed, it could be almost a reference to a straight-out contract of sale which terminated at a certain date placing a specific burden on the hirer unless he completed the agreement.

On the other hand, the second amount which the owner would have been entitled to recover if he had taken possession of the goods at the date of termination of the hiring, could be the amount owing as if the owner wished to terminate the

agreement in the same manner as the hirer had done; and there could be a differential in the two amounts owing in the two circumstances. This provision in the Bill is necessary so that the hirer will be paying the lesser amount in any case.

In connection with the clauses relating to repossession, and other matters—and the avoidance of certain provisions—there is a special clause in this Bill which refers to all of these things which will be void and of no effect, if there is any attempt to obviate the strict terms of the agreement.

That is to say, there is no chance whatever of a person attempting to contract out of the agreement. That is entirely unacceptable. We will find in the clause on page 11 of this Bill, several matters of consequence, both in the prerequisite of having a proper agreement drawn and the living up to that agreement by both the hirer and the owner; so that in no circumstances can misrepresentation, as outlined by the hon. Mr. Thomson, or a contracting out of the agreement, take place. So any provisions in the agreement which avoid any part of the contract of sale are dealt with. Therefore, there can be no avoidance of the requisite provisions of this Bill by the owner or the hirer.

The Hon. G. C. MacKinnon: You cannot even avoid this by agreement?

The Hon. F. J. S. WISE: No. Several hon. members raised the question of insurance, and I will deal with that at a later stage. The hon. Mr. Teahan properly said that this was a way of business that had come to stay. Therefore it is something which, without doubt, should have no chance of being regarded as other than reputable business. I think that was one of the arguments advanced by the hon. Dr. Hislop. Let us have this type of business, not discounted as something of improper use, or used by get-rich-quick people, or by people who desire in some way to evade the law; but let us, at every stage—because hire-purchase is definitely here to stay—have a recognition that it is a reputable business sponsored by honourable people seeking to take no advantage of the people.

The Hon. G. C. MacKinnon: In the main, we must admit that is the case.

The Hon. F. J. S. WISE: In the main, I would think that it is. This Bill, the first to have a reception which indicates acceptance in the Parliament of Western Australia, is designed not to have any deleterious effect at all on the persons in the business who are honourable and dealing properly on a business basis; I think we can safely say that. But there is every prospect under the Bill, if it is properly administered, of preventing a violation of the law and the intention of the law; and of inducing people to change their methods to proper methods in dealing with

the public when selling instruments, implements, appliances or anything that is today sold under hire-purchase agreements.

The hon. Mr. Diver drew attention to the fact that too much money was being used for hire-purchase against the money now available for rural industries. Any one who is concerned in farming pursuits, knows of the great difficulties that are being experienced in arranging finance. People whose accounts were good and recognised as sound two or three years ago, today could not get an advance of £300. Some two-and-a-half years ago, they could have got £2,000. The stock firms are adopting the same attitude.

Why is this? It is not so much because of the lessening volume of money, as a whole, as it is because of the lessening of the volume of money untied and available for general use in the economics of this State. So much money has been channelled into this business that it can cause a serious ill-balance in the economy of the State.

The Hon. L. C. Diver: Higher earning capacity!

The Hon. F. J. S. WISE: Of course, the earning capacity on hire-purchase is obvious if we read advertisements, which illustrate the desire to purchase money at 10, 12 and 15 per cent, and to sell it up to 40 per cent.

The Hon. H. K. Watson: That is not general.

The Hon. F. J. S. WISE: No, I agree entirely that it is not general, but where it is in evidence it is having a very serious effect. Where it is valid is in the transactions of the banks and other firms and institutions. It is still having the effect of drawing away from other very desirable causes, the money that is needed for the use of our community. The hon. Mr. Diver referred to the obvious growing pains in the early stages of control during the first year or two of the life in the Act. With respect to the hon. Mr. MacKinnon, I say it is one of those Acts that will be amended every year in this Chamber.

The Hon. H. K. Watson: It should not be.

The Hon. F. J. S. WISE: The hon. Mr. Jones referred to the many advertisements we read in every issue of our daily Press, advertising, if not at no deposit, at least the ability to purchase with a deposit of almost a tinopener if one has nothing better. The firms offer a sale by inviting the customer to purchase a new fridge and to bring in the old ice chest or ice box from the wood heap, or mum's wringer from the laundry, and even if they don't swap it for something many pounds dearer, they certainly get £10 for it. Some of these transactions, may be purely valid business methods, but the trend is an unhealthy one.

The Hon. H. K. Watson: This is almost like a policy speech.

The Hon. F. J. S. WISE: I had no thought of what I would say until I heard the hon. members' speeches earlier. I would say that the rigidity with which hire-purchase will be held in the future—if this Bill becomes law—will be a very healthy trend, not as a policeman to control the doings of people who act decently, but to ensure that those who prefer not to so act, are controlled and that no one is exploited because of their actions.

The hon. Mr. Watson said that this Bill contains the necessity for a full statement of the account of a hirer at any stage. As I mentioned when I introduced the Bill, provision is made for that information to be supplied not more often than monthly. So that the hirer may know from the start the exact position, as to what he owes and what he is due to pay on every pay period, he will be armed with the details in the Second Schedule of this Bill which sets out his rights and what must be made known to him before he signs on the dotted line.

In regard to the clause dealing with insurance, which brought forth the most comment, I want to say firstly that I am not at this stage going to advance all the arguments which I might, because I have been warned that this clause will be, if not attacked, at least subject to attempts to defeat it.

The Hon. L. A. Logan: Surely you don't take any notice of warnings.

The Hon. F. J. S. WISE: I certainly do. I do not fire all barrels at once. This clause—Clause 20—has three specific provisions. It firstly provides that the goods purchased under hire-purchase agreement must be insured. It provides that the hirer must insure his risk with his own choice of insurer. That is the contentious one, I gather. It further provides that the owner cannot refuse to arrange insurance with an insurer of the hirer's choice if it is a reputable insurer.

Those are the three principles most objected to in the clause. We all know that glib and experienced salesmen would aver—and have done—that their business is a complete unit, properly administered from within, handling every angle and aspect of the business with their own administration and carrying their own risks. They would say it is far better for the purchaser or the hirer to complete the business with the insurance company under the one roof. That, in operation, is quite all right with firms of unquestionable standing, but it is not all right with the firms which arrange their own insurance, and have a tie up with insurers, guarantors and people who arrange their own finance; and it is not good for

companies, some of which are heavy advertisers to be allowed to say that all the business is to be done under their own roof.

I doubt whether in such a case, there would be any available premiums and costs comparable with those of the insurance companies, against which no one could point a finger. The facts are that some of the rates of insurance are extortionate and I want to ease the mind of the hon. Mr. Watson in regard to the case of the person who wishes to purchase a car in the country but because of his desire to select his own insurer might have a delay of a week or two, because of the negotiations, transfer of documents, and the like.

I would say that in those cases, the position of the choice of insurer would not arise. Let us take the town of Kellerberrin, Goomalling or Williams. I daresay that in each of those towns there would be agents for half-a-dozen well-known and acceptable insurance companies, and the hirer would desire to select one of those and it would not in any way inconvenience the owner. In some of our city transactions there would be available to the hirer at least 20 insurers of his own choice, one of whom he would select for his business.

I would strongly stress upon hon. members that this has no reference to anything which hon. members, through the policy of their party, vigorously oppose. There is no suggestion or reference in any way to anything controlled or supported by the State. The idea is to take away from the owner, anxious to make a profit at every level, the opportunity to treat unfairly and to deal unjustly with the person who wishes to purchase his goods.

I have discussed this clause today with legal authorities in and out of the Crown service and they are satisfied—particularly as one of them had communications from other States—that this clause is giving no reason for an owner, hirer, or hon. member of Parliament to fear any business being channelled into undesirable tracks where people may benefit unfairly.

The Hon. H. K. Watson: The State Housing Commission was not given the same opportunity when it sold property.

The Hon. F. J. S. WISE: There is a reason for that. The State Housing Commission is selling a State house. It is dealing with two or more Government instrumentalities, and surely it is logical for the State to give the benefit of its business to the insurer, which will benefit the State's revenue.

The Hon. H. K. Watson: What about the purchaser? He has no rights.

The Hon. F. J. S. WISE: The purchaser has rights. Here we have a commodity not being dealt with by 100 vendors, and

commodities of hundreds of clients, but the one the hon. member did refer to is one in which the State has a right, and I am sure if he thinks more deeply about it and discards the feeling that there is any sign or intention to attract business to any State office but that there is a desire to give free choice, he will see the reason for the wording in the clause.

I think the hon. Mr. Watson aptly described many of the residents of Western Australia when he said they were hire-purchase addicts. They only have to see something advertised and not through any acquisitiveness, but perhaps sometimes because they are wanting to keep up with the Brownes, they involve themselves in monthly commitments they cannot afford. In this endeavour to keep up with the Brownes, many of them are buying something they don't want with money they have not got, to please people they do not like!

The Hon. G. C. MacKinnon: And very often do not know!

The Hon. F. J. S. WISE: That about sizes up the situation of many of the transactions which take place. Today is very different from the period long ago when I was a small boy. If the family wanted a piano, it would save up for it and there was no thought in later times of a radio, unless the piano was paid for, and no thought of a motorcar or even a bicycle unless it could be paid for. Although I may state that those days were healthier, mentally, I am not advocating the cessation of hire-purchase. I am advocating that this Bill should get a fair trial being moulded, as I mentioned when introducing it, on a Bill introduced into the Victorian Parliament by a Liberal Government; and, although not identical, it may have been improved in the Legislative Assembly of this State. Here it is, as something which can be tested as a beginning and which will not be proclaimed for six months, in order to enable those in the business to obtain all the requisite forms and pay all the necessary attention to its provisions. It will then be applied, in the interests of the whole of the Western Australian community. I hope the Bill will pass almost in its present form but, as I mentioned by interjection, when certain amendments were forecast, I shall be happy to analyse them and decide whether they are acceptable to the Government or not.

Question put and passed.

Bill read a second time.

In Committee.

The Hon. W. R. Hall in the Chair; the Hon. F. J. S. Wise (Minister for Industrial Development) in charge of the Bill.

Clauses 1 and 2—put and passed.

Clause 3—Interpretation:

The Hon. F. J. S. WISE: I do not intend to proceed with the amendment to this clause which appears on the notice paper.

Clause put and passed.

Clause 4—As to form and content of hire-purchase agreements:

The Hon. F. J. S. WISE: I move an amendment—

Page 4—Add after subclause (2), the following to stand as subclause (3):—

- (3) Type used for an agreement, for a copy of an agreement mentioned in this or the next succeeding section, or for a copy of either of the Schedules must be at least eight point and the lines must be separated by at least two points.

The reasons for the amendment are obvious, and it has been moved on a suggestion by the hon. Mr. MacKinnon who said that it would make more clear the prerequisites which should be embodied in the agreement.

The Hon. H. K. WATSON: The other evening the hon. Mr. MacKinnon referred to Section 3 of the 1931 Act, and I feel that the Minister should have repeated that provision in its entirety, without any frills. A hire-purchase agreement is lengthy and must of necessity be printed in comparatively small type; and it is desirable that it should be kept on one page. Under this amendment that might not be possible.

The Hon. F. J. S. WISE: I do not mind if we let it go for the time being.

The Hon. H. K. WATSON: If the Minister is agreeable, I would be happy to agree to a recommittal, if necessary.

The Hon. G. C. MacKINNON: As I suggested, yesterday, it might be more a matter for a printer to decide than a legal man. I am sure that the Government Printer could say whether, under the amendment, the necessary wording could be included on one page.

The Hon. F. J. S. WISE: I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clauses 5 to 8—put and passed.

Clause 9—As to representations, etc., made in respect of hire-purchase agreements:

The Hon. H. K. WATSON: I move an amendment—

Page 10—Delete the following words in lines 8 to 12:—

—during the period of six months after the making of the agreement or at any subsequent time if the

court is satisfied that the owner has not been unduly prejudiced by the delay—

I trust the Minister will accept this amendment. Clause 9 is the new clause which confers the necessary right on the hirer that he would have under the Sale of Goods Act. The clause not only gives him the right he would have under that Act and under common law, but it goes even further. In the interests of uniformity with respect to the Sale of Goods Act and common law, which is well settled in respect to the rights and liabilities concerning breaches of warranty and misrepresentation, the right to rescind an agreement is one which should be exercised in accordance with ordinary principles; that is, it should be rescinded immediately after the acts of misrepresentation have been discovered. My amendment will bring the verbiage into line with paragraph (b). Incidentally, it also brings the verbiage of the clause into line with a similar clause in the Victorian Act.

The Hon. F. J. S. WISE: The effect of the amendment is as the hon. Mr. Watson has said. It will remove a limitation placed on the hirer by the clause as it stands when he rescinds the agreement at the end of six months. It also makes it clear that only thereafter, by leave of the court, could a breach of warranty be considered. The amendment will take away from the hirer some advantage he would have over the owner if the clause remains as it is. I hope that the hon. Mr. Watson, seeing that he has three amendments on the notice paper, will reciprocate the action I propose to take on this when we deal with the next amendment, because I do not intend to oppose this amendment.

Amendment put and passed; the clause, as amended, agreed to.

Clause 10—put and passed.

Clause 11—Power of hirer to determine the hiring:

The Hon. H. K. WATSON: I move an amendment—

Page 12, line 18—Delete the words "state in the agreement" and substitute the words "advise the hirer in writing within seven days of receipt of the hirer's notice of".

With the Christmas spirit fast approaching nothing would please me better than to accede to the Minister's request that one of these three amendments might not be pressed. However, when I started to peruse the Bill I had about a dozen amendments and I had already gone through the process of presentation of the amendments before I put them on the notice paper.

The Hon. F. J. S. Wise: I could have thought of that one just as quickly.

The Hon. H. K. WATSON: This is a very necessary amendment. It may well be, and I am informed that it generally is, that where a person has purchased, say, a crawler tractor, he may intend to use it at Meekatharra. He may use it there for twelve months and, on the completion of the work, take it to Albany. If we follow the provisions in the Bill, the hirer would have to return the vehicle either to Perth or Meekatharra. Unless the Bill is altered, it will be found that the hirer would much prefer to retain the vehicle at Albany, but he is obliged to return it to Meekatharra, and at his own expense. The sensible thing to be done by the hirer and the finance company is to determine the place where the vehicle is to be returned at the time when the vehicle is to be returned. At the moment the clause is unduly tying the hands of the hirer and the owner.

The Hon. F. J. S. WISE: I fear that the hon. Mr. Watson's argument can be used to prove a contrary situation and I will use his illustration in doing so. The hon. member instanced a crawler tractor being purchased for work at Meekatharra which would probably be doing some bulldozing work, for example, and the vehicle would probably cost about £13,000. The purchaser of such a vehicle would have a programme mapped out for the whole of time he anticipated using it. Therefore, when the contract was concluded at Meekatharra and he went to Albany, at the time of the purchase he would know the approximate time when the vehicle would be transferred to Albany and he would also know the approximate time when it would be moved again after the Albany job had been finished. The words in this subclause provide a bargaining point for the hirer with the owner. It gives him the opportunity of saying, "If I do not intend to remain the hirer any longer, I shall, at the conclusion of the jobs, have the vehicle at Albany or Katanning."

Therefore, in the arranging of details of all the costs involved, he will calculate the cost if it is to be returned at Meekatharra. Let us suppose he cannot do that, and this amendment is agreed to, and the owner of the machine says that it suits him to have the machine delivered at Broome. All he has to do under the amendment is to advise the hirer in writing within seven days of receipt of the hirer's notice of the place to which the goods may be returned.

I submit the hirer could be absolutely disadvantaged by this amendment. He could be involved in costs entirely immeasurable and not anticipated. Instead of the owner being able to say at the time of the return of the implement, "You shall return it to this point," I submit it is proper at the time of making the contract

for the hirer to say, "You know I am buying this on hire-purchase terms. I have certain contracts. It looks as if Kataning will be my suitable place for returning it." I oppose the amendment.

The Hon. L. C. DIVER: I cannot agree with the remarks of the Minister. This clause covers cases where the hirer decides to terminate the agreement. In putting forward his case, the Minister said that the owner could take advantage of the hirer by nominating some distant point as the place of return. If the word "shall" was used, I would agree. The clause states—

The owner shall state in the agreement a suitable and convenient place to which the goods may be returned.

What happens if we do not agree to the amendment? In 99 per cent. of the agreements it will be stated that on termination of the agreement the goods shall be lodged at the chief place of business of the firm. That will put the hirer at a disadvantage in many instances. If the amendment is passed an amicable arrangement between the owner and the hirer will be made as to the most convenient place for return. Let us suppose that the hon. Mr. Watson and I are wrong, and the state of affairs portrayed by the Minister comes about. We know there will be growing pains when this Bill becomes law.

Sitting suspended from 10.5 to 10.30 p.m.

The Hon. A. R. JONES: I cannot agree with the reasons given by the Minister as to why this amendment should not be agreed to; and I support the hon. Mr. Watson's contention. We ought to look at the position that could arise in certain circumstances. A person, with the best intentions in the world, might enter into a hire-purchase agreement, say for the purchase of a motorcar. He might be in Albany at one period, and six months later be living in Meekatharra; then, because of certain circumstances, such as sickness in the family, or loss of employment he might find himself unable to meet his hire-purchase commitments.

If he is a good type of chap he will immediately notify the owners that he cannot continue his payments and, in such circumstances, it would be in the interests of both the hirer and the owner that the vehicle be sold in whatever place the owners thought they could get the best price for it. In this instance, it might be in Meekatharra itself or in some place adjacent to that town.

Let us take another illustration, and once again let us say that the article in question is a motorcar. If, at the end of a certain period, the person concerned cannot meet his commitments, and he is not a particularly good type, three or four months might elapse before the owners could catch up with him. Immediately the

owners know that they cannot get anything further from that person they will see that the article is delivered to a place where it can be sold at the best price possible. This amendment would enable the company to do that, because it states that the owner shall advise the hirer in writing within seven days of a suitable and convenient place to which the goods may be returned.

Although it is against the law for a person to leave the State with goods he is buying under hire-purchase, if the goods in question were a motor vehicle or a refrigerator, the hirer could go to the Eastern States, and it would not be practicable for the owner to have the goods returned to Western Australia in the event of the hirer failing to meet his commitments. This amendment will be of considerable advantage in cases of repossession and I hope the Committee will support it.

Amendment put and passed; the clause, as amended, agreed to.

Clauses 12 and 13—put and passed.

Clause 14—Right of hirer to recover certain amount where owner re-takes possession of goods:

The Hon. H. K. WATSON: I move an amendment—

Page 14—Delete all words from and including the word "actual" in line 7 down to and including the words "then the" in line 10.

The object of this amendment is to clarify and simplify, as best we can, the very vexed question of values. The other night we had an example of it in the Local Courts Act on the question of what a bailiff could sell, and the value of the goods he could sell. It crops up again here, and I think the Committee will agree that if the clause is passed as printed we will have confusion worse confounded. My object is to say that the value shall be the best price which can be reasonably obtained by the owner at the time.

I think the words "actual retail value" should be struck out, because I defy anybody to tell me what is a reasonable and fair definition of the words in regard to the average secondhand article. It is difficult enough to say what is the actual retail value of a new article. The actual retail value of a dustbin at Foy & Gibsons might be 10s. and at Woolworths 6s.

The Hon. G. C. MacKinnon: Chrysler Royal sedans changed in price by £200 in one day.

The Hon. H. K. WATSON: Yes, and one could go on giving different examples. My understanding of the practice of most hire-purchase companies is that upon repossession they sell through dealers. They have found, from long experience, that offering goods to three or four dealers, and obtaining a price from them all, and then selling

the goods to the highest bidder amongst the dealers is the most effective way of securing the best possible price. Sending goods to an auction has been tried but I am informed that it is less advantageous to the hirer than selling the goods to dealers in recognised commodities. If after submitting the goods to three or four dealers the hire-purchase companies find the price is the same, and there is collusive tendering, they try elsewhere. They do all in their power to get the best possible price. If an article is repossessed they want to get rid of it as quickly as possible at the best price. My amendment would provide the best price obtainable for the owner.

The Hon. F. J. S. WISE: This phase was argued in another place for five hours and was defeated. All that the hon. Mr. Watson has outlined could happen in an endeavour to find the best price to the hirer and the purchaser. The clause is designed to favour the hirer. The hon. Mr. Watson's amendment would have the effect of bringing down the value very seriously against the hirer.

An unscrupulous owner could make a transaction—not a valid one—with his principal, and give to that person a bargain. He could sell for £100 a motor vehicle worth £550 and the hirer would have to accept that price if these words are removed by the hon. Mr. Watson. I acknowledge that the words, "actual retail value" would take a Philadelphia lawyer all his time to understand. The word, "actual" is superfluous. The retail value could be obtained in more than one way. The daily Press definitely gives a lead as to the value of almost every make of motor vehicle at the particular time.

There is a list printed by dealers giving these prices. We do not want a faked price; we do not want the hirer to be at a disadvantage. We should not allow some snide person to take over the article and sell it at his price to the detriment of the hirer. I would have no objection to the amendment if we could introduce an arbiter who could be consulted. But that would not be practicable. I am not interested in the exact words but the retail price could be the price displayed in the Press for that type of vehicle. We should not leave it wide open. It would be better to leave the clause as it stands. Let us test its wording. In essence we desire to get a fair price for the hirer.

The Hon. G. C. MacKINNON: The difficulty of the problem varies from one article to another, and from one business to another. The debate has been restricted to secondhand cars. But the bulk of the finance for the motorcar business is supplied by hire-purchase companies, who are interested only in the lending of money. They have no facilities for storage, and their problem is different from the firm that is selling

household goods, and which has its own finance company. Their problems are entirely different.

I cannot see how the hon. Mr. Watson's amendment will make the wording any easier to understand. It does perhaps make the clause tidier in relation to motorcars. But when we relate it to automatic washing machines, sewing machines and cake mixers, we find that for every article marketed in this State there is a buyer. I quoted a washing machine which brought £12 10s. at a bailiff's sale. That was ridiculous for that type of machine. It could have been placed at £100 if it were given to a firm that specialised in that type of selling.

When a person repossesses an article, he does not wish to sell it to the buyer of a new article. If he sells a new article he would probably have a margin of about £20 profit, and it is better to place a repossessed article quickly with a person who wants that type of article, and can only afford to pay £20 for it. It is not possible to overcome the problem of repossession by legislation. The Minister suggested an arbiter, but I do not think that would be feasible in the case of washing machines, cake mixers and the like. The problem is so complex that I do not see how it can be solved.

The Hon. A. R. JONES: Might I ask the Minister what the purpose is of having these words in the Bill, if we are to have an arbiter to give the retail value at the date of repossession? Even at the moment the hirer is protected to the point that if he feels the price which he is quoted is not fair he can appeal to the court. If he is dissatisfied with this price, he has the right to approach the court or magistrate. It is reasonable to suppose that before any firm or owner would give a determined price to the hirer, it would make certain by going to as many reputable people as it could to get a valuation. We have to remember that if they do not try to get the best possible ruling price, they would be liable.

I know of a person who, 18 months ago, purchased on hire-purchase a particular type of vacuum cleaner. He was not satisfied with it and 18 months later decided to trade it in and buy another type. The original cleaner cost £34 18s. months ago and the price offered on a trade-in for a new cleaner costing £44 was £6. That person decided to pay the extra £6 and sell the cleaner himself. He finished up by taking £4 10s. We saw in the paper where a house valued at £3,500 was sold at auction in Sydney for £10.

I think the words are redundant and serve no purpose whatsoever. The hirer is protected inasmuch as he can place any price submitted to him before a magistrate.

The Hon. H. K. WATSON: The Minister's approach to this amendment has been eminently fair and I have endeavoured to approach the subject in the same manner. I cannot help but think that if the draftsman had devoted a little more time to the drawing up of this Bill instead of merely copying the Victorian Act, we might not have had this problem. Section 5 of the 1931 Act simply says that the vendor shall be credited with the value of the article as at the date of its return. Had the Bill read that way it would have been much better. The Minister has said that there would be no objection on his part to my amendment if there were an arbiter. I think the hon. Mr. Jones has given the answer to that question and I would like to develop that point.

In Clause 15 we are told that in any legal proceedings in relation to hire-purchase, if the owner has taken possession of the goods, the court before which the proceedings are brought may vary or discharge the judgment or order of any court against the hirer for the recovery of money so far as is necessary to give effect to the provisions of the last preceding subsection.

The Hon. F. J. S. Wise: They are specially connected.

The Hon. H. K. WATSON: Yes. My inquiries have produced the information that when there is a dispute, all parties go to the court and the company has to show to the court the various tenders it has received, and satisfy the court that it has accepted the best possible price. I would suggest that the court is the only arbiter it is possible to have in regard to the question of the value of an article.

The Hon. F. J. S. Wise: Yet it could be a costly way.

The Hon. H. K. WATSON: I grant that. However, the hirer has the remedy in his own hands and that is to endeavour to sell it himself at the best price which he can obtain.

The Hon. L. C. DIVER: The hon. Mr. Watson has touched on the succeeding clause which deals with a case when it goes before a magistrate. I take it that a magistrate, in being asked to make a determination as to what was the actual retail value of the article at the date of repossession would have to try and decide on the meaning of "retail value." In regard to motorcars, the Minister has indicated that it means the values which are advertised for a particular model from day to day in the newspaper. However, if two people each had a car in their possession, at the end of 12 months the cars could be in quite a different state of repair or disrepair. It is necessary to have someone in the State to whom a repossessed article can be sold. Therefore, I feel that these words will doubtless create much

confusion when the occasion arises for a magistrate to make a decision. I support the amendment.

Amendment put and passed; the clause, as amended, agreed to.

Clauses 15 to 18—put and passed.

Clause 18A:

The Hon. H. K. WATSON: I feel it is undesirable that a new Act should contain a Section 18A. It seems that this was inserted in another place. I move an amendment—

Page 19—Renumber Clause 18A as Clause 19.

Amendment put and passed; the clause, as amended, agreed to.

Clause 19—put and passed.

Clause 20—As to insurance of goods comprised in hire-purchase agreements:

The Hon. H. K. WATSON: I would like the Minister to furnish the Committee with the further reasons he has in support of this clause.

Clause put and passed.

Clauses 21 to 24—put and passed.

First Schedule:

The Hon. G. C. MacKINNON: It is delightful, as in this instance, to see that the draftsman can write concise and clearly understood English into the provisions of a measure.

Schedule put and passed.

Second Schedule, Title—put and passed.

Bill reported with amendments and the report adopted.

Third Reading.

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

BILLS (2)—FIRST READING.

1, Industry (Advances) Act Amendment.

Introduced by the Hon. F. J. S. Wise (Minister for Industrial Development).

2, Factories and Shops Act Amendment.

Introduced by the Hon. H. C. Strickland (Minister for Railways).

NOXIOUS WEEDS ACT AMENDMENT BILL

(No. 3).

In Committee.

The Hon. W. R. Hall in the Chair; the Hon. F. J. S. Wise (Minister for Industrial Development) in charge of the Bill.

Clause 1—put and passed.

Clause 2—Section 49 amended:

The Hon. F. J. S. WISE: The hon. Mr. Jones and the hon. Mr. Logan last evening referred to the difficulties associated with restraining the use of sprays with poisons where on adjacent sites valuable crops are grown. Where manual or aerial spraying is indulged in, unless there is authority in the regulations governing the use of such sprays to limit the area by prescribing boundaries, difficulties could arise. I consulted officers of both the Department of Agriculture and the Crown Law Department today, and it was suggested that the words used last evening should be added to overcome any difficulty and to enable the making of regulations to prescribe what may be done. I move an amendment—

Page 2, line 9—After the word "periods," add the words "or in relation to any specified area or boundary."

The Hon. A. R. JONES: I am grateful to the Minister for having taken up this matter and having consulted the Crown Law Department. I believe the amendment will do all that is required.

Amendment put and passed; the clause, as amended, agreed to.

Title—put and passed.

Bill reported with an amendment and the report adopted.

Third Reading.

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

STATE FORESTS.*To Revoke Dedication.*

Message from the Assembly requesting the Council's concurrence in the following resolution now considered:—

That the proposal for the partial revocation of State Forests Nos. 2, 14, 22, 28, 32, 36, 37, 45 and 47, laid on the Table of the Legislative Assembly by command of His Excellency the Lieut.-Governor and Administrator on the sixth day of November, 1958, be carried out.

THE HON. H. C. STRICKLAND (Minister for Railways—North) [11.26]: This is the normal resolution which comes forward each year if there are to be any alterations made in forest areas. It is the usual resolution, which complies with Section 21 of the Forests Act, which requires Parliamentary approval to all proposed excisions from State forests. There are 11 areas affected and particulars of them have been laid on the Table of the House for the past two days. The first excision deals with portion of State forest No. 2 and is situated about one mile east of Wonnerup siding. In this instance approximately 30 acres of non-timbered land has been applied for by an adjoining landholder.

The second excision affects State forest No. 14 and is situated about seven miles west of Nanga Brook. Here, approximately 60 acres of poor forest land have been requested by an adjoining landholder. The next excision is from State forest No. 22 and is situated near Carilla, where approximately four acres carrying a few trees are desired by an adjoining landholder. The next excision affects forest area No. 22 and is situated about three miles east of Keysbrook, where approximately 12 acres of poor forest land has been applied for by an adjoining landholder.

Another excision has to deal with State forest No. 28 and is situated about 6½ miles west of Kirup. In this instance approximately 16 acres of land carrying only a small amount of timber is to be exchanged for approximately 25 acres of undeveloped timbered country. This area is required for the extension of a dam. The next excision relates to forest area No. 28 and is situated about 9 miles southwest of Kirup, where approximately 8 acres of land previously occupied by the Cundinup forest station are to be exchanged with an adjoining landholder for a route of access to State forest through his property.

The next excision affects State forest No. 32. In this instance approximately 135 acres of poor forest land about 5 miles east of Rosa Brook are to be released for adjoining landholders. The next excision is from State forest No. 36. About one mile south of the Donnelly River bridge on the main Nannup-Pemberton road, approximately 25 acres have been applied for by an adjoining landholder to give a main road frontage, and are to be exchanged for approximately 90 acres of the applicant's location 2940.

Another excision from State forest No. 37 is situated about 2½ miles south-east of Mayanup. It contains approximately 20 acres of lightly timbered land, applied for by an adjoining landholder. It lies between his property and the Boyup Brook-Cranbrook-road. Excision from State forest No. 37, about 2½ miles north of Walpole contains approximately four acres of non-timbered land cut off from the main body of State forests by a made road. This is to be made available for adjoining landholders. The last one is an excision from State forest No. 45 and is situated about one mile north of Karri-dale siding. It contains approximately 460 acres of non-timbered land within the area known as the Boranup Sand Patch. This is to be excised from State forests and declared a reserve for minerals. That covers the reasons why the excisions are necessary and I move—

That the resolution be agreed to.

On motion by the Hon. J. Murray, debate adjourned.

MUNICIPAL CORPORATIONS ACT AMENDMENT BILL.

Second Reading—Defeated.

Debate resumed from the 27th November.

THE HON. J. M. THOMSON (South—in reply) [11.32]: I thank hon. members for the interest they have shown in this Bill. From the indications given during the debate it would appear that some hon. members are unfavourably disposed towards it. My amendment, which seeks to alter the provision contained in Sub-section (2) of Section 4 of the Act, applies principally to the councillor-businessman who, in the ordinary course of his business, in accepting an order to supply goods to the municipality and later, by rendering the ordinary monthly account which he would do at the end of each month, will not be committing an act which will constitute entering into a written contract with the council and which will render him liable for disqualification as a member of the council. As the Act stands at present, that is the position in which he would be placed. This provision applies to the councillors of all municipalities and the amendment is designed to place such councillors in the same position as ordinary businessmen residing in the municipality.

The amendment will have no effect upon the councillor who tenders for such works as the building of houses, offices, town hall, workshops or sewerage works; or who contracts to supply anything at a figure quoted and accepted. In themselves, these become written contracts. At present the councillor who tenders for such a contract must automatically resign and his seat becomes vacant. The Bill seeks only to protect the councillor who, in ordinary course of his business, sells hardware, requisites for the three per cents., bricks, etc., and therefore I feel that, because of the experience I have had in regard to this matter, some protection for the councillor-businessman I have mentioned is required.

When speaking to the Bill, the Minister reminded me that there were 26 municipalities and 121 road boards, and he asked why I had not included the Road Districts Act in my amending Bill. I was under the impression that protection under the Road Districts Act was afforded to those people I have been referring to and because of that I did not include them in the Bill. I gave some consideration to that point when I first began to draft the Bill, but I was informed, and I was satisfied to accept the advice, that protection was afforded to road board members under the Road Districts Act. That was the only reason why I did not take any steps to amend that Act. Later, I was unable to do anything in the matter because the end of the session was drawing nigh.

The Hon. F. J. S. Wise: I always thought that you were a Country Party member, too!

The Hon. J. M. THOMSON: There are country municipalities. However, given the opportunity next session, I may rectify my omission. The other amendment contained in the Bill, provides protection for councillors who are appointed by the council to certain organisations and who, because of their activities—as I pointed out in my second reading speech—are unable to go back and report to the council, because they would be classed as interested people under the Act—that is interested in the organisation to which they have been appointed—and therefore liable to disqualification.

The Minister said there was only one case in which a person had been disqualified, and that that occurred in the Goomalling road district. I would like to inform the Minister, and the House, that in the late 1930's, the late Mr. Len Barnett who was a member of the Albany Municipality, had to resign because his firm was supplying hardware and various other goods to the council, and it was indicated to him that pressure would be brought to bear if, in the ordinary course of his business, he continued to supply the goods. He resigned from the council as a result. As recently as twelve months ago we had a person who resigned for a similar reason—he was supplying goods to the council from his firm, in the ordinary course of his business. The common informers to whom the Minister referred do rear their heads in the community; and in the instance I have mentioned the person concerned was shown that steps could be taken to ensure his disqualification.

If this could happen in one council it could happen in others. I feel there is every justification for serious consideration to be given to this Bill, and I trust the House will give it a second reading. I wish to intimate to hon. members that I do not intend to proceed with subparagraph (d) of paragraph (c) of Clause 2 of the Bill. The hon. Mr. Mattiske has submitted an amendment which I propose to accept.

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

Ayes—12	
Hon. C. R. Abbey	Hon. R. C. Mattiske
Hon. L. C. Diver	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. L. A. Logan	Hon. J. Murray
(Teller.)	
Noes—15	
Hon. G. Bennetts	Hon. G. C. MacKinnon
Hon. J. Cunningham	Hon. H. C. Strickland
Hon. E. M. Davies	Hon. J. D. Teahan
Hon. J. J. Garrigan	Hon. W. F. Willesee
Hon. E. M. Heenan	Hon. F. D. Willmott
Hon. R. F. Hutchison	Hon. F. J. S. Wise
Hon. G. E. Jeffery	Hon. W. R. Hall
Hon. F. R. H. Lavery	(Teller.)

Majority against—3.

Question thus negatived.

Bill defeated.

NATIVES (CITIZENSHIP RIGHTS) ACT AMENDMENT BILL.

Second Reading.

Debate resumed from the 26th November.

THE HON. L. A. LOGAN (Midland) [11.45]: While admitting that this Bill is somewhat different from the Natives (Status as Citizens) Bill that we had before us some time previously, it does introduce something rather fresh as amendments to the Natives (Citizenship Rights) Act. Whilst I agree with some of it I am afraid I cannot agree with all its provisions. It is unfortunate that so much publicity has been given to our native problem, and that so many utterances have been made by the Press and by people who, while possessing the highest principles, know little, if anything, about the subject. It is possible that they quite genuinely believe they are doing their best for the people concerned.

We find the Press trying to make sensational headline news out of some of these poor unfortunates. I refer particularly to an article which accompanied a photograph in a recent issue of the "Sunday Times." I think it would have been much better for all concerned had this article not been published. In my opinion it is a crime to publish such headlines in an attempt to describe the plight of a 16-year-old girl, and it should not have been allowed. The statement was not quite correct. It implied that the Social Services Department assessed this girl as 17/32 caste and because of that fact it could not make some payment. That department has nothing to do with the determination of the degree of caste. The determination is made by the Department of Native Welfare to pay that girl's medical expenses, as compensation for the loss incurred through having a 1/16th greater degree of caste.

The Native Welfare Department was set up to look after the natives and to give them medical attention. If the department has not done that, it has fallen down on its job.

The Hon. F. R. H. Lavery: According to some folk it has always fallen down.

The Hon. L. A. LOGAN: That is its job.

The Hon. F. R. H. Lavery: For two years you have had nothing good to say about that department.

The Hon. L. A. LOGAN: Knowing the circumstances that department could have exempted the girl from the provisions of the Act. If she had been granted exemption she would have been eligible for social services. The department did not do that. It went to the Press and gave unnecessary publicity to this matter.

This Bill seeks to extend citizenship rights to all the children of holders of citizenship status. I disagree with that, because that provision goes too far in granting citizenship to people about whose mode of living we do not know too much. To grant citizenship to the children of citizenship rights holders up to 21 years of age is as far as we should go.

The Bill seeks to do away with the two-year qualifying period of the native dissociating himself from tribal associations. So, we can have a native coming out of the scrub and applying for citizenship. He may be 65 years of age with grown up children between 25 and 30 years of age. Under the Bill not only will those children, but the children of those children, automatically become citizens.

In my opinion the extension of citizenship rights to such children over 21 years of age is too great. I contend that citizenship rights should be granted to those up to 15 years of age because they are the ones who have had the opportunity of receiving education. The ones over 15 years of age have not had that opportunity. Therefore the children under 15 years of age would be much better fitted to become citizens by the time they reach 21 years of age. However, I am prepared to accede that children up to 21 years of age be granted citizenship rights.

The following figures give a lie to the statement that nothing has been done for the natives in this State. The position is not as bad as some people would have us believe, particularly the position of the caste native. As far as I can ascertain, the number of full bloods in this State is 9,762; the number of full blood children is 3,150; the number of adult other bloods is 3,690; and the number of caste children is 4,241.

Of the 3,690 caste natives, 1,192 less 27 have been granted citizenship rights. Another 1,421 have been given exemption certificates, so actually there are 1,277 who are not regarded as citizens or who have not been granted exemption certificates. If this Bill becomes law, citizenship rights will be granted automatically to all children of status natives, for life. That will amount to 1,414 of the total. I do not know how those holding exemption certificates will be regarded.

When people say that no progressive move has been made on behalf of the native, I reply that we have gone a long way to assist him. Only one-third of the adult native caste population is without citizenship status or without exemption certificates. If we keep on at this rate those who want to obtain citizenship and live under the white man's ways will be able to do so. It is better to bring about the granting of citizenship in that manner than to extend citizenship rights overnight.

There must be a big percentage of caste natives in the back blocks who do not want to live under the white man's standards. They much prefer their own.

When we examine the full blood figures, only 27 have received citizenship status. It is obvious the full blood wants to remain outback in his natural environment. We will do him a service by enabling him to remain as he is, looking after himself under his conditions of life rather than by foisting the white man's mode of life on him.

It has been said that we have taken land away from the natives and we have robbed them of their inheritance. I would point out to hon. members that 1,300 acres is set aside for each man, woman and child of native blood. That is set aside in the reserves in this State.

Not once in the history of Australia has it been proved that the native has produced anything. He has lived from nature, but he has not produced.

The Hon. G. Bennetts: He has produced children.

The Hon. L. A. LOGAN: Yes, particularly the caste children of latter years. All in all, the position in regard to the native is not as bad as some people will have us believe. This Bill seeks to extend citizenship rights to natives irrevocably. Whilst I do not believe that any person or any court should have the right to take that citizenship away from him, I am strongly of the opinion that at least a native should have the right to apply himself; because it could be quite possible, particularly after taking out of the Act the provision that for two years immediately prior to his application he shall have dissolved tribal and native association, that a native could come down from the bush and someone get him to apply for citizenship rights. He does so and they are granted; but then he finds they are no good to him. It could be that he would not want to carry on in the white man's way. It would be wrong to force him to carry on in this way so he says, "I want to go back to being a native." However, if this Bill goes through, the position will, as I have said, be irrevocable.

Therefore, I think we should have a clause in the Bill which will enable a native, of his own volition, to apply to the court for his citizenship to be either suspended or revoked. I think hon. members should give some thought to that provision.

The other provision in the Bill, which takes out of the Act the words "the applicant is not suffering from leprosy, syphilis, granuloma or yaws" is one with which I can agree. But, at the same time, I believe there should be some health standard to which a person should measure up. Just how it could be defined

is difficult to say; but once again I say we could have natives coming straight out of the bush into the towns and applying for citizenship status without having had any previous association with white men and without any medical test or health certificate. Yet, they could be classed as citizens.

I do not think that the words which are at present in the Act should apply to these natives, but at least there should be some medical standard. I think I have covered most of the Bill. In regard to the taking away of the provision under which the applicant must have adopted the manner and habits of civilised life for two years prior to his application, I do not think we can oppose that amendment, because some of those people will be just as good citizens as those living close handy. I do not oppose the taking out of the words in regard to leprosy, etc., but I do oppose taking out the section of the Act whereby it will not be necessary to keep a record of the dates of birth and ages of the children concerned.

Surely, a record of these people must be kept somewhere! Once they become citizens, I think they must be recorded. Every birth and death must be registered, but some of the children are already born and this Bill takes away from the Act the necessity for a record to be kept. I do not know what kind of a state we will get into without any record; because one can well imagine that once this Bill becomes law the children of the person with citizenship status will also have citizenship rights and no record will be kept of them. It is probable that some of these children will become 21 within a few days of the Bill becoming law and they will be able to go into a hotel and say, "I want a beer." How is the publican to know whether he is entitled to serve them or not? There are quite a lot of problems attached to this; and that is only one aspect. There could be others. If no record is kept, how will it be known who is to be enrolled? How will we know that a person is supposed to be living up to the white man's conditions: that he is entitled to all the privileges of white men; and that he has lost the privileges of a native, or vice versa?

I can assure hon. members that, in endeavouring to stand up to the white man's way of life, it is going to be very hard for some of these people because, when I spoke in regard to the other Bill, I pointed out that those now living on reserves, and the children in missions, will be declared citizens and the children will have to get out of those missions. I think the Minister had better make a careful note of that point. These children will be citizens in their own right once the Bill is proclaimed. There are quite a number of native children in the missions who will be affected by this Bill, because the law states that no white person, or person with citizenship status,

can go on to a native reserve. The children will have to leave the missions; and that is something the Minister should look at. Perhaps it may be better to allow them to remain natives until they are 16 and make them citizens after they are due to leave the missions. This is a problem which the Minister should look at.

The Hon. H. C. Strickland: How do the teachers remain there?

The Hon. L. A. LOGAN: Because they have special permission. I think there is some reference to teachers in the parent Act. It is also all right for a policeman to walk on to a reserve for the purpose of making an examination. However, when dealing with 30, 40 or 50 children, it is entirely a different proposition.

I have covered most of the clauses in this Bill and have pointed out that on the whole the position in regard to the caste native has greatly improved. Up to the present, these children, although they remain citizens until they are 21, revert to being a native; and I am in agreement that they should carry on with their full citizenship rights.

I believe that those over 21 by the time this Act is proclaimed should, in their own right, be able to apply. In all, 1,592 applications have been made by natives for citizenship rights. Of these, 1,192 have been granted; 253 dismissed; 51 withdrawn; 42 adjourned, and 54 are waiting hearing. Of those granted, to date only 18 natives have had their citizenship status taken away.

I think the Minister should put something into the Act which would give the native, or new citizen, the right to apply, if he finds he cannot live up to our conditions, so that his citizenship status can be suspended or revoked. I say that in all sincerity, as one or two of the conditions might prove a hardship to him.

THE HON. F. D. WILLMOTT (South-West) [12.9 a.m.]: I do not feel I need delay the House very long on this measure, but I think I should make some small contribution, if only because later on I might feel compelled to interject on some hon. member. As the Minister for Industrial Development took me to task last night, because I did not speak on the particular measure under discussion and accused me of maintaining a discreet silence, I would like to remind the House that when there was a Bill dealing with this matter of citizenship rights earlier in the session, despite the fact that several hon. members pleaded with the Minister for Industrial Development to give us the benefit of his views, he, on that occasion, maintained a discreet silence.

An hon. member: Very discreet!

The Hon. H. C. Strickland: Usually much more verbose than you are.

The Hon. F. D. WILLMOTT: Undoubtedly, the Minister considers discretion the better part of valour.

The Hon. F. J. S. Wise: I was being urged on.

The Hon. G. C. MacKinnon: What about the Bill? It is getting very late!

The Hon. L. A. Logan: Another hon. member is very discreet, too!

The Hon. F. D. WILLMOTT: On the advice of the hon. member I will continue with my speech on the Bill. Although it is not quite in line with my own thinking, which I have made clear on a previous occasion, it does go part of the way in that it does make the granting of citizenship rights a gradual process. To that extent, I agree with it. The provision, which makes the children of all holders of citizenship rights automatically continue their rights after reaching the age of 21 years, will, I feel, need to be looked into rather carefully. I agree with the hon. Mr. Logan's contention that we will have to confine the granting of these rights to those who attain the age of 21 years after the coming into operation of this amendment. Otherwise, I feel too many complications will be introduced that will need a lot of watching.

I personally agree with the provision in the Bill which intends to make citizenship rights irrevocable. I do not think it is sound to give a man citizenship rights and then for all time hold the fact over his head and tell him that if he does not behave himself, his rights will be revoked either for a time or for ever. If we are going to give the man the responsibility of citizenship rights, I think he should carry the responsibility in the same way as any other citizen. If he is a party to any misdemeanour he will be dealt with under the ordinary processes of the law, the same as anyone else. To hold over his head the possibility of his citizenship rights being revoked, is not in his best interests.

The hon. Mr. Logan raised the question of perhaps allowing the native who has been granted citizenship rights to have the rights revoked on his own request or upon his own application, and I have given that a great deal of thought from both angles, but I am still not convinced either way. I can think of arguments both for and against and will be pleased to listen to the ideas of other hon. members, because at the moment I still have an open mind.

There is one other matter which the hon. Mr. Logan raised and that is the proposed deletion by the Bill of Section 5, Subsection (1), paragraph (d) which deals with the list of diseases from which the board must satisfy itself the applicant is not suffering. I personally agree with the deletion of that paragraph, as I cannot see the sense of it and cannot

see any reasonable way of replacing it. Although the hon. Mr. Thomson has an amendment on the notice paper, I still cannot see that it will make sense because, instead of listing the diseases about which he wants the board to be satisfied, he wants to provide that the applicant is in a reasonable state of health. Who is going to decide that? It must be remembered that in each district, the board is different because it consists of a magistrate, and in most cases the chairman of the council or road board of the district in which the applicant resides. To my mind, I believe a different decision would be given by each board. Therefore, I believe it would be better to delete that paragraph. If anyone can demonstrate to me how this paragraph can be adequately replaced, I might reconsider my decision, but at the moment I feel that the Bill is better as it stands in that regard.

The Hon. F. J. S. Wise: It would be difficult to have a complete examination.

The Hon. F. D. WILLMOTT: Yes, it would be somewhat. I can imagine a lot of complications which could arise. I feel I have detained the House long enough on this measure. I support the second reading and intend to support the other amendments appearing on the notice paper in the name of the hon. Mr. Thomson because they deal with the other provisions which need straightening up.

THE HON. H. L. ROCHE (South) [12.17 a.m.]: I am going to support the second reading of this Bill because I think it is an effort on much more practical lines than anything we have had in recent times in this House in connection with native welfare. I think it will possibly help in bringing nearer, or accelerating, the integration of the caste population with the white population of Western Australia.

Certain objections have been voiced and certain dangers have been listed that may occur but I believe that as far as the provisions of this Bill are concerned, possibly those dangers bulk a little too largely in some people's minds. I doubt whether some of the amendments foreshadowed are necessary. On the other hand, the Minister may feel that they are not particularly serious and do not undermine the purpose of the Bill, and that he would be prepared to accept them. Particularly do I feel that is so in regard to this danger that is foreshadowed about people over 21 being automatically given citizenship rights because their parents are given those rights. I do not think they would figure very largely in the aggregate in the caste population of Western Australia.

First and foremost, there is still the protection of the Citizenship Board before which the original applicant has to go and there are not going to be many people who have children already over 21 who have not yet obtained citizenship rights who will go before that board and be successful, because we have previously been asked to grant citizenship rights in a very general way. If we try it out in this limited form we may get an indication of how it will work.

I agree with the hon. Mr. Logan in regard to people who know little about the conditions in this State, but, in the absence of practical knowledge, everlastingly approach this subject from the point of view of sentiment and what they think should be done. As I have previously said, I think they are one of the greatest handicaps of the half-caste population, owing to the ill-considered representations they make, presumably with the best intentions for improving the conditions of the half-castes.

The mere granting of citizenship rights or of exemption certificates does not signify any progress in improving the conditions of the natives or advancing the integration of their race with the white race, which I believe will eventually be the only satisfactory solution of the problem. One hon. member seems to think that would illustrate the progress we have made, but I do not think there has been much progress. In the Great Southern areas, with which I am most familiar, the position of the half-caste population is bad, and little or no progress has been made in advancing their standards or integrating them with the white population during the last 10 years. Presumably under this Bill a number of younger natives will receive citizenship rights automatically as the parents receive them. A great number of those will be children still at school and there will be opportunity of seeing how it works out.

There is no magic wand that can be waved to solve this problem. It will be a long and expensive job, but it must be faced. While I do not believe that granting citizenship rights will do much to solve the problem, I do not think the Bill will result in any great harm, either with or without the amendments of which notice has been given. The hon. Mr. Willmott is right in saying that citizenship rights, once given in this form through the decision of a citizenship board, should be irrevocable. Again, we can see how it will work out. It is on a somewhat limited scale, which is just as well. I find it hard to be tolerant of people who forever harp about the injustice done to the descendants of our native race who, while they have not reached our standards of hygiene, social behaviour or ability to provide for themselves, are infinitely better off in a material sense than their forefathers were.

For people who claim to know something about the matter simply to drip sentiment and slops in respect of these people makes me feel intolerant towards them. I imagine the Minister will give some indication of his reaction to the amendments of which notice has been given. I support the second reading.

On motion by the Hon. J. M. Thomson, debate adjourned.

ADJOURNMENT—SPECIAL.

THE HON. H. C. STRICKLAND (Minister for Railways—North) I move—

That the House at its rising adjourn till 3.30 p.m. today.

Question put and passed.

House adjourned at 12.27 (a.m.) Thursday.

Legislative Assembly

Wednesday, the 3rd December, 1958.

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

QUESTIONS ON NOTICE.

FISHERIES.

The "Halimah"—Purchase, Examination, and Repairs.

1. Mr. **CROMMELIN** asked the Minister for Fisheries:

(1) From whom was the vessel "Halimah" purchased at a cost of £11,000?