Ayes.	
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. H. K. Watson
Hon. Sir Chas. Latham	Hon. F. D. Willmott
Hon. G. C. MacKinnon	Hon. J. Murray
Hon. R. C. Mattiske	*(Teller.)*

Noes.	
Hon. N. E. Baxter	Hon. A. R. Jones
Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. H. L. Roche
Hon. L. C. Diver	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. E. M. Heenan	Hon. J. M. Thomson
Hon. R. F. Hutchison	Hon. G. Fraser
Hon. G. E. Jeffery	*(Teller.)*

Pairs.	
Ayes.	Noes.
Hon. L. A. Logan	Hon. W. F. Willesee
Hon. J. Cunningham	Hon. F. J. S. Wise

Amendment thus negatived.

Clause put and passed.

Bill reported without amendment and the report adopted.

ADJOURNMENT—SPECIAL.

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

That the House at its rising adjourn till 2.15 p.m. today (Thursday).

Question put and passed.

House adjourned at 12.40 a.m.

Legislative Assembly

Wednesday, 20th November, 1957.

CONTENTS.

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

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Message.

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

QUESTIONS.

TRAFFIC.

(a) Capability of Driving Instructors.

Mr. CROMMELIN asked the Minister for Transport:

Will he inform the House what steps are taken to ensure that those persons engaged in giving driving instruction to applicants for licences to drive motor-vehicles are qualified and suitable for this important work?

The MINISTER replied:

Any person, whether he is engaged on a business basis or as a friend, to give driving instruction to another, must have passed the requisite driving test and be the holder of a motor driver's licence for a period of at least 12 months for the class of vehicle which the learner will drive under the authority of the permit, vide Section 25 of the Traffic Act.

(b) Collections from Minor Offences under Traffic Act.

Hon. D. BRAND asked the Minister for Transport:

What was the total amount collected from fines for minor offences under the Traffic Act for each complete year since its inception?

The MINISTER replied:

From the 1st January, 1956, to the 30th June, 1956—£8,655.

From the 1st July, 1956, to the 30th June, 1957—£19,855.

(c) Car Parking Areas at Suburban Stations.

Mr. ANDREW asked the Minister representing the Minister for Railways:

(1) In view of the great and growing difficulty of motorists parking in the City of Perth, will he give serious consideration to providing parking areas for train travellers at suburban stations?

(2) Would not such parking facilities encourage greater patronage of the suburban railways?

(3) If the answer to No. (1) is in the affirmative, could he give any idea when this work would be put in hand?

The MINISTER FOR TRANSPORT replied:

A scheme for the provision of free parking areas at suburban railway stations has been in progress subject to the availability of funds for several years and will continue as necessary. As a result, parking areas are now available at many suburban stations.

(d) Number of Motor-Vehicles Licensed in Metropolitan Area.

Mr. HEAL asked the Minister for Transport:

What was the total number of motor-vehicles licensed in the metropolitan area for the following years, till the month of June—

(a) 1955;

(b) 1956;

(c) 1957?

The MINISTER replied:

(a) To June, 1955—95,979.

(b) To June, 1956—104,432.

(c) To June, 1957—109,565.

GOVERNMENT PRINTING OFFICE.

New Buildings, Alterations to Old Structure, etc.

Hon. D. BRAND asked the Premier:

(1) When will the Government printing works building at Subiaco be completed?

(2) What is today's value of the present buildings in Murray-st.?

(3) Is it the Government's intention to sell these buildings, or use them as Government offices?

(4) If the offices are to be reoccupied by the Government, what is the estimated cost of repairs and renovations necessary to restore the structure to reasonable condition?

The MINISTER FOR WORKS (for the Premier) replied:

(1) Towards the end of 1958.

(2) A valuation of the present buildings has not been made.

(3) The present intention is to use the buildings for Government purposes.

(4) The cost of alterations and renovations would be dependent on the future use of the buildings, which has yet to be decided.

HARBOURS.

Development of Cockburn Sound and Plans for Fremantle.

Hon. D. BRAND asked the Minister for Works:

(1) What progress, if any, has been made with the establishment of an outer harbour in Cockburn Sound?

(2) If the Government has decided not to proceed in the next ten years with the outer harbour, what plan has it for providing the harbour accommodation which the increasing trade will demand at Fremantle?

(3) What is the future planning for the north wharf expansion, and has any move been made to obtain use of sheds and land situated nearby along the coast to the north?

(4) Is it the Government's decision to extend the harbour up river to the road bridge?

The MINISTER replied:

(1) Progress to date:—

(a) Access channels dredged across Success and Parmelia Banks to a depth of 38ft. at low water and a bottom width of 500ft. Other channels buoyed and marked.

(b) Berths provided—

Robb's Jetty—1 berth.
Woodman Point jetty—1 berth.
Steel Works jetty—1 berth.
Oil Refinery jetty—3 berths.

(2), (3) and (4) Future plans for the development of the inner and outer harbours will be directly affected by the recommendations of an advisory technical committee which is investigating the railway bridge proposals. Until the committee's recommendations are received and considered, no final decision can be arrived at.

WATER SUPPLIES.

(a) Provision at Coorow.

Hon. D. BRAND asked the Minister for Water Supplies:

(1) What plans has he for providing water for the town of Coorow?

(2) Does he realise that this town is growing in importance because of the rapid settlement taking place in light land areas to which it is adjacent, and also because it serves the soldier land settlement at Waddi Forrest?

(3) If nothing has been done recently, would he arrange for further action to expedite the provision of a water supply to this town?

The MINISTER replied:

(1) No final plans are prepared.

(2) Yes.

(3) A survey will be carried out in the next two to three months.

(b) Reason for Imposition of Restrictions.

Hon. D. BRAND (without notice) asked the Minister for Water Supplies:

Am I correctly informed when I am told that certain warnings were given over the A.B.C. of water restrictions on gardens? What will the position be if the hot weather continues for some period?

The MINISTER replied:

The restrictions which the department was obliged to impose had nothing to do with the weather, except that the consumption of water yesterday exceeded 90,000,000 gallons and was a record for the State. The restrictions resulted from an unfortunate burst in the main at Belmont —the main which is bringing water from the reservoir in the hills to the metropolitan system. It is a weld that was put in prewar; and one of the seams in the pipes split, with the result that a considerable loss of water occurred and it was imperative to shut off the water immediately. That was done, and it left certain districts in short supply, there being insufficient water coming through the other conduits to enable every person to obtain a full supply.

In view of the knowledge that today would be particularly hot, it was considered necessary in the interests of consumers generally to restrict the consumption of water in the Perth area to an absolute minimum, and for that reason people were asked to refrain from watering their gardens. The men were put to work very early, as soon as the break was noticed. Repairs have proceeded expeditiously, and the latest advice I received was that it was expected that this afternoon repairs would be completed. But as it was necessary to build up storages to ensure continuity of supply, consumers were asked to co-operate for a further period. However, it is expected that the restrictions will not be necessary tomorrow. The position is entirely temporary and resulted from the unfortunate circumstance that the main gave way.

KALGOORLIE.

Establishment of New Industry.

Mr. EVANS asked the Minister for Industrial Development:

(1) Have any overtures been made by his department to the Commonwealth Government for the purpose of urging that Government to give earnest consideration to a case for the establishment of an industry, such as that associated, for example, with a small arms factory, at Kalgoorlie?

(2) If not, does the department consider that such a move, from a point of view of decentralisation, would be a worthy one?

The MINISTER replied:

(1) No overtures have been made since the end of the war.

(2) Yes. Any sound decentralised industry would be welcomed.

MAGISTRATES.

Appointments and Number.

Mr. EVANS asked the Minister for Justice:

(1) How many stipendiary magistrates are in service in this State?

(2) How many resident magistrates were practising before the passing of the Stipendiary Magistrates Act, 1957?

(3) Has any consideration been given to the appointment of county court judges in this State, similar to those in New South Wales, so as to relieve the pressure of work of, and in many cases great distances travelled by, stipendiary magistrates now in service?

The MINISTER replied:

(1) Seventeen permanently, as listed in the schedule to the Stipendiary Magistrates Act, 1957, and one temporarily in the Murchison.

(2) Ten persons held appointments as resident magistrates and one as special magistrate of the Perth Children's Court. In addition, one held temporary appointment as resident magistrate, Murchison district.

(3) No.

COUNTRY SCHOOL TEACHERS.

Increase in Remote Allowance.

Mr. ROSS HUTCHINSON asked the Minister for Education:

What consideration, if any, has been given to making an increase in the remote allowance at present being paid, or for the payment of such an allowance now, if none were paid previously, to country teachers who have been adversely affected by rail closures?

The MINISTER replied:

Consideration will be given to any application, having regard to the circumstances.

RAILWAYS.

Rail and Road Delivery Service.

Mr. I. W. MANNING asked the Minister representing the Minister for Railways:

(1) Is it considered that a door-to-door rail and road delivery service, combining with private carriers, could be operated satisfactorily?

(2) Has consideration been given to the setting up of a through service, with a sufficient freight charge to permit delivery by private carrier to the consignee?

The MINISTER FOR TRANSPORT replied:

(1) This system is in operation at Perth, Fremantle and certain suburban stations in regard to ordinary parcels traffic and goods items (mainly perishables) delivered by carriers to restricted areas.

(2) Such a scheme for door-to-door delivery of parcels traffic was in operation for a period of approximately five years. It was discontinued on economical grounds due to the very limited demand for the service. It was found that most private clients preferred to engage a carrier or to pick up their own goods. Most business houses use their own transport for conveyance to and from rail.

PORT GREGORY.

Provision of Adequate Sea Access.

Hon. D. BRAND asked the Minister for Works:

(1) Will he state whether any investigations have been carried out to determine the best method of providing adequate sea access to Port Gregory in view of the possibility of commercial development of salt deposits at that centre?

(2) If so, will he indicate the nature of such investigations, and any conclusions reached or decisions made, particularly as to cost?

The MINISTER replied:

(1) Yes.

(2) Aerial photographs have been taken, hydrographic surveys made, and plans of the survey plotted.

It is considered that provision of any port facilities would be extremely costly.

ELECTRIC POWER.

Reason for Slump in Demand.

Hon. D. BRAND asked the Minister for Works:

(1) Is the report in the issue of "The West Australian" of Saturday, the 16th November, 1957, correct, in that the Grants Commission was told that industrial expansion in Western Australia had slowed down in 1956-57, as indicated in the increase of only 3 per cent. in the demand for electrical power against 10 per cent. the previous year?

(2) If so, to what does the Government attribute this drastic slump in the demand for power for industry?

The MINISTER replied:

(1) The percentage increases in units generated in the State Electricity Commission's power stations were:—

1956 over 1955	...	10.8 per cent.
1957 over 1956	....	5.7 per cent.

The figures quoted in the newspaper apparently did not take into account the interchange of power between power stations.

(2) It is thought that the principal cause of the reduced increase is the mild seasons experienced in the year ended the 30th June, 1957.

UPPER KING RIVER BRIDGE, ALBANY.

Traffic Census to Justify Widening.

Mr. HALL asked the Minister for Works:

(1) Will he give consideration to the taking of a traffic census at Upper King River Bridge, Albany?

(2) If so, would he be prepared to give consideration to the widening of the bridge if the census shows an increase in motorised traffic?

The MINISTER replied:

(1) Yes.

(2) The result of a traffic census alone would not determine the issue.

STATE HOUSING COMMISSION.

(a) Tabling Report on North Ascot Flats.

Mr. JAMIESON asked the Minister for Health:

(1) Is he aware that a party, including an officer of the Public Health Department, inspected the State Housing Commission flats at North Ascot on Monday, the 4th November, 1957?

(2) Is he aware that a great many of the grease traps attached to these flats were in a deplorable condition, infested with maggots and other forms of pestilence?

(3) As the State Housing Commission is adamant in its attitude not to reintroduce the contract cleansing of these grease traps, will he take the necessary action to protect the general health of the population in this area?

(4) Will he lay on the Table of the House a copy of his departmental officers' report on the inspection referred to?

The MINISTER replied:

(1) Yes.

(2) There were 13 traps in an unsatisfactory condition out of a total of 39 occupied houses which were suspect and inspected by the party. In the opinion of the Health Department's inspector, the houses inspected were not necessarily representative of all houses in the group and did not constitute a true cross-section.

(3) In all other parts of the State the responsibility for the care and cleansing of domestic grease traps is that of the occupier, who is expected to take some elementary measures for the protection of his health. It is the responsibility of the local health authority to see that this is done.

(4) Yes.

(b) Departmental Inspection of Grease Traps.

Mr. JAMIESON asked the Minister for Housing:

(1) Where, if any, are State Housing Commission dwellings fitted with grease traps, other than the flats at East Belmont?

(2) Would he make available an officer from his department for an inspection of such grease traps, if such exist?

The MINISTER replied:

(1) In several districts including Belmont, Queen's Park, Midland Junction and Medina, and also in country areas where soil conditions require french drains. The commission has considerably over 1,000 of these installations.

(2) Under the tenancy agreement tenants are responsible for periodical cleaning of grease traps. Where neglect is reported by the local authority health officer and the tenant is non co-operative, action will be taken for breach of the tenancy agreement.

(c) Survey of Kalgoorlie Position.

Mr. EVANS asked the Minister for Housing:

Will he please give an assurance that the State Housing Commission will undertake, in the near future, a survey to ascertain the demand, and also the number of homes, that are available for rental purposes in Kalgoorlie?

The MINISTER replied:

The commission has no rental applications on hand and only four applications for purchase homes. It is felt that a survey is not at present warranted. From time to time the commission has been approached by persons desiring to sell homes in Kalgoorlie, to purchase existing homes but the commission is not in a position to purchase existing homes.

On present costs the rentals of homes erected in Kalgoorlie would not be less than £3 10s. for a two-bedroom and £3 15s. for a three-bedroom home and it is probable that there would not be a demand for homes at these rentals.

KALGOORLIE BREAD DISPUTE.

Decision of Commissioner of Unfair Trading.

Mr. EVANS asked the Minister for Labour:

Will he please endeavour to ascertain when the Commissioner of Unfair Trading is likely to announce his decision re the bread dispute on the Goldfields?

The MINISTER replied:

The commissioner is endeavouring to negotiate a satisfactory settlement with the solicitors for the Eastern Goldfields Master Bakers' Association.

CHAMBERLAIN TRACTORS.

Use of Locally-made Radiator Cores.

Mr. HEARMAN asked the Premier:

What are the objections to the use of locally-made radiator cores in Chamberlain tractors?

The MINISTER FOR WORKS (for the Premier) replied:

Past efforts to obtain locally-made radiator cores have proved unsuccessful. Tenders are now being prepared for 12 months' requirements, and it is hoped local manufacturers will be able to submit satisfactory prices.

STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT BILL.

(a) Particulars re Probate Policy.

Mr. COURT (without notice) asked the Minister for Labour:

(1) Can the probate policy referred to in the State Government Insurance Office Act Amendment Bill be a policy which will participate in annual bonuses, or must it be for a fixed amount?

(2) Will it have a surrender value and be available as security for borrowing purposes at the discretion of the insured?

The MINISTER replied:

(1) It is anticipated that the insured will be allowed a choice between a policy participating in annual bonuses and a policy for a fixed amount.

(2) The policy will have a surrender value, but it is not considered that it should be available as security for borrowing purposes at the discretion of the insured, as this would defeat the object of providing moneys to the Treasurer for the payment of probate duties on the death of the insured.

(b) Farmers' Probate Policies.

Mr. COURT (without notice) asked the Minister for Labour:

(1) Will he table, before the debate on the State Government Insurance Office Act Amendment Bill is resumed, the correspondence and other papers, relating to the representations by the Farmers' Union and others regarding the facilities available for the payment of probate in respect of estates of farmers and graziers, and particularly any representations or such probate assurance to be done by the State Government Insurance Office?

(2) Is it proposed that the probate policies assigned to the Treasurer will not be included as part of the assets of the estate and will be free of probate duty up to the extent of the probate liability?

The MINISTER replied:

(1) No.

(2) No.

NATIVE WELFARE.

Source of Information re Value of Food Supplied, Natives at Well 40.

Mr. GRAYDEN asked the Minister for Native Welfare:

(1) Was the answer to the question in the Legislative Assembly on the 19th November, 1957, regarding the value of food suplied to natives at Well 40, based on information supplied by the District Officer of the Native Welfare Department at Derby, or by the Commonwealth Department of Supply?

(2) When was the information received and by what means?

The MINISTER replied:

(1) By the district officer of the Native Welfare Department at Derby.

(2) On the 14th November, 1957, by letter.

BILLS (2)—FIRST READING.

1, Reserves.

2, Road Closure.

Introduced by the Minister for Lands.

ADDITIONAL SITTING DAY.

Day-time Sessions.

The MINISTER FOR WORKS: I move—

> That until otherwise ordered, the House, in addition to the days already provided, shall sit on Fridays at 2.15 p.m.

This motion is necessary in order to enable the House to complete its business within the time previously indicated by the Premier. It is expected that if we sit on these days and have the full co-operation of members, as we had last night, we will be able to get through the business reasonably well.

Hon. D. BRAND: Whilst we are no doubt in agreement with this motion we, on this side of the House, are puzzled as to how the Premier, the Deputy Premier, or any Minister on that side of the House, can think the Government can get through its legislative programme by the 29th of this month without our sitting until 3 a.m., and another place doing likewise. At 12.45 a.m. today the Minister for Transport was introducing a very important measure into this House and I think it is unfair, in the case of such a controversial issue, that the Government has delayed its introduction to this late hour of the session and yet still calls on the Opposition to co-operate. Surely we have co-operated up to this point!

The Minister for Transport: That measure was deliberately held back.

Hon. D. BRAND: No matter what we want to say on this controversial legislation, that excuse is brought up.

The Minister for Transport: The Bill was deliberately held back until the Commonwealth had passed its diesel fuel legislation.

Hon. D. BRAND: Nevertheless, the fact that the Bill was introduced at such an unearthly hour resulted from the fact that the Government has got into a chaotic mess in regard to conducting this session—

The Minister for Transport: Rot!

Mr. Ackland: The Minister for Transport himself stonewalled the Bill for three-quarters of an hour.

Hon. D. BRAND: While we do not oppose the motion, we suggest that for the remaining days of this session—I think it

is six sitting days—we should sit earlier. I refer to the Tuesday and Wednesday of each week and I think we should sit on the Tuesday and Wednesday perhaps at 2.15 p.m. rather than continue into the early hours of the morning. The latter course suits the Government, of course, because in the early hours of the morning members are so tired that they are inclined to throw in the sponge and legislation can be put through without proper investigation by the Opposition and without a great deal of perusal even by Ministers themselves.

The Minister for Transport: We had a few breakfasts here, under your Government.

Hon. D. BRAND: Exactly, as a result of the Minister talking and reading from newspapers for four or five hours.

The Minister for Transport: That is untrue.

Hon. D. BRAND: It is not.

The Minister for Transport: It is completely untrue.

Hon. D. BRAND: All members know the facts as to why there was such delay in that case.

The SPEAKER: Order! Members must keep order.

The Minister for Lands: Look at the hours wasted last night.

Hon. D. BRAND: Yes. There was a good deal of time given to the debate on an important measure, and that was the only opportunity, after a decision to appoint a select committee, for members on this side of the House to debate whether they were for or against the Bill. Surely the Opposition is not to be deprived of an opportunity of speaking to third readings! However, we do not oppose the motion, but I ask the Government to look into the suggestion I have made in regard to the remaining days of the session and sit earlier in the afternoon rather than have late night sittings.

Hon. A. F. WATTS: There is only one additional aspect of this matter to which I would like to refer, and that is to ask the Deputy Premier whether it is proposed to sit after tea on Friday. I have no objection to the motion as long as it does not involve sitting late on Friday nights, because that would be extremely inconvenient not only to some of my colleagues but also to some other members of this House, and no reference has yet been made to it. In principle, I am prepared to support the motion but I would like to know the situation in regard to night sittings on Fridays, before I finally support it.

Mr. BOVELL: Before the Deputy Premier replies, I would like to know on how many Fridays we are to sit. As the Leader of the Country Party used the word in the plural, I think we should be given some indication that it is reasonably expected that we can finish at the end of next week. This session commenced four weeks before the usual opening, presumably for the purpose of finishing at a reasonable time before Christmas. Some weeks ago the Leader of the Opposition asked the Premier a question as to the estimated date on which he considered Parliament would rise, and the Premier replied that it would be at the end of the third week in November.

Bearing that in mind, I gave the Government a week's grace, so to speak, and calculated that Parliament would continue until the end of November, but I know most country members have obligations in their electorates as well as in this House and therefore, on the Premier's indication that it was almost certain the House would rise during the third week in November, most members on this side, including myself, have entered into certain commitments in our electorates, commencing from the beginning of December.

In view of the co-operation that we have given the Government, I feel we are entitled to know that this House will not sit after the end of next week. It is no use the Government saying it has had no co-operation from us. We have given co-operation and it must be remembered that in the closing hours of this session 18 new Bills have been introduced into the House. I think that is an indication of the fact that the Government did not have its legislation ready and did not take advantage of the earlier commencement of the session. It is most unfair to members for them not to be told when Parliament is to rise. I suport the motion.

The MINISTER FOR WORKS (in reply): Replying to the last speaker first, when the Premier made his forecast that the House would conclude about the end of November, he did not, in his wildest imaginings, consider that the member for Vasse would be on his feet so often, and the fact that he has been, has thrown our calculations out considerably. However, it is believed that Parliament can conclude its business somewhere near the time mentioned, despite the fact that some legislation has been late in arriving here—and there is a satisfactory explanation for that.

For example, the Minister for Transport was obliged to withhold the legislation he introduced last night, in order to ascertain what the decision of the Commonwealth was in connection with the matter before introducing his Bill. I also introduced a Bill much later than I had intended, and I refer to the Swan River conservation board legislation. I have already explained to the House the reasons for that delay and

there were circumstances completely beyond my control in regard to it, with the result that I found that I could not get the Bill here any earlier.

Hon. D. Brand: What delayed the workers' compensation and State insurance legislation?

The MINISTER FOR WORKS: The hon. member should know that this is not something new—this rush of Bills at the end of the session—because it has taken place every year I have been in Parliament. I can remember the hon. member's Government having to apply the gag in order to conclude its business and to limit the discussion on the Estimates.

Hon. D. Brand: It was not for that reason at all.

The MINISTER FOR WORKS: Yes, it was in order to complete the business, and we have not been obliged to resort to that, yet.

Mr. Hearman: But you have not had members making four-hour speeches.

The MINISTER FOR WORKS: Yes, we have. The member for Stirling was concerned about Friday sittings, as well he might be and as he is entitled to be, but I can give him this assurance: We will not sit late on the coming Friday, although it may be necessary to sit late—according to the circumstances—on Friday of next week. In consideration of the fact that members have had no opportunity of making arrangements for the coming Friday and have had no reason to believe that they would be sitting on Friday, the Government will be prepared to adjourn the House early.

It may well be that next week, if the notice paper is in such a condition as to indicate that, by sitting late on Friday the Government would be enabled to conclude its business, members generally would be anxious to remain here in order to complete the business remaining on the notice paper rather than to return to Parliament the following week. That, however, would depend entirely on circumstances.

Question put and passed.

BILL—MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT.

Second Reading.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre) [5.2] in moving the second reading said: This Bill has been passed to me by the Chief Secretary. It is rather an important Bill but it is not contentious. The amendments covered by this Bill are points which have cropped up in the nine years' existence of the motor-vehicle insurance trust. Some of them are beneficial to the individual and the trust. Another is to clarify an existing provision and yet another is to bring the principal Act into line with a particular provision in the Traffic Act.

The Act gives the trust the right to recover from a participating approved insurer the latter's proportion of any deficit remaining in the accounts mentioned in Section 3P after all claims have been finalised. The amounts may be called up at any time deemed expedient to the trust, but the trust may not desire to call upon a participating approved insurer to pay any proportion of a deficit due by it for some years and it is thought the existing wording of the section may not be adequate to prevent the limitation Act operating to bar the trust's claim. The amendment will resolve the matter beyond doubt.

The principal Act provides that no licence shall be issued under the Traffic Act in respect of any motor-vehicle unless at the time of the issue of such licence there is paid to the licensing authority the appropriate insurance premium demanded by the trust. Such licence shall incorporate in the one document a policy of insurance in respect of the period for which the licence was issued.

It would seem that neither the trust nor any local authority has any power to issue a policy of insurance for the purpose of meeting cases where the owner of a vehicle, which is not required to be licensed under the Traffic Act, desires to obtain third party cover. For instance, the owner of a tractor may desire to protect himself from third party claims.

The amendment makes provision for a licensing authority, on behalf of the trust, to issue a policy of insurance to the owner of a vehicle which either does not require to be licensed under the Traffic Act or which is not included in the definition of a "motor-vehicle" in the Motor Vehicle (Third Party Insurance) Act.

Another amendment concerns claims by persons alleging injuries caused by hit-and-run drivers. At present it is obligatory upon the plaintiff to give the trust notice of his claim after making due search and inquiry to ascertain the identity of the vehicle and as soon as possible after he knows the identity of the vehicle cannot be ascertained. However, it is not stipulated when the plaintiff should make the due search and inquiry. At present the claimant could commence the due search and inquiry, say, 18 months after the accident and then give notice to the trust that he could not ascertain the identity of the vehicle. Obviously, of course, to be of any good the notice to the trust must be given in sufficient time to allow it to employ its resources and to ascertain whether the claim of an unindentified vehicle is genuine or not.

The proposed amendment makes it incumbent upon the plaintiff to make both due search and inquiry and give to the trust written notice of his claim as soon

as possible after the happening of the accident. It is considered that this is what was intended in the first place. I understand Sydney and Melbourne already have a similar provision. This will allow the trust to know the likelihood of claims.

I now refer to the amendment which is linked with the Traffic Act. Section 10 of that Act was amended recently to provide that where a vehicle is not licensed within the period of 15 days of grace allowed, the licensing authority, on the relicensing of the vehicle, is to collect the full amount of the licence fee as from the date of the previous expiry, but the renewed licence dates only from the actual date of renewal. For instance, if a licence expired on the 31st December and such licence was not renewed until the following March, the full licence fee for the period of 12 months would be payable but the licence would expire on the following December.

A licence incorporates a policy of insurance for the same period as that for which the traffic licence is issued. The amendment provides that if a motor-vehicle licence is renewed after the expiration of the period of 15 days of grace, then the local authority shall receive the full premium under the Motor Vehicle (Third Party Insurance) Act from the date of the expiry of the last policy until the expiry date of the new policy, but the protection of the owner of the motor-vehicle under the Act shall only be granted to the owner of the vehicle from the actual date of the issue of the new policy. I would make it clear, however, that a person injured by accident as a result of the use of a vehicle from the date of the expiry of the old policy of insurance to its actual date of renewal is fully protected under the principal Act and it is still the liability of the trust to compensate such a person for injuries received.

Another amendment will enable the trust to have the question of liability for any claim determined by the court after the expiration of six months from the date of the accident and without the necessity of awaiting the claimant's full recovery. It has been the experience of the trust on many occasions that claims are received either from claimants personally or through their solicitors and then years elapse before the claim is brought to court. In some cases delay has been as long as five years. During this period witnesses disappear or, more particularly, forget facts. In all cases the exact recollection is always a matter of importance to either the trust or the claimant, and the possibility of an exact recollection is destroyed by lapse of time.

The trust has also been faced on many occasions with the embarrassing position of having no defendant. Claimants have been so long in bringing their claims to trial that the defendant has left the State or cannot be found and thus the trust's witness is lost.

A further point to be considered is that in many cases the injured persons make no real effort to recover or return to work whilst they believe they will ultimately be paid in full for time lost. If, on the other hand, liability has been ascertained and they find they are only to get one-third or one-half of their anticipated claim, incentive to return to work is greatly increased. Again, a claimant may consider he has an indisputable claim only to find out, some years later, after he has incurred enormous medical costs and loss of wages, that a court finds against him and his claim is dismissed. If liability had been determined in the early stages, he would have had the opportunity of cutting his losses.

It must be stressed that the action of bringing cases before the court within six months is purely on the question of liability only. This having once been determined, the case would then be adjourned pending the recovery of the claimant and his being in a position to have his damages assessed. I submit that this amendment is beneficial to the individual as well as of assistance to the trust. I move—

> That the Bill be now read a second time.

On motion by Hon. A. F. Watts, debate adjourned.

BILL—NORTHERN DEVELOPMENTS PTY. LIMITED AGREEMENT.

Second Reading.

Debate resumed from the 14th November.

MR. BOVELL (Vasse) [5.12]: This measure asks Parliament to ratify an agreement between a company known as Northern Developments Pty. Limited and the State Government concerning a project for the growing of rice on land at present under pastoral lease to the Kimberley Pastoral Co. The agreement will impose certain obligations on the State Government which will be required, at its own cost, to construct a weir across the Uralla Creek or Snake Creek, as it is known, in order—

(a) to provide some water storage in Uralla Creek upstream from the weir;

(b) to act as a control point for the diversion of irrigation water and

(c) to provide some water from the weir for the lower reaches of Uralla Creek.

Subject to investigations, tests, surveys, etc., the State will also construct a barrage in the bed of the Fitzroy River to be completed by the end of 1960. Two irrigation channels on each side of Uralla Creek are also to be constructed by the Government. Certain maintenance and repairs of these

works are the responsibility of the Government. The Government is also responsible for the construction of certain roads and the maintenance of bridges.

A townsite will be provided by the Government and, through the State Housing Commission, it will erect five houses for the company's employees within the townsite, the first two before the 30th June next and the other three as required.

The Minister for Transport: Are you reading the Minister's speech now?

Mr. BOVELL: No. I am not doing that. Northern Developments Pty. Ltd. is required to construct and maintain certain improvement works and in consideration of the State making and constructing the several works referred to previously by me, shall pay to the Government of Western Australia £3,000 annually.

At the outset I stated that the land is at present part of a pastoral lease held by the Kimberley Pastoral Co. The total area to be made available to Northern Developments Pty. Ltd. is 20,000 acres. This land will be parcelled out in 5,000-acre lots. The first parcel of 5,000 acres is to be made available within 30 days from the date this measure is proclaimed. The company may, within seven years of the date of ratification of the agreement by Parliament, apply for the second parcel provided that the whole of the cultivable area of this first parcel of 5,000 acres has been planted to rice, and the Minister for Lands is satisfied that rice can be successfully and economically grown.

Similar provisions appear in the agreement in respect of the third parcel after 14 years, and the fourth parcel after 21 years. It also appears to me that the Minister can extend the period of time at his absolute discretion. There are two most important aspects which were omitted from the Minister's speech. Firstly, I feel that Parliament should have been informed of the financial position of Northern Developments Pty. Ltd. in order that members could have had an opportunity of judging for themselves the ability of the company to discharge its obligations. I am not in possession of any information concerning the financial stability of Northern Developments Pty. Ltd., nor do I think is any other member here.

The only information the Minister gave us in his speech was to the effect that this company is a duly incorporated one in the State of New South Wales with a registered office in Perth. Secondly, I was disappointed to see that the agreement contained no maximum amount for which the State Government is committed in carrying out its obligations, some of which I referred to earlier. Parliament, in effect, is asked to sign a blank cheque, and I consider that some indication as to the cost to the taxpayer should have appeared in the agreement—or, at least, the Minister should have informed members of an estimate of expenditure to which the Government is committed.

The Kimberley Pastoral Co., which will voluntarily surrender 20,000 acres of its pastoral lease, deserves the highest praise. It must be commended for its most important part in this proposal to establish a rice-growing industry in the North-West. Over the several years that Northern Developments Pty. Ltd. has been carrying out preliminary trials concerning the establishment of a rice-growing industry, the Kimberley Pastoral Co. has given that other company every possible assistance, and I was pleased to see that the Minister gave credit to the Kimberley Pastoral Co. for its attitude in endeavouring to encourage the establishment of a rice-growing industry in that area.

I would now like to quote an extract from the agreement. It reads as follows:—

> The land comprised in a parcel shall not be used for any purpose other than the cultivation and processing of rice and other agricultural crops necessitated by the rotational cultivation of rice.

That, of course, is worthy of inclusion in the agreement, but later on it goes on to say that under certain conditions the issue of Crown grants to Northern Developments Pty. Ltd. will be made. I hope it is clearly understood, and I trust the Minister will give the House a firm assurance to that effect, that no permission is given for the establishment of any grazing projects within the area that will be voluntarily forfeited by the Kimberley Pastoral Co.

That company is one of the oldest grazing companies in the north-west portion of this State, and from my knowledge of its activities, it operates one of the best-developed properties of its kind in the North-West. The proprietors of this company are all Western Australians, and they all belong to families that have pioneered the pastoral industry in the North-West. Again, I think great credit should be given to the members of this company for their attitude and encouragement of a rice-growing industry in the area to which I have referred.

The main problem that confronts me at the moment is the position that will obtain when the issue of Crown grants eventuates. The agreement says that the following inclusion will be made in the Crown grant:—

> For the purpose of an area of not less than one-fifth of the said land being planted annually with rice provided there is sufficient water available therefor and in the event of there being insufficient water such lesser area for which sufficient water is available and conditional upon such area or such lesser area of the land

> being so used and for no other purpose whatsoever save and except with the consent in writing of the Governor.

My interpretation of that provision from a legal point of view, is that Northern Developments Pty. Ltd. would be obliged under the Crown grant when it is issued to crop to rice one-fifth of the area of that land if sufficient water was available; and they would crop rotational crops on the remaining four-fifths. But there is nothing to indicate in the Crown grant that they shall not graze stock on the four-fifths of the area which is not planted to rice.

I believe that the Kimberley Pastoral Co., which has voluntarily forfeited 20,000 acres of its best lambing paddocks on the banks of Uralla Creek in close proximity to the Fitzroy River, did so with the assurance that there would not at any future time be permitted the establishment of grazing rights in that area.

Mr. Ackland: Have you evidence to substantiate that remark? It may be for the good of the land that the grazing is to be done.

Mr. BOVELL: If any grazing is done on it, it should be done by the stock of the Kimberley Pastoral Co.

Mr. Ackland: Which has an interest in this company.

Mr. BOVELL: Not to my knowledge. The member for Moore may possibly know more about it than I do. I am only speaking of the position as I see it—as a fair proposition to a company that has voluntarily surrendered 20,000 acres of its best lambing paddocks on the banks of a stream, which provides adequate water for its stock purposes. I understand, and I believe the Minister will confirm my impression, that this land was forfeited for the sole reason of permitting the establishment of a rice-growing industry, and not for grazing purposes—that is why the land in that area was forfeited.

To return to the clause which will be inserted in the Crown grant in accordance with the agreement, my interpretation of it is that there is nothing to prevent Northern Developments Pty. Ltd. from grazing its stock on four-fifths of this land, once the Crown grant issues. I would have preferred to see erased from this proposed condition in the Crown grant the words "except with the consent in writing of the Governor," because that does not leave any protection in future years, and we do not know what the opinion of the Government of the day will be. It might not be aware of the conditions under which this land was forfeited by the Kimberley Pastoral Co. and accordingly the Government of the day might, upon application by Northern Developments Pty. Ltd.—or some other company that may be operating this land at some future time—agree to pastoral pursuits being followed on that land.

I really believe that had the agreement contained the clause to which I have referred, it would have been sufficient, and would have met the requirements of both companies. I understand it was the intention of Northern Developments Pty. Ltd. to engage in rice production only, and it was for that purpose that the Kimberley Pastoral Co. voluntarily forfeited 20,000 acres of valuable grazing land. I think Crown grants should include the following clause:—

> For the purpose of cultivation and processing of rice and other agricultural crops and conditional upon the same being used for such purpose and for no other purpose whatsoever.

If such a clause were inserted in the Crown grant when it issued, it would meet the requirements of both companies. It is not competent for me to move an alteration of this agreement, because it has already been signed by the Premier on behalf of the State Government and M. E. Farley and A. Richmond as directors of Northern Developments Pty. Ltd. If the Minister can suggest any way to give satisfaction to all concerned—and I believe the Kimberley Pastoral Co. should be considered in this matter—and if an alteration can be made to the agreement on the lines I have suggested, I certainly would appreciate his co-operation.

If it is possible to have the phraseology of this particular insertion included in the Crown grants when their issue is effected, I hope he will agree to my suggestion. If not, I request him, when replying to this debate, to give this Assembly, on behalf of his Government, an unqualified assurance that it was the intention of the Government when it entered into this agreement that these lands should be used for the cultivation and production of rice—and only rice—and the necessary rotational crops; and that it was never intended, as is in the agreement, that any other venture such as stock raising and grazing should be entered into by Northern Developments Pty. Ltd.

The Minister for Lands: Your fears are unfounded in that regard.

Mr. BOVELL: I hope they are.

The Minister for Lands: They are.

Mr. BOVELL: I know what legal documents are, and I think if the Minister were to get the opinion of several Queen's Counsel, he would find that the interpretation I have placed on this insertion, which it is proposed to include in the Crown grant, would not prevent Northern Developments Pty Ltd. from raising stock on four-fifths of land once the Crown grants have issued.

The Minister for Lands: We know how the legal fraternity differs always on every point. I have the opinion of the Crown Law Department in this regard, and I say that your fears are unfounded.

Mr. BOVELL: I hope the Minister will make that clear when replying to the debate. I want to make it quite clear myself that I think this project is one which should be encouraged to the fullest extent, and I congratulate the Government upon its initiative in this regard. I do not deny the credit which is due, but it is also due to the co-operation of the Kimberley Pastoral Co. which, as I said earlier, is comprised of representatives of families who are all well known and are descendants of pioneers of the Kimberleys and are true Western Australians.

I am confident that every member of the Opposition will join me in wishing Northern Developments Pty. Ltd. every success in this venture of establishing a rice-growing industry in the North-West. I trust this Bill will herald into Western Australia a prosperous rice-producing industry which will not only provide employment for many Western Australians, but will also contribute to the development of our great North-West.

Mr. Potter: And fat stock.

Mr. BOVELL: We will put the hon. member to grass up there; that is where he ought to be.

Mr. Potter: I was only trying to help you. You look as though you could grass there, too.

Mr. BOVELL: I hope the Minister will give consideration to the suggestions I have made regarding the clarification of the insertions in the Crown grants and also, I repeat, give this House an undertaking that it was the intention—and is the intention—of the Government to allow this country to be used only for rice growing, and that my fears in regard to the legal interpretation are unfounded.

The Minister for Lands: What again?

Mr. BOVELL: I hope the Minister will quote his advice in accordance with his interjection that the Crown Law Department considers the Crown grants, when they issue, will be legally watertight in regard to restricting the use of this 20,000 acres for rice-growing and rotational crops. With those comments I support the second reading.

MR. ACKLAND (Moore) [5.36]: I have been very interested in the experiments that have taken place at Liveringa during the last few years. Members may recall that some few years ago, in company with Senator Seward and Hon. A. R. Jones, I made a trip to the north, as far as Darwin and, on return to Parliament, moved a resolution which was carried by the House—in fact, by both Houses—that the Premier, the Leader of the Opposition, the member for Murray and the Leader of the Country Party, should go to Canberra with the object of trying to interest the Federal Government in projects of this nature in the north-west of Western Australia.

Some of my friends on the opposite side of the House classed me as a port-hole tourist—with some justification. However, we did, at each port, with the exception of Derby, go as far inland as possible during the time the ship was in port. Although we were unable to go to Liveringa, we did meet an engineer, who was not only enthusiastic but had been very active in surveying the upper reaches of the Fitzroy River, with the object of having certain water schemes established on the upper tributaries of the river in regard to a proposition such as this.

We were fortunate in having him explain to us what could be done in the Fitzroy Basin if the Government could, from somewhere, find sufficient money to have dams put in the upper reaches. He was of the opinion that for a very much smaller capital outlay, a great deal more could be done on the Fitzroy than could be accomplished on the Ord River. Certainly, I have no knowledge to support or contradict that contention, but we did have the opportunity of going out to the experimental station on the Ord River and seeing what was being attempted there, more particularly with sugar. As Australia is over-producing sugar—I think to the extent of a great many thousand tons per year—under the International Sugar Agreement, it seemed that some other activity would be very much more in line and more practicable than the growing of sugar on the Ord River.

Through the courtesy and kindness of the then Administrator of the Northern Territory—Hon. Frank Wise—we were able to go out and see something of Humpty Doo where experiments were being conducted at that time. As members will know, since then the Chase syndicate has interested itself in Humpty Doo. We have heard a great many unfavourable comments as to their activities in other places; and we have heard a great deal about the ravages of wild geese in regard to the rice grown there.

I now come back to the agreement under consideration. Whilst I am in accord with the objective of the Government in granting all the facilities it can to this company, I cannot help contrasting it with the agreement that was entered into with the Chase syndicate at Esperance. Although most of us were enthusiastic—including myself—when it was decided by this company to take up 1,500,000 acres of land at Esperance, after we read the agreement which the Government had entered into, we were horrified to see how

little responsibility had been put on the Chase syndicate under the terms of that agreement.

In my opinion, after they have dealt with the first 350,000 acres under that agreement under a period of three or four years, they then have a completely blank cheque as to what they do, or do not do, with over a million acres of land, in the Esperance district, capable of carrying three sheep to the acre. Here we find quite a different agreement; here we find quite a different company. We find an Australian company, which the Minister informs us has already spent £75,000 of its own money in experiments and developmental work on this project.

A company that is willing to do that deserves every consideration and also every assistance from the Government of the day and Parliament generally. The agreement with that company is of a totally different nature. I do not quarrel with the agreement, because I think that agreements have not only to give concessions but have to put some responsibility on to the people who are granted the concessions. Here we find the Government is prepared to help these people, but under very definite conditions.

I cannot for a minute agree with the member for Vasse with reference to his remark regarding the land which remains out of production. I have no knowledge of the farming or pastoral areas in the North-West, but I know the principles in agriculture do not vary very much from the North Pole to the South Pole; they vary only in application. The same fundamental principles are used in every country in every part of the world. Certain things have to be done to get the best results, or even success at all.

It may be that this land can only be cropped to rice once every four or five years, but to allow land to lie dormant for a period of four years would not be in the best interests of the land itself, or the people who are paying for it. I believe that this agreement should be made so that when the areas of land are lying out of production, the company may be able to make some reasonable use of them. The young engineer, to whom I made reference earlier, told me that after discussions with the officers of the Agricultural Department stationed there, he believed there was a great potential there to prevent droughts for ever and a day, or to take precautions against droughts by growing and conserving fodder.

In no country can we take everything out of the land and put nothing back. That is against the laws of nature. If these people do not use fertilisers—I do not know whether they do or do not—then I say that there must be excreta from animals to return to the ground the fertility that has been taken out of it.

Mr. Bovell: By rotation of crops.

Mr. ACKLAND: I do not know anything about rice growing, but I do know the basic principles that lie behind agriculture, no matter where it is undertaken. We find that over a period—21 years is mentioned in the agreement—some 20,000 acres will be made available to Northern Developments Pty. Ltd. This area will be available to the company by way of 5,000 acres in seven-year periods. I think that is an excellent arrangement as far as it goes, but we find that the Government is not only going to erect houses but is going to provide water, so it seems to me that the company will be getting reasonable compensation for the payment mentioned in the Minister's speech.

Had an agreement of this nature, or one with some responsibility, been entered into with the Chase syndicate, it might have been better for that syndicate, and it certainly would have been better for Western Australia.

Hon. D. Brand: Has the Chase syndicate been prepared to accept any responsibility in that regard?

Mr. ACKLAND: I do not know. If the Chase syndicate was not prepared to accept the responsibility, it should not have been given a lease. I believe it will have the right to do anything it likes with an area of 1,050,000 acres. Under this agreement restrictions are put on the company, with which I entirely agree; and I believe that the obligations placed on it are reasonable. I believe also that the Government is giving it reasonable assistance in providing roads, water and houses. For these facilities the company shall pay the Government an annual sum of £3,000, and on payment of this amount it shall be entitled to the delivery of up to 30,000 acre feet of water each year. The company shall also pay rent for the houses. Of course, the roads are the responsibility of the Government. Wherever a road is built, whether it be from Wyndham to Augusta, or anywhere else, it is a matter for the Government.

If other projects in these areas could be entered into with an assurance of sufficient water, they would all be to the good of the State. The engineer, Mr. Dewing, if I remember his name correctly, was a great enthusiast for the project. He left Derby with the greatest reluctance. He left because of lack of schooling and other amenities which he believed his family had a right to enjoy. By bringing population to the North in this and other ways, it is possible for these amenities to be made available for people in those parts of the State. I support the second reading of the Bill.

MR. RHATIGAN (Kimberley) [5.50]: I am happy to see the Bill before the House. It is small in size but of vast importance not only to the northern portion of our State, but to the whole of Western Australia. There is no doubt that this is the

forerunner of many more agricultural pursuits in the North in, I hope, what will be the not too distant future.

Northern Developments Pty. Ltd. has proved conclusively that rice can be produced on a commercially sound basis. It is interesting for members to know how the Liveringa rice project first came about. In August, 1949, Mr. M. E. Farley, in company with Hon. H. V. Johnson, M.H.R., Minister for the Interior at that time, visited the Kimberley area of Western Australia and the Northern Territory with a view to ascertaining the prospects of establishing a rice industry in those areas.

Mr. Farley was most impressed with the potentialities of both centres and on his return to Sydney arranged for Mr. Walter Poggendorff, chief of the Division of Plant Breeding of the New South Wales Department of Agriculture, to make a similar tour of inspection. The published survey by Mr. Poggendorff strongly emphasised the possibilities of developing the Fitzroy River valley in the Kimberleys and the Adelaide River in the Northern Territory. In his investigations in the West, Mr. Poggendorff was assisted by Mr. K. M. Durack and Mr. R. M. Rowell, and in the Northern Territory by Mr. A. R. Driver, the Administrator, and Mr. W. Nixon Smith, an agricultural officer.

Mr. Durack was keenly interested in the investigations and later offered his services to take charge of an experimental plot which was sponsored by the traditional Australian rice millers—Australian Rice Pty. Ltd., Waters Trading Co. Pty. Ltd., Robert Harper & Co. Ltd., Clifford Love & Co. Ltd., Parsons Bros & Co. Pty. Ltd., Jas. F. McKenzie & Co. Ltd., and Murrami Rice Mill Co.—all of whom continue to maintain a financial and active interest in the new company.

That was the actual commencement of this project which will be of vast importance to the State of Western Australia. Mr. Durack is to be congratulated upon his untiring and unstinted efforts to prove that the North can and will produce commodities which are necessary to the human race all over the world. The Kimberley Pastoral Co. has co-operated throughout the negotiations. Mr. Rose, the manager of Liveringa station, has been actively interested in the project and has assisted in every shape and form.

Northern Developments Pty. Ltd. has, without asking any assistance from the Government, spent £40,000 to prove that rice can be grown there. Having done so, it asked the Government to assist and I am happy to say—I was on a couple of deputations in connection with this project to various Ministers—that the Government co-operated fully, which proves to members opposite that the present Government, which they sometimes refer to as socialistic, is prepared to assist private enterprise if private enterprise proves that it is worthy of assistance. The company in this instance has proved that assistance by the Sate Government is warranted.

At this stage I understand that Northern Developments Pty. Ltd. has gone further and spent a total of £75,000. The State Government, according to figures given by the Minister, has spent £54,000 in the provision of roads, water supplies and what-not. I have contacted the Asiatics in the Broome area—they are good judges of rice—and they assure me that this rice is almost perfect and that they prefer it to anything they have in their own land. Now that the State Government has done its share, surely to goodness the Commonwealth Government if it has any interest in that portion of the State, will come good and give further assistance.

This rice project must tie up with the deep-water port at Derby, which is vital to the opening up of the Kimberley area. The deep-water port would be the forerunner of a meatworks at Derby. Surely if the Commonwealth Government has any regard for the State of Western Australia, it will assist us to establish, or provide out of its own funds, a deep-water port at Derby which is so essential for the development of the North.

A deep-water port would have the effect of making cheaper fuel available in the North, particularly aviation fuel. Vacuum aviation fuel is, so far as I know, the only aviation fuel used in the North. If a deep-water port and storage facilities were provided at Derby the company would run its own tanker there and this would mean an enormous saving to the State Shipping Service because it would not then lose the amount which it is now on the cartage of fuel.

The development of this area actually hinges on the provision of this deep-water port. As there has been nothing concrete from the Commonwealth Government, it does not seem as though it is very interested. The only thing that emanated from the all-party delegation was an admission from the Prime Minister that a good case for assistance for the North had been put up. Was that a reasonable answer? I consider it an insult. It is about time the Commonwealth realised its responsibilities. Here is a company that has spent £75,000 of its money to prove that something can be done, and the Commonwealth Government is too lousy to advance anything whatsoever. I suggest that Artie Fadden, the Treasurer, and Bob Menzies, the Prime Minister, visit the northern areas and Liveringa, to see what can be done there, instead of globe-trotting all over the world.

What is helping to retard the development of the North is the fact that we have as Treasurer a Queensland representative. We can, at the Kimberley research station in Western Australia, grow

sugar equal to, if not better than, that produced anywhere else in Australia. But no, we must not do that because it might interfere with the Queensland sugar market. I am happy to give the Bill my whole-hearted support.

THE MINISTER FOR LANDS (Hon. E. K. Hoar—Warren—in reply) [5.58]: I thank those members who have taken an interest in the debate because, as the member for Kimberley says, this is a most important matter to Western Australia and particularly the northern portion of it. With the co-operation of the Government, this company is proving what can be done in the way of rice growing in this area, and I have no doubt that other opportunities will, as the years go by, present themselves in various forms to assist further in the development of the North. What has been done here is a clear indication that this Government, in spite of everything that has been said against it from time to time, is prepared on any reasonable occasion to assist private enterprise to establish itself successfully in any part of the State.

One or two important points were mentioned by the member for Vasse but before getting on to the major matter he mentioned, I want to say that when the Bill was introduced last Thursday it was wellnigh impossible for me to make an authoritative statement, on behalf of the Public Works Department, with respect to the total expenditure likely to be involved in Government undertakings and works. The estimate could be about £100,000; but it might be less or considerably more.

Mr. Bovell: I just wanted an idea.

The MINISTER FOR LANDS: I did not like to mention any figure because it could be misleading. The main thing to remember is that the Government, whatever the cost will be, has agreed to guarantee to provide these facilities. The major work will be with respect to water, the cost of which is being returned to the Government by way of payments from the company. I do not think that the question of expenditure on that item, at any rate, is very important. It is a business arrangement between the Government and the company concerned.

The very important point raised by the member for Vasse, regarding what the company would be permitted to do after it received the Crown grants in respect of the whole of the 20,000 acres, was fully discussed. Months ago, when negotiations took place between me and the company, a vastly different set of proposals was put forward by the company than are now contained in this legislation. The company did not want any restrictions at all placed on it at the end of the period, and when it received the Crown grant. It felt it should be free to do what it liked, even though it had given an assurance definitely and absolutely, that all the area would be used for rice-growing.

If members look closely at the agreement, and realise that all the provisions in it will be included in the Crown grants when they are issued, they will see that the matter is fully covered. This will be one of very few Crown grants issued by a Government which contains restrictive clauses of the character which have been agreed to by the Government and the company. The agreement by the company to these provisions being included proves its bona fides, and emphasises the fact that it is the intention to grow rice, and nothing but rice except for the crops that are required to rest the land.

Those provisions are included in the agreement in relation to every parcel of land made available to the company. After 30 days from the ratification, as the member for Vasse said, the company will be granted a licence for five years, and at the end of that period, provided the Minister is satisfied—and only provided he is satisfied—that at least four-fifths of the area, based on 1,000 acres a year, has been satisfactorily sown to rice, he can cause the Crown grant to be issued in respect to that parcel of land. The same applies to the second, third and fourth parcels of land. Each parcel is dealt with separately and is subject to a separate Crown grant. Each of the Crown grants insists—and Mr. Farley, the spokesman for the company has agreed to it—that the land shall be used for rice-growing and nothing else.

Mr. Bovell: That is the intention of the Government?

The MINISTER FOR LANDS: Yes. That was, and still is, the intention of the Government. That was the intention of the Government when we first started to negotiate because we felt, as did the member for Vasse, that the Kimberley Pastoral Co., which was voluntarily surrendering 20,000 acres of valuable land—and it is valuable land—should be protected to the extent that if anything happened, either at the conclusion of the issue of the first, second, third or fourth parcels, which would run counter to the agreement between the Government and the company, the Kimberley Pastoral Co. should not be the one to suffer as a result of it. I checked up on that very point with the Crown Law Department and, after very careful consideration of the actual point raised by the hon. member, this is the advice I have received—

> 1. The company may, upon expiry of a licence, apply for a Crown grant of the land comprised in each parcel.
>
> 2. Each grant will issue for the purpose of an area of not less than one-fifth of the said land being planted annually with rice, subject to sufficiency of water, and this condition will be written into the grant.

3. Each of the four grants will be separate entities, and the condition relative to the area to be planted annually to rice will apply to each.

4. If, when applying for subsequent grants, it transpires that the company has not observed, performed and complied with all the terms and conditions on its part, as contained in the agreement, the State could refuse to issue a Crown grant in respect of an additional parcel.

5. If, after all four parcels have been granted in freehold, the company fails to use the land for the purpose for which the grants have been issued, the State could take action for the cancellation of the grants on the grounds of non-fulfilment of that condition.

Mr. Bovell: That is, for rice-growing and rotational crops?

The MINISTER FOR LANDS: Yes, that is clearly defined in the agreement. There is not the slightest shadow of doubt that the point raised by the member for Vasse has been definitely tied up, at least to my satisfaction, that of the Government and the company—and I feel sure it is now to the satisfaction of the member for Vasse.

I feel sure that all members who have spoken to the second reading feel that this Bill, and this agreement, will be a good thing not only from a State point of view but also from the point of view of the company. The member for Moore spoke about restrictive conditions, and compared this with what he believes exists in the agreement between the Chase syndicate and the Government. No doubt he was referring to the price of the land which will ultimately be charged to this company.

To my mind we should realise that this company has up to date invested £75,000 in this project, and has definitely proved its contention to continue to grow rice, and nothing but rice, because the whole of the development in the area concerned is planned for the production of rice and nothing else. I might have misinterpreted the remarks of the member for Moore, but I understood him to say that some other type of crop than the rotational one should be permitted to be grown by this company. If that were done, it would immediately alter the whole arrangement and it would not be permitted under the agreement.

Mr. Ackland: Do you think you can maintain the fertility of the soil if you grow only one crop?

Mr. Bovell: Yes, that is the system of rice-growing.

The MINISTER FOR LANDS: The information I have is that the only damage done by rice-growing is a lessening of the nitrogen content of the soil.

Mr. Ackland: Won't you have to replace that?

The MINISTER FOR LANDS: As I said when I moved the second reading, the main rotational crop will be sorghum, and when that has been harvested, and the remains ploughed back into the soil, it replaces that nitrogen deficiency. That is exactly what the company wants. There may be other crops that will have the same effect; I do not know, because I am not in a position to say exactly what the company will do in that regard. When I mentioned the matter to Mr. Farley some months ago he had not made up his mind definitely regarding what type of plant would be grown while the land was being rested from rice-growing.

Mr. Ackland: You have no intention of restricting them in maintaining the soil fertility?

The MINISTER FOR LANDS: No, so long as each year no less than 1,000 acres will be planted to rice from each of the five 1,000-acre parcels. The rotational crop used will have to be of a type which will not interfere with the continuity of rice production, otherwise there will be a breach of the agreement.

The cost of producing rice there is between £25 and £30 per ton and the market price of the rice harvested from one acre, on the basis of two tons to the acre, or better—which is what they are growing at present—is £80. So members will see that the company is not being overcharged in respect to the price of the land. In fact, the company has agreed to the price in its negotiations with the State Government. I commend the Bill to the House, and I hope it will be the forerunner of many more activities in this far-flung and isolated part of the State.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Moir in the Chair; the Minister for Lands in charge of the Bill.

Clauses 1 and 2—agreed to.

First Schedule.

Mr. BOVELL: This schedule contains the only controversial issue—and it is hardly a controversial one. The Minister clearly indicated in his reply to the debate, that it is the intention of the Government and the Northern Developments Co., the two parties to the agreement, that this land shall be used only for the cultivation of rice and the necessary rotational crops. I am still not satisfied that once the Government grants have been issued the legal position will not be as I said during my second reading speech. But the agreement has been signed and we have only two alternatives, either to accept it or reject it. I accept it with the qualification that the Minister has assured me that I need

have no fears in regard to the legal position, and that no grazing will be permitted on this land.

The Minister for Lands: That is right.

First Schedule put and passed.

Second Schedule:

The MINISTER FOR LANDS: I have a few small amendments on the notice paper but I will have them made by the Legislative Council so that the Bill will not have to be reprinted.

Second Schedule put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—ACTS AMENDMENT (SUPERANNUATION AND PENSIONS).

Returned from the Council with an amendment.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—NATIVES STATUS AS CITIZENS.

Second Reading.

THE MINISTER FOR NATIVE WELFARE (Hon. J. J. Brady—Guildford-Midland) [7.30] in moving the second reading said: This is probably one of the most important and far-reaching pieces of legislation from a native welfare point of view that has ever been brought before the House. I feel very privileged to have the honour of introducing the Bill which will mean so much to so many underprivileged people descended from the original Australians. The passage of the Bill will give these people full citizenship as a birthright in like manner to every other natural-born Australian, and a right that new Australians, by conformity with certain requirements, can readily obtain if they choose to adopt Australian nationality.

It will be seen that the Bill seeks to amend eleven existing statutes and then repeals the Natives (Citizenship Rights) Act 1944-1951. The object of this is, broadly, to remove all special restrictions that apply to natives only in the various statutes and at the same time ensure that the Native Welfare Department maintains its welfare responsibilities and may act as protector for certain natives unable to comply with citizenship status.

The whole purpose of the legislation is to give natives freedom and equality with ourselves. The principle conforms with that of the Declaration of Human Rights to which Australia was a signatory, and with promises made to natives and the public at national and State levels for a number of years. The implementation of such a policy elsewhere has not proved as calamitous as it was expected by some people it would be in this State.

So far as the Commonwealth and other States are concerned, the following is briefly the position: Under the Commonwealth Nationality and Citizenship Act all aboriginal natives of Australia are declared citizens of Australia and British subjects. In the Northern Territory, legislation does not refer to natives but the Welfare Ordinance provides measures whereby any person can be declared a ward. This has the effect of bringing a large number of natives under the welfare ordinance. The others automatically exercise the full rights of citizenship and have the right to vote and drink intoxicating liquor.

In Queensland, those who have a preponderance of native blood and others of less than half blood who are declared by a court to be in need of protection come under the purview of the native legislation in that State. There is, however, provision for exemption from the Act and such exempted natives, excepting full bloods or those with a preponderance of aboriginal blood, are entitled to vote. All exempted natives are entitled to drink intoxicating liquor. In practice, it would seem that restrictions are placed only on those living in settlements and on missions.

In New South Wales, the Aborigines Protection Act covers those with a preponderance of native blood. The others are not restricted. The franchise was given to natives in 1902 and compulsory voting was introduced in 1929. There is provision for natives to be exempted from the Aborigines Protection Act. Such exemption allows them to exercise full citizenship rights.

In South Australia any person of full blood and any person descended from the full blood inhabitants of Australia comes under the provisions of the native legislation. There is provision for exemption which allows the exempted native the full exercise of citizenship rights. All natives in South Australia have the right to vote. In Victoria the Aborigines Act provides for full bloods and any person of aboriginal descent. However, there is no restriction placed on aborigines with regard to liquor and voting.

Under existing circumstances a native who crosses an imaginary line from the Northern Territory and enters Western Australia loses his birthright. This has already led to a certain amount of confusion. I have received some very bitter complaints in reply to which I can only advise the writers to apply for citizenship rights in accordance with the State's laws. Naturally this arouses a resentment that is quite understandable. Many instances on the following lines have occurred, and for

the information of the House, two are related. The first is contained in this letter:—

Wyndham, W.A.,
C/o P.W.D.,
10th February, 1957.

Officer of Minister for Native Welfare,
Perth.

Dear Sir,

I received your letter of the 21st January. I do not agree with your State laws as you know very well that under the Commonwealth Nationality and Citizenship Act I am a citizen of Australia the same as you are.

Why ignore the Commonwealth King's and Queen's laws, as you already told me that I am a citizen of Australia, the same as all citizens in W.A. and you know very well that your State laws are only by-laws? Why use it on a half-white fellow that comes from another State or territory? You know very well only the Northern Territory in Australia where the half-caste has got his citizenship status the same as all citizens in W.A. You know very well the aboriginal Act was made in W.A. for natives in W.A. and not for halfcastes that come from another State or territory, with his civic status and birthrights.

This means to say that according to your State laws if you come across the border into the Territory you take out a citizenship ticket to become a citizen of the Territory. I am asking you to give us our rights. You know very well we claim it here.

Regards,
(Sgd.) S. McDonald.

In another instance two well-known men were brought from Darwin for a sporting body. They both came from highly respected families, the last two generations of which had not been subject to either the Aboriginal or the Welfare Ordinance of the Northern Territory. On reaching Western Australia, however, one was legally a non-native in law but the other, being more than quarter-caste, immediately lost his birthright and became a native in law, much to the consternation of his family and those concerned with him.

In connection with these men the following is an extract from a letter received from Mr. H. C. Giese, Director of Welfare, Northern Territory Administration, Darwin:—

> It is presumed that in view of the degree of aboriginal blood in these two persons they fall within the definition of an aboriginal under your State Acts. I think I should point out that both men come from very well-respected families in Darwin and that the last two generations of each have not been subject to either the Aboriginal or Welfare Ordinances of the Northern Territory.
>
> The families of both men were perturbed that on proceeding to Western Australia they were subjected to this inquiry and I feel you will agree that this state of affairs, whilst necessary from the legal point of view in your State, is rather confusing and annoying to the individuals and their relations.

The proposed amendments acknowledge the principle of equal dignity and rights propounded by the United Nations Charter, to which, as I mentioned before, Australia is a signatory in so far as the natives are concerned. Citizenship, as a birthright, is provided by the Commonwealth Nationality and Citizenship Act, 1949, but over the years various pieces of State legislation have excluded natives, and it is these statutes that the Bill seeks to amend. At the same time it is proposed that those natives who stand in need of State guardianship and supervision shall, on declaration by a magistrate, be a "protected native" and as such become, for the time being, wards of the State.

The application to a magistrate may be made by the Commissioner of Native Welfare, a protector of natives or by a native himself on his own behalf. There is provision for an appeal against the magistrate's decision and also for its revision from time to time as may be necessary. The facilities and resources of the Native Welfare Department will continue to be available to all persons at present classed as natives within the meaning of the Native Welfare Act. The Government will continue to assist natives as it now does within the limit of its financial resources in such matters as food, clothing, medical attention and education. Missions will continue to receive the fullest possible support in the same way and to the same extent as in the past.

Natives will automatically be placed on a civic status with ourselves and only those proved by a competent court to be unable to accept and exercise full rights and privileges of citizenship, may temporarily be deprived of it. In considering this measure it was abundantly clear to the Government that such a large proportion of native people are being educated and in all material respects keeping in step with advancing civilisation, that the existing legislation is hopelessly out of date.

Perusal of the Bill will indicate the Acts which it is proposed to amend, but for record purposes I will quote them. First, there is the Native Welfare Act, 1905-1954. As mentioned before, it is proposed to provide for protected natives and this results in a number of consequential amendments throughout the Act. The whole aim is not

to categorise but to enable the department to extend welfare to any person who is in any part descended from the original inhabitants of Australia. Other amendments remove all protective barriers with the aim of implementing a policy of freedom and equality. The other measures are—

Constitution Acts Amendment Act, 1899-1955.
Criminal Code.
Dog Act, 1903-1948.
Electoral Act, 1907-1953.
Evidence Act, 1906-1956.
Fauna Protection Act, 1950-1954.
Firearms and Guns Act, 1931-1956.
Land Act, 1933-1956.
Licensing Act, 1911-1956.
Mining Act, 1904-1955.

Each of these Acts contains sections which apply particularly to natives; and the amendments in the Bill seek to repeal or amend the sections concerned, so that the law will be applicable to natives in every way as it is to each and every one of us.

Acceptance of these amendments, and a policy of freedom and equality, will render the Natives (Citizenship Rights) Act, 1944-1951, redundant; and it is therefore proposed to repeal this statute entirely. I would like to add that many of the barriers against the extension of citizenship rights to natives are social rather than legal. The natives will, of course, have a duty to fulfil and a standard to live up to in order to become fully accepted in our community.

Mr. Bovell: They could have those privileges if they lived up to those standards now.

The MINISTER FOR NATIVE WELFARE: To a large extent the natives are now social outcasts. They are not generally accepted in the community like other people—even like the new Australians who are now being accepted as Australian citizens, though some of them can barely speak English, and others cannot speak it as well as our native people.

Hon. D. Brand: Will this legislation solve that problem?

The MINISTER FOR NATIVE WELFARE: In my opinion, it will step up by 10 or 15 years the period wherein assimilation of natives will take place over and above the time taken for their acceptance as people if this law were not implemented at this stage. For the benefit of the Leader of the Opposition. I would point out that in the missions today upwards of 3,000 children are being educated to standards similar to those of white children. I would go so far as to say that in one or two of the missions the standard is equal if not superior to that of some of the private schools in the metropolitan area.

Hon. D. Brand: I do not deny that.

The MINISTER FOR NATIVE WELFARE: I am not saying the hon. member does. I am making the point that it would be criminal on our part at this stage of the State's history to allow those children to go back into mia mias or to the way of life which nomadic natives have pursued for years.

Hon. D. Brand: Will the passing of this law prevent that?

The MINISTER FOR NATIVE WELFARE: As I said before, it will make them more acceptable to the community and give them a social standing which they do not now have. In answer to the member for Vasse I pointed out that the majority of natives are social outcastes.

In fact, I would mention that last night I took two natives into the House for supper; and it is not to be denied that while they were there there was a certain amount of laughter coming from a certain table occupied by members of Parliament. It was quite pointed as to what the laughter was about. So it is desirable for members to appreciate that if these people are treated in that fashion in the State Parliament, they are also treated in the same fashion in outlying districts of this State. In fact, I heard that in one country district there is a law that natives cannot attend the picture show.

Hon. D. Brand: Are you positive that the laughter concerned yourself and the natives? That is a sweeping statement.

The MINISTER FOR NATIVE WELFARE: I am not positive. But it is a fact that one can go into the parliamentary refreshment rooms night in and night out without there being the same amount of derision, with those responsible looking at the table at which one is seated.

Mr. I. W. Manning: Could you name the members concerned?

The MINISTER FOR NATIVE WELFARE: The natives themselves will, of course, have a duty to fulfil and a standard to live up to in order to become fully accepted in our community. Although the Government is playing its part from a legal point of view, it will be up to each of us as individuals to assist in every way.

Finally, I must pay tribute to the officers of the Crown Law Department and the Department of Native Welfare for their ready co-operation and assistance in dealing with such an ambitious legislative project. I strongly commend the measure to the House and move—

That the Bill be now read a second time.

On motion by Mr. W. A. Manning, debate adjourned.

BILL—UNFAIR TRADING AND PROFIT CONTROL ACT AMENDMENT.

Second Reading.

Debate resumed from the 13th November.

HON. D. BRAND (Greenough) [7.51]: We have come to the second reading debate on what I consider to be the most controversial measure that has come before this House for many years—and far more controversial at this stage is the question of whether we should renew this particular law after an experience of almost 12 months.

The legislation has set off a period of disaster for Western Australia, inasmuch as it heralded a period during which we have become the point of criticism not only throughout Australia but internationally, for having such unsatisfactory and undesirable legislation on our statute book.

Mr. Heal: Why? It exists in other countries. You know that.

Mr. I. W. Manning: Are you sure of that?

Hon. D. BRAND: I expected that quite a number of members would raise the point that other countries have similar legislation. While I concede that such laws do exist, the member for West Perth—who was a member of the Honorary Royal Commission that inquired into these matters under the leadership of the member for Stirling, the Leader of the Country Party—knows full well that there is nothing comparable with this ineffective, frustrating piece of legislation.

Several members interjected.

Hon. D. BRAND: Why the Government wishes to carry on with it and to bring before this House a measure to continue such legislation I will never know, because it has achieved nothing whatever. As a matter of fact, from one end of the State to another we find that in secondary industries—if not in many other industries—operations are at a standstill for want of new blood, and new money, and new development—things which we cannot get within this State but will have to go outside to obtain. The history of the legislation so far, if I may be permitted to refer to the experience of certain cement companies in recent months—though the matter may be subjudice—

The Minister for Labour: That is why I did not refer to it.

Hon. D. BRAND: I will honour the suggestion that we should not go any further in this matter. Nevertheless it has proved negative in that regard. Along with that, we have evidence on every side that this type of legislation is really having an adverse effect upon the reputation of Western Australia in respect of the climate which it might create in regard to the incentive and encouragement of industry to come here.

The Minister for Lands: What reason have you for saying that?

Hon. D. BRAND: I have every reason. The Agent General to be will find when he gets to England that what we are saying is correct. He knows it to be so, for the very reason that it has been the means of creating a period in which no real industrial development has taken place in this country.

The Minister for Lands: Give us some instances to prove what you are saying.

Hon. D. BRAND: Might I say that those outside the State are not critical of us because we are free to make our own laws. We are an autonomous State; and if we want to legislate on such lines as these, we are not interfering with anybody outside. But I imagine that in the decisions that are being made by companies and investors all over the world, including the Eastern States, consideration would be given to the fact that this law exists on the statute book of this State.

Mr. Andrew: Have you any evidence to that effect?

Hon. D. BRAND: We have evidence all over the world. Just recently there was a representative here of vast industries and interests who made it very clear that he was not going to come back. One does not have to be any tactician to realise that the unfortunate publicity that has emanated from this State, as a result of the action of the commissioner, is causing this State to miss the opportunity of obtaining new money, increasing secondary industries, and promoting the development of primary industries.

Mr. Andrew: That fellow is like you. He made a lot of assertions, and was skittled.

Hon. D. BRAND: I might say that when this gentleman made his statement regarding the position of his company, the Premier made the unfortunate statement that we got on very well before this gentleman came here and would get on very well after he went. I have no doubt that we will. But it is a most unfortunate attitude to turn down such representatives when every day and every week the Premier is crying out for more money, saying how desperately in need of money the State is. We cannot deny we are so short of money; that there is a deficit of £2,600,000 this year, for a population of some 600,000; yet the only claim we can make is that the Commonwealth should give us a greater share of its funds when, in fact, per head of population we are receiving a reasonable amount. The only way of building up our finances and stabilising our economy and increasing employment is to say to companies and investors all over the world, "Come to Western Australia."

When I visited Melbourne recently I was not so much impressed by what was taking place there as I was by the feeling that we in Western Australia were missing golden opportunities such as those which the member for Stirling, as former Minister for Industrial Development, and the member for Murray as the then Premier, supported. It was they who attracted here such companies as B.P. (Aus), which we know as the Anglo-Iranian Oil Coy, and other companies.

Last night I was privileged to speak to Mr. Eric Drake, who signed the agreement in connection with Kwinana; and during a speech, he indicated that his company alone was spending in Western Australia on operating expenses some £4,000,000 every year. No one can sneer at such a sum, and that is excluding the great capital expenditure envisaged in the expansion of the refinery.

Mr. Evans: And how much are they taking out of Western Australia?

Hon. D. BRAND: I would not know, but this industry is helping greatly to solve the problem of our overseas balances. It is far better that petrol should be refined here and exported than that we should have to import all the time. One of our greatest needs is for more and more production in both primary and secondary industries, from one end of Western Australia to the other, so that we may have increasing amounts of produce available for export after meeting our internal demands.

Mr. Andrew: I cannot understand your argument.

Mr. Hearman: That does not surprise us.

Hon. D. BRAND: A great deal could be said about this State's unfortunate experience in regard to this legislation. When the Bill for this legislation was being considered, a select committee was appointed and was ultimately made into an Honorary Royal Commission, which had for its objectives an inquiry into restrictive trade practices in this State.

In moving for the appointment of that select committee the Leader of the Country Party made it clear that he did not believe such practices existed ad lib in this State, but felt that the inquiry was necessary in order to discover what laws to bring down to cope with the situation before the problem assumed great proportions. We have here the report of that Honorary Royal Commission and its recommendations, 18 of which were agreed to unanimously by the members of the Honorary Royal Commission, including the member for North Perth and the member for West Perth.

Mr. Heal: What is strange about that?

Hon. D. BRAND: It is certainly strange although it is a desirable end to an exhaustive inquiry by three parties in this House. The majority decision of the chairman and the member for Nedlands and the member for Roe recommended that the existing legislation be replaced by an Act, an outline of which they included in their report. That recommendation, I am sure, is acceptable to all concerned. Most people feel that the present Act is like a steam roller being used to crack a nut.

When envisaging restrictive trade agreements, most of us think in terms of huge companies overseas, the like of which do not exist here, and the members of the Honorary Royal Commission have recommended legislation which they think should be introduced and they believe it would be sufficient to cope with the problem as it exists here. If the present Act is continued we will have no need to worry about cartels or monopolies, because no worthwhile companies or investors will come here. There are other countries such as Canada for them to go to.

The Minister for Labour: Do you know that Canada has these laws?

Hon. D. BRAND: I do not know what the law is in Canada although the report does contain observations on the statutes that exist in other countries.

The Minister for Lands: Your speech will do more damage to the State than anything else.

Mr. Ross Hutchinson: Rubbish!

Hon. D. BRAND: Talking of damage—

Mr. Johnson: You should be accurate in matters like this.

Hon. D. BRAND: In the "Financial Times" of the 11th June, 1957, there is an article on cement trading in Australia and it gives a clear factual outline of what was happening here in that regard; nothing more or less, and nothing about the rights or wrongs of the case. It simply mentioned that one of the big companies was being attacked here by virtue and per medium of this law. The Agent General-elect will find, on arrival in England, that the reputation of this State which has gone abroad will frustrate his approaches to build up our secondary industries—

Mr. Potter: Do you conscientiously believe that these people were being attacked?

Hon. D. BRAND: Forgetting the rights or wrongs of the case, it is the publicity that has gone throughout the world which will cause the trouble, while, in fact, there is no need for this law. The Journal of the Institute of Directors says—

> In very few weeks the restrictive practices Bill will be on the statute book. Its provisions are outlined below:
>
> > The restrictive trade practices Bill which should become law at the end of July provides for the registration and judicial investigation of certain restrictive trade agreements and for

their prohibition when they are found to be contrary to public interest.

From the publicity which has been given to certain law cases in this country, I gather that the Chief Justice is perturbed, if not confused, as to what we mean by, "in the public interest." However, in England they have provided men of capacity; judicial and technical experts, who can thoroughly investigate the problem of restrictive trade practices and come to a worth-while decision. The House of Commons has not yet finished the Bill, so it may be altered.

However, the basic principle of that Bill is based upon the view that restrictive trading agreements are contrary to the public interest unless it can be proved otherwise. For the purpose of considering whether restrictive trade agreements are or are not contrary to the public interest a new court is to be established, to be called, "The Restrictive Practices Court." It will consist of five judges.

Members will recall that we appointed a clerk from the Housing Commission, or some one such as that, initially. That is the difference in the attitude towards this legislation as between here and England, and yet members on the Government side say there is legislation similar to this in other countries. I repeat that this court will consist of five judges, three of whom will be judges of the High Court, one a judge of the Court of Sessions of Scotland and one a judge of the Supreme Court of Northern Ireland.

In addition, not more than 10 laymen will be appointed as members of the court on the recommendation of the Lord Chancellor, and the Act lays down that these shall be persons who appear to him to be qualified for that office by virtue of their knowledge or experience in industry, commerce or public affairs. I feel that the setting up of a similar court here would be acceptable to industry and if it were established, the Minister might well say that legitimate business could carry on without fear of being exposed to unfair investigation or publicity.

I believe that a number of local companies at present are being investigated and they are forced to spend money in various ways to defend themselves, although I feel certain that in the long run they will be exonerated, just as occurred in the recent case. I sincerely commend the Honorary Royal Commission for the excellent job it did in spite of the obvious difficulties with which it was faced. Let me say now that we would support legislation such as it recommended.

In introducing his Bill the Minister did not spend much time in justifying the continuation of the legislation. He briefly congratulated the commissioner on the work he has done, and we find no fault with that. The Bill provides for an additional member of the staff, to be called a director of investigations, because it was found, as we suggested it would be found, that it was absolutely unrealistic and impracticable to ask the commissioner to act as investigator and then sit in judgment on his own investigations.

Mr. Bovell: Do you think Mr. Chamberlain may be appointed director of investigations?

Hon. D. BRAND: I could not say, but from roneoed copies of letters that we have seen about this building, he seems to be taking a kindly interest in the matter and we will have something to say about that later on.

Another amendment contained in the Bill seeks to prohibit discriminatory discounts, but the Minister did not explain what that amendment proposed to do. All of us from time to time, particularly over the last 12 months, have heard of the sorry plight of corner or small storekeepers who are finding that they are being driven to the wall by the extremely keen and acute competition of supermarts. However, most of us recognise that it is very difficult to legislate against the trend that is creating this particular situation.

Here I want to say a word or two for the country storekeepers. Perhaps it could be the people of Geraldton who are finding themselves without a great deal of business because farmers and those who are able to obtain a vehicle are driving to Perth, over a distance of many hundreds of miles, and picking up large quantities of stores from the supermarts. However, what legislation can we introduce to obviate that?

Mr. Evans: An amendment to the State Transport Co-ordination Act.

Hon. D. BRAND: I expected members opposite to say that. They can think of nothing else but to impose greater control by an amendment to existing legislation.

Mr. Jamieson: You ought to be placed under a little more control.

Hon. D. BRAND: They are problems which I feel cannot be solved by the introduction of legislation. The particular amendment which the Minister has brought down in his continuing measure is such that it would be desirable for him to explain it in a little more detail. I think the impression has gone abroad that this particular clause sets out to obviate some of the problems of the small storekeepers who are not enjoying the discounts which the supermart or the large purchaser can obtain. Therefore, I am at a complete loss to know what the Minister hopes to achieve when he says that there must be no discriminatory discounts or other advantages—and he names them all —which are gained by buying in quantity.

I cannot imagine him accepting certain isolated cases where discount would be allowed to one as against another. There could be this instance of course: A representative of a manufacturer in the Eastern States could come here and finding his principal's goods not being displayed or sold by a large store to the same extent as those manufactured by a local company, could well go to that large departmental storekeeper and offer him a discount over and above that being offered by the local manufacturer in order that his goods might receive preferential treatment and be sold in keen competition with the local product. If we are to prevent that, it may be a desirable feature from the point of view of the local trader. However, I think Section 92 of the Constitution is a factor to be considered. I do not know a great deal about the legal side in such a situation, but I understand that that section was inserted in the Constitution in order that free trade would be maintained between the States.

However, the Minister has included in his amendment the words "the seller or the purchaser." I am at a loss to know just how he will catch up. How is he going to reveal this situation unless he has a great many more inspectors appointed to delve into the details, the invoices and the documents which might give a lead to these transactions? In short, I think this particular amendment is designed to pull the wool over one's eyes and is merely a sop for someone.

The people who would think they were going to enjoy some protection will be left right out, because Mr. Wallwork himself has found that it is not a practical proposition to try to legislate—as they have done in many countries—against discounts which are creating problems for the small purchaser. Before I resume my seat, I wish to read the recommendations made by the Honorary Royal Commission because they are most interesting indeed.

The Minister for Labour: You will read the minority recommendation at the end, won't you?

Hon. D. BRAND: Oh yes!

The Minister for Labour: Thank you very much!

Hon. D. BRAND: Under the heading of "Unanimous Recommendations" the following appears—

> We therefore unanimously recommend—
>
> (1) That "Trade Associations" should be defined as follows:—
>
> "Trade Association"—a body combination or association of two or more persons (other than merely as employees) formed for a purpose which includes or the activities of which include the purpose of furthering the trade interests of all or any of its members or of persons or corporations represented by its members. Provided that the Registrar may exempt from registration any such combination whose objects are only those of research into and exchange of technical knowledge processes and the like or in relation to matters connected with employer-employee relations.
>
> (2) That there should be appointed a Registrar of Trade Associations.

I should imagine that he will have a very responsible position and I hope the right man is appointed to that office. Continuing—

> (3) That any such association now registered under the Associations Incorporation Act, 1895-1955, should as from the date of its registration with the Registrar of Trade Associations cease to be registered under the last mentioned Act.
>
> (4) That no trade association be lawful unless registered.
>
> (5) That provision should be made in the statute appointing the new Registrar that the liability of members of the association for any debts of the association should be limited to the amount of any outstanding subscriptions or levies as is the position under the Associations Incorporation Act.
>
> (6) That the Act appointing the new Registrar should name "an appointed day" to be proclaimed by the Governor so as to give ample time for the associations to comply with the Act prior to which day the association must make application for registration as prescribed.
>
> (7) That no such association be registered unless—

Then it goes on to quote some lengthy rules. I will not weary the House with those, however. I will continue from paragraph (8) as follows:—

> (8) That provision be made for notification in writing to be given to the Registrar of the place where the office of the association is situated and the name of the secretary, and that the Registrar be likewise notified from time to time in writing within 28 days, of any changes therein.

(9) That every such association when registered be a body corporate with the usual powers given to incorporated associations in regard to property, income and the like.

(10) That the Registrar should have power to hear complaints that the rules have not been complied with and to report thereon to the Minister.

(11) That when the Registrar makes any report to the Minister as provided in recommendation (10), the Minister may direct the Registrar to take proceedings in respect of the complaint which may be heard before a Stipendiary Magistrate—penalty not exeeding £250 for a first offence and £500 for a second or subsequent offence.

The Registrar shall also make an annual report before the 31st day of October in each year on the operations generally under the Act for the year ending the 30th day of June next proceeding and may include the conclusions of the Registrar on the operations of trade associations and such comments on the rules of such associations as the Registrar may deem advisable.

Such report shall be laid upon the Table of both Houses of Parliament within seven (7) days of its being received if Parliament is then sitting and if not within seven (7) days of the first sitting day of Parliament thereafter.

(12) (a) That collusive tendering be prohibited and a substantial penalty provided.

(b) That no association be registered whose objects or powers contemplate collusive tendering.

(c) That collusive tendering be defined as "the submission by two or more persons of tenders, in response to a public invitation, the amounts of which have been agreed between the persons tendering which agreement is contrary to the public interest."

In that regard, all things being equal, we are very much in agreement. Continuing—

(13) That proceedings for any offence in respect of collusive tendering shall only be taken with the consent of the Attorney General.

(14) That the fees for the registration of associations, agreements, etc., shall be kept as low as possible.

(15) That the regulating or controlling of goods or services or the distribution thereof by any trade association should, we feel, not be considered detrimental to the public interest if—

(a) they are clearly necessary to protect the public against injury.

(b) the absence of them would deny substantial benefits to the public.

(c) they constitute a necessary protection against an unfair monopolist.

(d) they are likely to reduce unemployment or increase employment.

There may be other grounds but only experience can indicate them.

(16) Copies of any agreement and/or terms of any understanding made or entered into by any trade association with any other association or corporation in or out of Western Australia, which shall be verified by statutory declafation, shall be lodged with the Registrar within a stipulated time of the date on which they are executed if any such agreement or understanding contains any provisions whereby the prices of any goods or services are to be regulated or controlled.

(17) That all statutory boards acting in respect of primary production should, as they are acting under statute, be exempt from our recommendations.

(18) That agreements between trade associations as employers, and employees, provided they are subject to industrial laws, be also exempt from these recommendations.

We now come to the majority recommendation which reads as follows:—

Your Commissioners with the exception of Messrs. S. E. Lapham and S. Heal, Ms.L.A., desire to make the following recommendation:—

(19) That the Unfair Trading and Profit Control Act, 1956, be not continued but be replaced by an Act to be known as the Trade Associations Registration Act embodying the foregoing recommendations of this Commission.

That is the reason for reading them to the House. Continuing—

—and such other ancillary matters as may be necessary to give effect to such recommendations and which Act shall appoint the Registrar of Trade Associations.

The opinion of the majority of your Commissioners is that the incidence of the restrictive practices to which

we have referred, at present is comparatively limited in this State and in these circumstances it is to be expected that legislation such as is proposed will be sufficient—

I think that is a sane and reasonable approach to the problem. Continuing—

(i) to bring such practices under public notice;

(ii) to restrain their extension and

(iii) to enable Parliament, say in the next three years, to ascertain if these opinions prove correct and if not, to consider amendments to the legislation calculated to produce the desired results.

The minority recommendation reads as follows:—

The alternative comment and recommendation of Messrs. S. E. Lapham and S. Heal, Ms.L.A., are as follows:—

We concur with the recommendations contained in the body of this report, i.e., recommendation (1) and to (18), subject to the following exception:—

Recommendation (19)—we object to the inclusion of this recommendation and recommend it be replaced with the following:—

(19) That legislation be provided for the inclusion of the recommendations of this Commission where not in conflict with this recommendation and such other ancillary matters as may be necessary to give effect to such recommendations, and provide for investigation and inquiry, and that the prevention of unfair profit taking, unfair methods of trading, and unfair methods of trade competition, and all other matters to give effect to their prevention be dealt with under the Unfair Trading and Profit Control Act, 1956, which Act, we strongly recommend should be continued.

The majority recommendation indicates that, after an exhaustive inquiry, three members decided that this legislation, with which we are finding fault, and are opposing at present, is not necessary.

In the event of a change of Government, if we are to implement our ideas and tackle the problems facing this State; if we desire it to become virile and have it develop and expand, we must go after new industry and new investment. We must bring in the people that we want, to see just what we have here, and we must give them every encouragement possible. The first thing that we would do, if there were a change of Government, would be to repeal this Act if it is still on the statute book, because I am sure we have found, individually, from our inquiries in this State and abroad, that it is creating the wrong impression as to the potentiality of this State, and indeed it is cutting right across what I believe—and what I think we all believe—should be our objective at a time when Western Australia is going ahead in front of the other States and is drawing away from the Cinderella status which it has held for so many years because of its isolation, small population and few industries. It is because of those factors that we were not able to make progress; but today it is a different story.

We know there are many other factors with which we must grapple, that relate to the problems of obtaining industry and investment for Western Australia, and this sort of legislation is the first thing that catches the eye of people who are not invited to come here but who are so welcome in all the other States. In the event of our becoming the Government we would take such administrative action as would render this entire measure impotent and give to the people we want to see here, a sense of security and an outright welcome. We will say to them, "We want you to help us; we believe in the future of Western Australia and we believe that private enterprise and free enterprise should be encouraged." I oppose the second reading of the Bill.

MR. JOHNSON (Leederville) [8.3]: I have listened to an awful lot of rot.

Hon. D. Brand: Every time you get up you say that.

Mr. Wild: The economic adviser is off again.

Hon. D. Brand: The Treasurer-to-be.

Mr. JOHNSON: It is apparent that the members opposite cannot take it. A statement was made by the Leader of the Liberal Party that people would not come to Western Australia because of this legislation.

Mr. Roberts: How true!

Mr. JOHNSON: How stupid, how silly—it is as inane as the member who interjects.

The Minister for Transport: Not as silly as that.

Mr. JOHNSON: The folk whom we expect will come here are those who will come from Great Britain and the United States because those are the principal sources of capital. What is the legislative set-up in those two countries?

Hon. D. Brand: I read part of it.

Mr. JOHNSON: Only a small hand-picked part.

Hon. D. Brand: No, it was fact, and that is more than you are talking.

Mr. JOHNSON: I am not talking rot; I am referring to facts. The people whom it is intended to invite here to exploit the people of Western Australia and those whom the Liberal Party would like to invite—

Hon. D. Brand: What utter rot!

Mr. JOHNSON:—are expected to come either from the United States or Great Britain. We have heard something about the legislation in Great Britain.

Mr. Roberts: Where do you prefer them to come from?

Mr. JOHNSON: Seeing that they have similar legislation to this in Great Britain, we would expect that everybody would be flocking out of that country. But that is not so. Similarly, if the legislation that we have proposed is so bad, one would expect everybody to leave the U.S.A. where there is already such law. But that has not happened. I have here a textbook on the American system of Government. I quoted from it last year. It is a university textbook and I did not write it.

They have a number of laws in the United States dealing with this subject. As those who have made any study of the subject will know, the earliest law was the Sherman Act of 1898, which was amended by the Clayton Act a little later. There have been a number of other amendments since. Included in the various forms of amendments in the various Acts that have been introduced since, is one set of rules and regulations very similar to those recommended by the majority of the Royal Commission to which reference has been made. But that is only a small portion of the law that exists in the United States of America. The law that exists there is far more restrictive than that proposed in this legislation.

I would now like to read certain references to it from this textbook which I drew from the parliamentary library. Its reference No. is Q1,A34 for anybody who wishes to check and those who like to learn by reading. Under the heading of "Trade Association," which deals with the matter considered by the Royal Commission, we find the following:—

> There are now several thousands of them operating under names like the Association of Life Insurance Presidents, the Distilled Spirits Institute, the American Petroleum Institute, and the Retail Gasoline Dealers' Association of Wisconsin. Some operate nationally, most of them locally. Their activities vary from finding ways of circumventing the law, lobbying, and seeking to influence elections to providing research, statistics, insurance for members, social gatherings, and other co-operative services. They often run afoul of the Federal Trade Commission and the Department of Justice, but on the other hand they may help establish fair trade practices, conduct trade conferences, report unscrupulous conduct, and channel information. The Temporary National Economic Committee, which examined many aspects of business concentration during the 1930's recommended that associations like these be required to register with the Federal Trade Commission.

So we see that in the United States back in 1930 recommendations were made similar to the majority recommendation of this Royal Commission. Unfortunately, they were not as completely effective as was desired, and I would say that, in my opinion, such law, whilst it might have some value in Western Australia, would not by any means be completely effective. Under the section dealing with competition and trade practices, we find the following:—

> Anti-Trust Legislation. Provisions that prescribe monopolies and monopolistic practices in general businesses engaged in interstate and foreign commerce are found in three principal statutes—the Sherman Act of 1898, the Clayton Act of 1914, and the Federal Trade Commission Act of 1914—and various amendments added from time to time.

The Sherman Act forbids the following:—

> Every contract, combination, in the form of trust or otherwise, or conspiracy in the restraint of trade or commerce, amongst the several States, or with foreign nations . . .

It says further:

> Every person who shall monopolise, or attempt to monopolise, or combine or conspire with any person or persons, to monopolise any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a misdemeanour.

The textbook then goes on to explain, and set out, the various things that happen and how the definitions of the court change from combinations to single persons, and the difficulties in relation to problems on mergers, etc. It also goes on to say various things about the problem of enforcement of anti-trust laws. That problem is to ensure that the law will be effective. The book goes on to say—

> Alleged violations are dealt with in three ways: By criminal prosecution, by civil actions initiated by either the Government or injured competitors, and by administrative adjudication by the Federal Trade Commission.

I would like the Leader of the Opposition to take note of that. It continues—

> The threat of, prosecution has, however, doubtless had deterrence value. Civil proceedings brought by the

Government have produced injunction, consent decrees, wherein offenders admit their guilty and agree to mend their ways, and business dissolutions. Injured competitors have won a few damage suits, while the Trade Commission has stopped certain practices by stipulations and by cease and desist orders.

It then goes on to deal with unfair methods of competition and says—

Among other duties, the Federal Trade Commission is charged with responsibility for preventing unfair methods of competition and unfair or deceptive acts or practices on the part of those engaged in interstate and foreign commerce. Unfair methods are all attempts to achieve business gains through wrongdoing or undue restraints that injure competitors or the public. The list of methods declared to be illegal, unfair and deceptive is long, but they fall into two classes: unfair methods that are opposed to good morals; and unfair methods that tend unduly to hinder competition and effect trade restraints and monopoly. Only a few illustrations can be mentioned.

Then it proceeds to deal with methods inconsistent with good morals. I have here a copy of Trade Practice Rules relating to the retail instalment sale and financing of motor-vehicles, issued by the Federal Trade Commissioner. Members who recall that I had a Bill relating to hire-purchase, will realise that I have an interest in this section of unfair trade, and there is unfair trade in it not only here, but in the home of enterprise, namely the U.S.A. This set of rules after dealing with the history and rules of the Commission, has this to say—

Rule 1. Misrepresentation as to insurance coverage or rates, financing, costs, etc.

Hon. D. Brand: When did they start having these anti-monopolistic laws?

Mr. JOHNSON: The Sherman Act was first passed in 1898 and it has since been amended by the Clayton Act and has been brought up to date. This is consistent with the laws made at the time. The American laws are far more difficult and far more restraining than anything proposed here.

Hon. D. Brand: They are not half so frustrating or as stupid as this thing.

Mr. JOHNSON: Far more so. The hon. member should give some thought to things that happen outside the sandplain country. He should turn his attention to where business is conducted. The whole idea of the Leader of the Opposition is that people would not come to Western Australia from the U.S.A. and Great Britain for business purposes because our laws would be so restrictive. The fact is that the laws in the United States are far far more difficult than those proposed here.

Hon. D. Brand: The Americans do not think so.

Mr. JOHNSON: The Leader of the Opposition is probably repeating something he has read in the newspaper. Do not trust newspapers; they are all biased one way or the other. They have not sufficient space to publish the whole of the truth and pick either that part which they fancy will tickle the ears of groundlings or their personal views.

Hon. D. Brand: I should think they would publish my speeches as against yours tonight.

Mr. W. A. Manning: Is the hon. member for or against the Bill?

Mr. JOHNSON: I am for it.

Mr. Roberts: We were wondering.

Mr. JOHNSON: I am sorry, I thought that interjection came from the member for Vasse, otherwise I would have treated it with the contempt it deserves.

The Minister for Transport: Hear, hear!

Mr. JOHNSON: I will quote Rule 1 which is as follows:—

Misrepresentation as to Insurance Coverage or Rates, Financing Costs, etc.

It is an unfair trade practice for any seller or financing institution, acting individually or in agreement, combination, conspiracy, or collusion with one another, to make any false, misleading, or deceptive statements or representations concerning insurance coverage or rates, plans respecting methods of financing, or financing costs or rates in connection with the sale at retail of motor vehicles on instalment or deferred payment contracts.

Rule 2 is headed, "Furnishing the purchaser with itemisation of his costs in the instalment sale of motor-vehicles." There are a couple of pages of that one. Rule 3 is headed, "Instalment sales contract containing blank spaces to be filled in after its execution." Rule 4 is, "False, misleading or deceptive use of rate charts in connection with the instalment sale and financing of motor-vehicles."

Mr. W. A. Manning: I think the hon. member better slow down or Hansard will have the cramp.

Mr. JOHNSON: Hansard can take the extracts from these documents. Rule 5 is headed: "Requiring the placing of insurance by the seller or financing institution as a condition to the sale or financing of a motor-vehicle." That is followed by a paragraph starting, "It is an unfair trade practice . . ." as does each of the

rules. It is of further interest to note that the laws of the Commonwealth of Australia include the Australian Industries Preservation Act, 1906. It was amended in 1907 and there have been further amendments since. It is still current law in Australia, but unfortunately inactive, I think, because of a High Court judgment. However, the whole of that law is almost a complete word for word copy of the Sherman Act. It is possibly one of the reasons why we in Australia have fallen back in our commercial life and in good progress as compared with some other countries which have had more effective fair trade laws.

I want to deal just briefly with the actions of the Unfair Trading Commission as it works now. We know that the first public act was to take proceedings against the Cockburn Cement Company for an action intending to monopolise or create a monopoly relating to cement products in Western Australia. We know that arose out of an agreement between the Cockburn Cement Company and the Swan Portland Cement Company—the formation of a puppet company—and variations in the price of cement that took place at the same time, whereby the price of cement was lower when there was competition. As soon as the agreement was made—

Point of Order.

Mr. Ross Hutchinson: Mr. Speaker, would you let the House know whether or not this particular subject is sub judice at this stage?

The Speaker: What are you referring to?

Mr. Ross Hutchinson: I am referring to the cement story the member for Leederville is telling.

The Speaker: I do not think there is any point of order taken by the member for Cottesloe. The member for Leederville is addressing himself to the Bill and is quoting experiences in other parts of the world.

Hon. D. Brand: That is not the same thing.

Debate Resumed.

Mr. JOHNSON: I am now quoting from Document 144, from the Table of this House.

Mr. Roberts: A good idea.

Mr. JOHNSON: It is obvious that the member for Cottesloe does not like the matter contained in this document, which has been on the Table of the House since the 3rd August—

Mr. Ross Hutchinson: Not at all. I do not like you.

The Minister for Lands: You had your say.

The SPEAKER: Order! I ask the Minister to keep order.

The Minister for Lands: I was able to speak with the exception of a few interjections from you.

The SPEAKER: Order! I suggest the member for Leederville addresses the Chair and there will not be so many interjections.

Mr. JOHNSON: The document which I have here is a copy of the judgment in an application for right of prohibition in the Supreme Court of Western Australia: The Queen against Cockburn Cement Pty. Ltd. and the Queen against Cement Sales Pty. Ltd. Most of the matter dealt with is public knowledge. We know from what it arose and the information is in the document. It is interesting to know, despite all the legal delays possible taken by the parties concerned and despite their statements that they were only acting in the public interest, that the three judges who heard the case gave a unanimous decision in the matter. That decision was that the commissioner was well within his rights in dealing with this particular case. We know there was a later case in which the result was different, but the principal case still stands.

Mr. Court: Are you going to give the House the benefit of the subsequent judgment dealing with the Swan Portland case?

Mr. JOHNSON: No, I am not. This one is enough.

Mr. Court: I notice you did not rush to get the other one tabled.

Mr. JOHNSON: No, I did not; one is enough.

Mr. Court: Aren't they co-related?

Mr. JOHNSON: I am not dealing with that at the moment because I cannot. I am going to quote the judgments of each of the judges. The Chief Justice spoke as follows:—

> An examination of the evidence put before us can leave no doubt that the commissioner had good reason to believe in the truth of the allegation of the company monopolising trade in the commodity mentioned. It appears that the only supplies of Portland cement obtainable are held by the company, must be ordered through its nominees at the price they fix and delivered by its carriers at their convenience.

That was from the Chief Justice. Now for what Mr. Justice Wolff had to say:—

> The two companies between them controlled the whole of the raw materials in this State suitable for the production of Portland cement. A selling organisation was established by the incorporation of a company called the Cement Sales promoted by Cockburn to sell the product of the two companies. The directorate consisted of two persons, one nominated by Cockburn and the other by Swan and

these directors undertook to exercise their powers and vote according to the direction of Cockburn and were removable at any time by Cockburn. Thus the sale and distribution of Portland cement in this State by the agreement between the parties would appear to be virtually controlled by Cockburn, while it would seem Swan had an assured market for its product without danger of competition from local production.

A little further on he states—

Before the arrangement entered into by the two companies, Swan had been charging £11 15s. 9d. a ton to distributors, but when Cockburn came into the market in August, 1955, at £11 5s. a ton to distributors, Swan dropped its price to £11 1s. a ton, obviously in competition. In September, after an agreement between the two companies had been made, Swan increased its price to £11 5s. a ton.

This is portion of Justice Jackson's judgment—

Whatever may have been the motives or intentions of the parties to that agreement, its effect undoubtedly was to give to the applicant a monopoly of the sale and distribution of Portland cement in this State. The applicant and the Swan Company are the only manufacturers of cement in the State and between them they can and do produce all the cement required by the local market. On the facts it is clear that a complete monopoly is in practice held by the applicant.

Mr. Wild: If the Swan Portland Cement Co. had been forced out of business, would there not still have been a monopoly with only one cement company in operation?

Mr. JOHNSON: Yes, so far as we know.

Mr. Wild: Was not this in the interests of shareholders?

Mr. JOHNSON: What would happen to Swan's productive capacity at that stage?

Hon. D. Brand: It could not produce competitively.

Mr. JOHNSON: That is purely a theoretical situation.

Mr. Wild: You don't know a thing about it.

Mr. JOHNSON: I know a couple of directors of this concern who have been very prominent members of the Liberal Party in the past.

Mr. Wild: You rat!

Mr. JOHNSON: I have no doubt as to why members of the Liberal Party are so sensitive about this particular case.

Hon. D. Brand: They were not so very happy about the Cockburn Co. coming here.

Mr. JOHNSON: I am afraid I cannot answer all interjections.

Mr. Roberts: You cannot answer any of them.

The SPEAKER: Order!

Mr. JOHNSON: I would like to mention that there is very extensive literature available for those who care to refer to it, on the matter of monopolies; their practices and control throughout the world and legislation similar to that now before us applies in every business community of any real standard—and it does not act as a detriment to decent business. No decent business has in any way been concerned thereby. The only concern is that manufactured by those anti-Western Australians and anti-all-forms-of-control-of-exploitation-people who sit on the opposite side and the newspapers which support them and selfish interests who desire to extract impossible profits out of the people of Western Australia.

Mr. Court: That is just the usual one-eyed nonsense you talk.

Hon. D. Brand: No wonder they don't come here when they read these references.

Mr. JOHNSON: The member for Nedlands had better not interject; I know something about his business.

Mr. Court: Let us have what is on your mind; it will make interesting reading.

The SPEAKER: Order!

Mr. JOHNSON: One of these days I will give details.

Mr. Court: Give the details now.

Mr. JOHNSON: Whether they come under monopolising, I do not know.

Mr. Court: Surely you are not suggesting I have a monopoly of accountancy! I hardly get near it these days.

Mr. JOHNSON: I would suggest that in the United States it would come within the rules for the protection and control of good morals. That has no relevancy to sexual morals, but business morals.

Point of Order.

Mr. Court: Unless the member is prepared to make a fair and proper disclosure, I request his comments be withwithdrawn.

The Speaker: In respect of what?

Mr. Court: I think he should apologise. He was inferring that I was guilty of some practice which could be classed as immoral.

The Speaker: If the member made that statement, I expect him to retract. I did hear him correct a statement; he said, "not sexual morals, but business morals."

Members interjected.

The Speaker: Order! This is not a laughing show. The hon. member did say at the end of his statement that he was

referring to business morality. If the Deputy Leader of the Opposition takes exception to that and if the member for Leederville made those statements, I expect him to withdraw.

Mr. Johnson: I withdraw.

Mr. W. A. Manning: Apologise.

Debate Resumed.

Mr. Court: It would be better if you made a full disclosure now of what you are referring to.

Mr. Roberts: He has not the courage.

Mr. JOHNSON: Everything in proper time.

Mr. Court: That is the worst form of studied cowardice. You are not prepared now to disclose it fully but leave an inference in the minds of members that I am guilty of a practice which is improper.

Mr. JOHNSON: I am not going to answer it at this stage; I will at the proper time.

Mr. Court: When is the proper time?

The SPEAKER: Order!

Mr. Court: Disclose what is the proper time.

Mr. JOHNSON: When the judgment is issued, if the hon. member really wants to know.

Mr. Court: What am I being judged for at the moment? Am I being judged by you?

Mr. JOHNSON: If the hon. member does not know, let him search his conscience.

Mr. Court: Mr. Speaker, I request that the member for Leederville withdraw the inference that I am at present subject to a judgment. I have no knowledge of any court case or other proceedings in which I am personally involved. The hon. member has implied that I am the subject of some litigation or judgment. I suggest that the inference be withdrawn.

The Minister for Transport: Are you, or are you not?

Mr. Court: I am not.

The SPEAKER: The member for Nedlands has taken exception to the remark, and I ask that he withdraw it.

Mr. JOHNSON: I withdraw. If I cannot reply to an interjection in the form I think fit while I am on my feet, then it becomes a little difficult.

Mr. Court: You have to be fair and factual.

Mr. JOHNSON: In relation to the United States, I am informed that the latest important cases deal with two of the principal motor manufacturers. I trust that they press them so hard that they will establish themselves in Western Australia because I am sure that our law will not worry them half as much as the laws where they are now. The points I have made are that laws exist in all commercial communities to prevent exploitation, and in most commercial communities, particularly those in Great Britain and the United States, the laws are more stringent than those proposed here.

Mr. Ross Hutchinson: Where else in the world is there State legislation of this nature?

Mr. JOHNSON: In the U.S.A.

Mr. Ross Hutchinson: That is of a national character.

The Minister for Education: In different States.

Mr. Ross Hutchinson: It is a national law.

The SPEAKER: Order! There are too many interjections. The hon. member will address the Chair.

Mr. JOHNSON: There is a national law in the U.S.A. and in many of the States there are variations of it. Great Britain cannot have State laws because it has only one big Parliament. We are one of the few countries that have the misfortune to have divided powers. That, however, does not alter the fact that the laws which exist have, in some of the Australian States, to a large extent, proved ineffective because they are not powerful enough; and in others they are too new to comment on with any great certainty. However, such laws exist in practically every place and particularly those from which we seek capital.

The weak recommendation of the Royal Commission is the portion that is not entirely dissimilar, I believe, from certain laws that exist in the U.S.A.; but I have not searched them sufficiently to speak with anything like complete authority on the point. It shows that the people from whom we want capital are not kept out because of the laws here. They have worse laws at home.

Mr. Court: You have answered your own question that you started off with. One of the reasons why they do not come here is because we have these laws, and they have so much experience with these laws in their own land.

Mr. JOHNSON: I suppose the hon. member will object if I reply to that interjection.

Mr. Court: Not if you reply fairly and properly.

The Minister for Lands: Do not gag the man all the time!

Mr. Court: You are the one—

The SPEAKER: Order!

Mr. JOHNSON: If the member for Nedlands wants a reply, it is to the effect that he is wriggling around and he is finding it hard to wriggle out. The things I know that wriggle most—

Hon. D. Brand: Are worms like you!

The SPEAKER: Order! I must ask that the hon. member be heard without interruption. With too many interjections, we will get nowhere.

Mr. JOHNSON: More vigorous laws exist in other countries. If the situation were as represented by members of the Opposition, then businesses would have transferred from those countries to this one. That has not happened; and it does not, in fact, make any difference if we do introduce these laws if such people are prepared to play decent business.

The Unfair Trading Commission has done a certain amount of work but it has not had time to go very far. It is rendering, I believe, a real service to some trade groups. I know of one, at least, that has consulted the commission in relation to its rules, because this group asked me how to go about it. I told it whom to see and consult; and I know that that was done. I believe that others have done the same thing. So we have the situation possibly growing—I hope fairly rapidly—that trade associations are consulting Commissioner Wallwork as to just how they should act. Furthermore, we know that there is evidence of at least one prima facie case—I say prima facie because it is not completed—on a fairly large scale of something which is regarded as an improper practice and contrary to the platform of all three parties in the House—acts of monopoly. I strongly support the Bill.

HON. A. F. WATTS (Stirling) [9.6]: It would not be fit that the Bill should be dealt with by the House without my saying a few words on it. There is no doubt in my mind that the Royal Commission, which as a select committee started its work more than 12 months ago and gave a great deal of attention to the problems that are really those involved in the matter before the House, was benefited considerably by a great deal of evidence, research and assistance rendered to it not only by the witnesses but by others, particularly the Crown Law authorities, whose advice was available from time to time.

The question arises as to whether or no the legislation we have before us is desirable to be continued in its present form, or to be extended as the Minister proposes. No one can deny that there are in Western Australia at times certain examples of what are called restrictive trade practices. The question arises in my mind as to the extent to which they exist and to which, at the present moment, they should be controlled or restrained.

The aim of the Royal Commission was to ascertain reasonably and fairly, on a fact-finding basis, the answers to these two questions. Of course, the commission has unanimously expressed its view on the subject in some aspects of the report which, for the information of members, I propose to read. At page 25 it is stated—

> A conclusion is reached that without exhaustive inquiry in each particular association practice, no decision can be arrived at as to whether the action is detrimental to the interests of the public or otherwise.

It is quite clear to me, as chairman of the Royal Commission, that it is essential to inquire into the methods adopted by what we have, in our report, been pleased to call trade associations and not to assume from the beginning that the whole of these associations are engaged from time to time, or even occasionally, in something which is detrimental to the public interest. I say this because there was much evidence, not only of a oral character but also from documents presented—they were carefully examined by the commission—to demonstrate that some things which might at first sight appear to be detrimental to the public interest were not so at all. Again I quote from the unanimous parts of the Royal Commission's report at page 27—

> We feel that some forms of price determination and collective agreement may be beneficial to the community, particularly in such a State as this. We refer, for example, to arrangements made by association and manufacturer which has resulted in a creation of an Australian industry, to agreements made by manufacturers which result in supplies of their products being made available all over the State at the same price. When this is the result of the combined activity it can be regarded as a distinct benefit to a large portion of our community, and should be encouraged provided other aspects do not act to the detriment of the public and seriously mitigate against the benefits being bestowed.
>
> The application of the principle of whether the practice of price fixation by other than a statutory authority is desirable and not detrimental to public interest can once again only be ascertained by exhaustive inquiry into every aspect.

I need not go on because there are other extracts in the report which indicate that there are times, particularly in a State such as this, when the objectives of the association to which I have referred, can confer some benefit upon the community.

What has been lacking in the past, I am convinced after having spent the best part of 12 months on this subject, is some means of throwing the spotlight upon the

objectives, rules, regulations and activities of these associations in a reasonable manner. Some of them—in fact I would go so far as to say I believe the majority—will, I suggest, if once registered, be of no further interest to the registrar. Others, no doubt, would result in reports being made by the registrar if the legislation recommended by the Royal Commission came into operation.

Bearing in mind the decision we arrived at on the evidence, both oral and documentary, some of which was obtained by requisition and by no other means, I think I can safely say that I have come to the conclusion that it would be far better to adopt legislation on the lines that the Royal Commission has, in the majority and to a great extent unanimously, recommended, including, I would suggest, the comment I made at the conclusion of or subsequent to the majority recommendation, because that dealt with an aspect which, it could have been argued, might not have been within the terms of reference of the Royal Commission. But in view of the evidence and the advice tendered to us by the Solicitor General on a certain matter, I deemed it advisable to make that comment, which is now public property.

I am only sorry that the Royal Commission's report was not available a month before it was, because then I think we could reasonably have asked the Government to bring down legislation to carry out the unanimous and majority recommendations of the commission in substitution of the legislation then upon the statute book. I say that because I am firmly convinced that it would have been sufficient for our purpose.

Next, I call the attention of the House to the remarks of the majority of the commissioners which are appended to recommendation No. 19, which was read by the Leader of the Opposition. They are—

> The opinion of the majority of your commissioners is that the incidence of the restrictive practices to which we have referred, at present is comparatively limited in this State, and in these circumstances it is to be expected that legislation such as is proposed will be sufficient
>
> (1) to bring such practices under public notice.
>
> (2) to restrain their extension and
>
> (3) to enable Parliament, say, in the next three years to ascertain if these opinions prove correct and if not, to consider amendments to the legislation calculated to produce the desired results.

It would have been impossible for me to have subscribed to that paragraph, which I did, unless I was entirely satisfied from the evidence and other information at our disposal that the incidence of the pratices to which we referred has not yet reached the stage where we want a sledge hammer to deal with it. At one time, I must confess—and I make no hesitation about it—I thought we might. Having expressed the view on other occasions, and been highly commended for it by the Minister for Transport, that one cannot do other than take notice of the evidence, especially when we have taken steps to obtain it by requisition and otherwise—documentary evidence which in the first place was not available or offered to us.

I say quite frankly that at the present time there is a very small percentage of the bodies which we would class under our proposed legislation as trade associations which, in our opinion, require more legislation than we have proposed at this stage of the State's history. Having made that recommendation, it is only to be assumed that I would prefer the legislation which the Royal Commission recommended to the one which the Minister has put forward. It is obvious that I would arrive at that conclusion, and that I would not take a different course of action, having recommended it with the majority decision, in the report. I hope that legislation such as we have suggested will be brought into operation in the very near future in place of that which is now before us.

Its effect, I believe, will be salutary; and I believe that there will be no need in the future to reconsider it. But we have left the door open, at the end of a period of three years of operation, to reconsider it if necessary. That is the opinion of the members of the commission, I think, because I am sure that that paragraph which I read was not seriously quarrelled with by those who signed the minority report.

But, as the minority recommendation involved the passage of the measure, or one very similar to that which is now before us, it is quite clear that members of the commission concerned could not subscribe to that point of view. Having subscribed to those words which I read, from pages 25 to 27 of the report, I suggest that the other two gentlemen do not hold that there is anything seriously wrong with paragraph 3, or about the suggestion that if legislation such as we have suggested—by a majority recommendation—were brought into operation, it should have a three year trial and then Parliament could reconsider it.

As I have said, unfortunately it does not appear, because of the late arrival of the Royal Commissioners' report, that the Government will be able to implement it by legislation this session. But I most sincerely hope that that will be the case before the next session of Parliament is reached. It seems to me that we want to deal with this matter fairly promptly, but we want to deal with it in a way that is most likely to serve the best purpose. Having gone into the matter very closely,

and spent a long time over it, with my colleagues, I am satisfied to the extent that we have made the recommendations here, together with my own personal comment, on one aspect.

I am not convinced that there has been any substantial loss of industry to Western Australia as a result of this legislation over the last 12 months. I have come to my conclusion entirely on the evidence given to us, and on my appreciation of the documentary information, and other information, which was laid before us. My conclusion is that the legislation we have had has done no harm to industry in Western Australia except a little slight inconvenience. In view of the instances of the things about which we have been complaining, and about which this Royal Commission was set up to investigate, being comparatively limited, there should be the motto, "Hasten slowly" and the legislation which we suggest would, in my opinion, now be adequate for the time being. Therefore, I do not propose to support the second reading of the measure.

MR. LAPHAM (North Perth) [9.21]: I wish to support this measure, and I do not agree with a number of speakers who have stated that a measure of this kind has acted to the detriment of business in this State. If I really thought that was so, I would be opposed to the Bill. But I am satisfied that that statement is not correct, and if some people are so thin skinned as to feel that they cannot operate in this State because we have this legislation—legislation similar to which is operating in many other parts of the world—it is better for them to take their business elsewhere.

Legislation similar to this exists in Great Britain, South Africa, Sweden, Canada, the United States of America, Queensland, Denmark, the Republic of Eyre, New Zealand, Norway, West Germany and in a number of other places. That indicates that inquiries into business practices have been going on throughout the world over many years.

Mr. Court: Have you any details of the West German legislation as yet?

Mr. LAPHAM: It has not been translated. But they have that type of legislation.

Mr. Court: It took them from 1951 to 1957 to get anything through their legislature; and we do not know what it is as yet.

Mr. LAPHAM: But they have it; the hon. member will agree with that?

Mr. Court: We are not sure. Nobody has a translation of it.

Mr. LAPHAM: But they have the legislation in that country.

The Minister for Transport: They may have a Legislative Council like ours.

The SPEAKER: Order! The member for North Perth is trying to make this speech.

Mr. LAPHAM: The Honorary Royal Commission sat for many hours in connection with this matter, over a period of almost 12 months. Its members tried to work through all the business intricacies and complexities; but, in my opinon, we did not have sufficient time to arrive at a concrete conclusion as to just what was happening in industry. We could see a superficial outline of what was happening, and I formed the opinion that members of these trade associations were operating purely for the purpose of assisting themselves, and as a means of mutual self-help as a secondary concern. Their main object, as associations, was to help themselves by means of adopting a price fixation method.

Evidence submitted to the Royal Commission showed that in many instances trade associations were keen on having price fixation so long as the association fixed the price; but they were not keen on any Government-controlled price. On many occasions trade associations went to abnormal lengths to force members of their associations to keep to the prices that they had fixed. In one instance a rather enlightening fact came to the commission's notice. The evidence disclosed that members of an association had agreed to impose economic sanctions on one firm in an endeavour to force it to become a member of the association. I was not very keen about that aspect of association practice.

Unlike a lot of other associations, which were refusing to take any more members, this association was trying to get a big competitor to become a member of the association, the object being that the association could then compel that firm to charge the price fixed by the association. Because the association could not get this firm to become a member—and it is all set out in the minutes—it decided to adopt economic sanctions against it until such time as it came to heel, and joined the association. That practice indicated that this association was more interested in keeping its price up than in treating the public fairly.

The firm in question was quite a big one in the city, and its charges were much below those of its competitors and, as a consequence, the latter were finding the going a little tough. They adopted all sorts of subterfuges in an endeavour to get that firm to join the association. Once it became a member, the first thing the association intended to do was to fix the prices of the commodities it sold.

If we adopt the majority report of the commission, as a basis for us to work on, it will be extremely difficult for the registrar, if we appoint one, to control such people, due to the fact that he cannot

conduct any exhaustive inquiry into the practices that they adopted in this instance.

Mr. Court: The matter you referred to would be picked up automatically under the provision for dealing with complaints. It was put in for that very purpose.

Mr. LAPHAM: A complaint could be made by a firm against certain practices of an association. The practices could be that it was not allowed to join the association. But on the other hand, who could lay a complaint that a firm would not join an association? No complaint would be lodged in that regard, so how could the registrar find out that pressure was being brought to bear on a firm because it would not join the association and, as a consequence, would not conform to the prices fixed by the association?

Mr. Court: Under the recommendations the association cannot take any retaliatory action. After all that would achieve your objective.

Mr. LAPHAM: I cannot follow the hon. member. I cannot see how the registrar could take any effective action. There is no recommendation for an exhaustive inquiry to be made.

Mr. Court: If a complaint were lodged, the registrar would have full power to deal with it.

Mr. LAPHAM: I have dealt with the question of inquiry. The evidence covering this matter came up in the submissions of the Perth Chamber of Commerce, and in that regard I quote from page 348 of the transcript of evidence of the Royal Commission. The chairman asked the following question:—

> Legislation and commissions' reports elsewhere have referred particularly to two practices that are in operation in certain places. One of them is the agreements between bodies of businessmen of one kind and another for maintaining minimum prices in their industry. The other is the provision for preventing or restricting the entry of new persons into the business, by the means sometimes it appears, of refusing them supplies except on onerous conditions. Would you think there could be free competition in any industry where conditions of that sort were known to exist?

The witness replied as follows:—

> I should say the test is: Do these conditions operate against the interests of the public. If they do not there can be no criticism of them.

I think that witness was quite right. How are we to find out whether they come under any criticism unless there was inquiry? It we cannot have an inquiry, then we cannot find out whether or not the public is affected detrimentally.

In one instance evidence was given to show that trading concerns which were not charging the amounts set down by the association, had to submit their books for examination by the association. The members concerned were fined, compelled to make a donation of amounts varying from £25 to £100, or, alternatively, compelled to pay the money into the funds of the association. In one instance a member had to pay the whole profit from the transaction in question into the funds of the association.

It becomes very clear that the association was very keen on maintaining a fixed price, not one fixed by an independent Government authority but by the people who were mainly interested. A determination of whether or not the practice of price fixing by other than a statutory authority is desirable, and not detrimental to the public interest, can only be obtained by exhaustive inquiry into every aspect of a particular case. How are we to carry that out unless there is some means of inquiry? That is where the Unfair Trading and Profit Control Act comes into the picture. I am keen to support the legislation because of this factor: It gives the commissioner the power to inquire into the case I have referred to, to ascertain whether or not they are acting detrimentally to the public.

Quite recently I had occasion in a private capacity to be very thankful for the Unfair Trading and Profit Control Act. A friend of mine took out an insurance policy to cover accidents for a period of 12 months. After it had been in operation for eight months, he met with an accident and developed a heart condition. He was off work for five or six weeks and he made a claim on the company. The company paid up but immediately cancelled his policy although it had three months of the term to run. A fortnight after he was paid, he died.

One of the unfortunate features is that when he went to collect the money from the company, he was paid, in addition to the amount claimed, the premium for the unexpired portion of the policy. That was done when the company found out he had a particularly severe heart condition. I am taking the matter further because I feel this is one of the snide practices that exists in this State. It is the type of practice against which there is a necessity to legislate.

No one can accuse me of holding extreme views. On many occasions I have been far too tolerant, but I feel that everyone will agree that the Unfair Trading and Profit Control Act should remain in operation so that it is available to be used in extreme cases, like the one I mentioned.

In Clause 19 of the majority recommendations of the Honorary Royal Commission the following is stated—

> That the Unfair Trading and Profit Control Act, 1956, be not continued but be replaced by an Act to be known as the Trade Associations Registration Act embodying the recommendations of this Commission and such ancillary matters as may be necessary to give effect to such recommendations.

Although the idea of the commissioner having the power to investigate has been frowned on, the words of the majority recommendation "such other ancillary matters as may be necessary to give effect to such recommendations" infer that the majority of the commission considered that some investigatory powers were necessary. If they did not think so, why did they use those words?

Before concluding I must point out that it is vital for this measure to be passed. If Western Australia has been the happy hunting ground for dubious types of individuals in the past, then only those people need worry about this legislation. The vast majority of business concerns can be commended, and I see nothing wrong with their practices. Ocassionally we come across a business concern that does not operate in the best interests of the public, and as a consequence it is necessary to retain the Unfair Trading and Profit Control Act.

MR. COURT (Nedlands) [9.40]: I oppose this measure. I want to say that, in my opinion, the measures reflects the state of mind of the leaders of the Government towards private industry. We cannot take this Bill on its own as it has come forward and consider it only on its merits. We have to go behind the scenes and examine the circumstances under which this legislation came on to the statute book.

The Bill that was eventually passed in 1956 as a result of an amendment in another place was a different piece of legislation to that which the Minister originally introduced. I think it quite fair to describe the original Bill, which, in my opinion, reflected the Government's state of mind towards private industry, as a diabolical piece of legislation. It contained the most extraordinary provisions which brought forward spontaneous public criticism because of the extent of the penalties.

The Minister for Works: All the criticism came from one quarter, and you know it.

Mr. COURT: The Minister is trying to whistle himself into safety, and trying to keep his courage up on that point. He knows the reaction of the people to some of the penalties and to the procedure proposed by the Government in the original Bill was spontaneous and widespread. The original Bill laid bare the Government's state of mind and it was understood by people not only of this State but of other parts of the world.

It is possible to have legislation on the statute book of the nation which does not worry the people very much. In some instances legislation can remain on the statute book for years without the people worrying one iota, because the Government of the day has a certain type of approach to that legislation and it is only under extreme provocation that the legislation is used.

It is not generally understood, and I do not think it has been mentioned, that there is an Act in New South Wales to deal with monopolies. It has been in existence for many years. The Government tried to make use of it on one occasion when it thought there was an open and shut case. That took place many years ago in connection with some brickworks. It appeared that a person who acquired several brickyards was accused of attempting to create a monopoly against the public interest. The Government tried to restrain him under this legislation.

The prosecution was blown wide open because it was proved that had that person not taken over, the other brickyards were about to go out of business, and had he not reorganised the whole group of companies on an efficient basis, the price of bricks would have risen by £1 per 1,000, which was a steep increase in those days. It was proved that his consolidation of those companies was in the public interest. To the best of my knowledge, that Act in New South Wales has not been used since. It is still on the statute book, but I wonder if the Government of that State remembers its existence. It is a fairly simple piece of legislation, but I am sure the Government would not dare to mention it today when it is attempting to attract industries to New South Wales, in competition with Victoria, South Australia, and now, to a greater extent, with Queensland.

We are inclined to think of this matter in terms of small specific cases. I can well see that in the mind of the individual directly concerned the particular incidents surrounding his trade or calling could assume gigantic proportions; but when we view this particular legislation, we have to look at it from the point of view of the State as a whole.

The Minister for Labour: And not from that of individual citizens?

Mr. COURT: If we look after the interests of the State as a whole we will be looking after the interests of individual citizens. We are inclined to have our judgment on these issues overshadowed by individual incidents. Some of them do assume great proportions in the minds of individuals, and we have sympathy for some of these people if we analyse each specific incident.

The Minister for Works: What is the good of sympathy if you don't do anything?

Mr. COURT: If we achieve the industrial development which is so vital to our advancement, the prosperity of all, as the Minister well knows, is assured. There was a stage in our progress not so long ago when we were developing so fast that people from the Eastern States and other countries clamoured to come here. But where have they gone?

It does not matter how often we say to ourselves, or the newspaper prints, or the radio announces, that this legislation has no fears for the bona fide decent trader. The fact is that it is on our statute book, and backed by an expression of opinion of this Government which coloured the introduction of the legislation in 1956. Many instances have arisen which tend to colour the approach of the Government and those who support it.

The Minister for Labour was very guarded in his replies to a series of questions I asked regarding a letter which had been circulated by the general secretary of the A.L.P., Mr. Chamberlain, setting out a series of complaints he had made on behalf of the A.L.P., to the Unfair Trading Commissioner.

The Minister for Labour: There was nothing guarded about it.

Mr. COURT: He might have been quite within his rights in circulating copies—within his legal rights, though certainly not within his moral rights, though it must be admitted—

Mr. Jamieson: How do you know he circulated it? Somebody circulated it.

Mr. COURT: The hon. member is not suggesting that Mr. Chamberlain had no knowledge of this; that somebody sneaked up to his office and got a copy and distributed it to this House? He is not suggesting that we do not know who distributed the document?

Hon. D. Brand: It could have been the member for Beeloo.

Mr. COURT: Ignoring the fact that this man is a member of the advisory committee, and accepting the fact that he signed this in his capacity as general secretary of the organisation and by direction, the fact remains that he circulated the document. Does not that indicate the state of mind of a man who is not only the Federal president of the A.L.P., but also the general secretary in Western Australia? Imagine this situation: That I wrote to the Commissioner of Police and laid a complaint that the Minister for Labour had been guilty of some malpractice—robbery, or some other serious crime.

How would the Minister for Labour feel if, just for good measure, I had a couple of hundred copies duplicated and sent to all the well-known friends of the Minister—all his union associates, his political associates, the people in his electorate? How would he feel about that? It might be said that that is an exaggeration. But is it? There has been nothing proved in the case to which I have referred. This man has said to the commissioner that he wants to lay a complaint and set out the details. Nothing has been proved.

Mr. Lapham: What happens when the police arrest an individual? Is anything proved then?

Mr. COURT: They are acting within the law.

Mr. Lapham: In those circumstances, the newspapers report the fact that the individual has been arrested.

Mr. COURT: That is all right. Before the police arrest a man they have to go through certain procedures and be very sure of their ground. This is an entirely different matter. The complaint could be completely unsupported, but it is circulated on a wide front.

Mr. Lapham: "The West Australian" could have circulated it on a wider front if it had wanted to.

Mr. COURT: There is a good reason why it would not do it—for the very reason that it has refrained from doing so in connection with all other such matters until they have been made public by the relevant authorities.

Mr. Jamieson: What about the cement case?

Mr. COURT: Even then, it would not disclose the matter until the commissioner made a public announcement. That is exactly what happened in connection with the cement case. If we trace the history of that, we will find that the Press announcement coincided with the official announcement.

The Minister for Labour: But "The West Australian" said the Government should have been prosecuting the Automobile Chamber of Commerce for a breach of the Act.

Mr. COURT: It was not laying a complaint; it was making an observation that something should be done about the matter, just as it might have said that the Minister for Labour should not bring down a long-service leave Bill or should bring it down in a different form. The matter is entirely different. This is a specific complaint.

Mr. Lapham: The individual has nothing to hide, he is making a complaint and wants you to know about it.

Mr. COURT: I want to stress that this matter is thoroughly understood abroad. It is no good putting our heads in the sand and thinking that we can hide and still attract people to the State.

Mr. Lapham: Much ado about nothing!

Mr. COURT: Is it? Here is an extract from the London "Financial Times" of the 11th June, 1957. The article is headed, "Cement Trade in Australia. Perth, June 10th. From our own correspondent."

The Minister for Labour: I wonder who the correspondent is?

Mr. COURT: This is a factual report. It does not matter whether it was written by me, or the Minister, or the member for North Perth, or "The West Australian" correspondent, or the "Sunday Times".

Mr. Lapham: It is a news item and somebody was getting paid for it.

Mr. COURT: This is what is says—

> Cockburn Cement Pty. Western Australian associate of Rugby Portland Cement, was charged here today by the Commissioner of Unfair Trading, Mr. W. J. Wallwork, with unfair trading.
>
> Swan Portland Cement, a local company, and Cement Sales Pty which was formed by Cockburn and Swan to sell cement, are also named in the charge.

The next is the important point and what registers with intelligent people abroad who have been bedevilled by restrictive trade legislation in their country and are looking for countries where it does not exist.

Mr. Lapham: So you admit that such legislation exists throughout the world?

Mr. COURT: I have not denied it. But they interpret it differently from the way in which this legislation is being interpreted, and there are many aspects with regard to which this legislation is not on all fours with that of other countries. One particular point was made by the Leader of the Opposition when he read out the constitution of the body being formed in England. If one reads the English law, one finds a list of exemptions as long as one's arm. There are a lot of doors left open that one can walk through if one conforms to one of the specific exceptions. One would be darned unlucky if one got caught.

Mr. Jamieson: That is not good law.

Mr. COURT: For instance, in England they realised the force of the advocacy of one who is probably the most ardent socialist in all England, and they decided that restrictive trade practices that helped to overcome unemployment or maintained employment, are not unlawful. I am referring to what happened in the calico printing trade. The man to whom I refer is the Hon. Harold Wilson, who pleaded with the Government not to implement the findings of the commission which found there was a restrictive trade practice operating in that industry.

The Minister for Labour: This legislation indicates that the practice must be detrimental to the public interest.

Mr. COURT: But there has not been an interpretation of what is detrimental. This article continues—

> The charge stated that the commissioner as a result of investigations—

The next words are important.

> —had reason to believe the companies had been guilty of unfair trading, and that it was in the public interest to hold an inquiry under the Unfair Trading Act. Mr. Wallwork said he had reason to believe that the Swan and Cockburn companies had used two indentures dated November 1, 1956, to monopolise or attempt to monopolise Portland Cement trade in Western Australia.
>
> Counsel for the companies said they would challenge in the Supreme Court the jurisdiction of the commissioner and the validity of his appointment. They said that all three companies had a complete answer to the allegation.

Members will note: Nothing was proved; the commissioner only had reason to believe. There has been a lot of litigation and adverse publicity for Western Australia in the matter of the cement industry. The commissioner will proceed with his inquiry against one of the companies, because it has been ruled that he has no case against the others. Although there is some doubt in my mind as to how he could handle the situation fairly, he could find that the action taken was in the interests of Western Australia; that the action taken by the Cockburn Cement Co. in connection with Swan portland was an absolute necessity.

Bear in mind that here is a company selling cement, in spite of the cost increases, cheaper than when price control ended. What do we find? It has been subjected to all this publicity and all this litigation and cost. And it is but one example. This will be spread through the whole of industry. We cannot name them, but we know from what the Minister said, that there are several industries being investigated.

What will happen? Not an office boy, or a clerk, or a bookkeeper, or a departmental manager will be diverted to the task of handling the investigation, but the very top man, the very best brains in industry will have to be diverted to defend the integrity of the company concerned. That became very serious under price control even; because when inspectors came in, one could not put some subordinate on the job but had to get a top-level man to devote his whole time to meeting the queries of those inspectors.

The Minister for Works: There were some serious breaches under price control too.

Mr. COURT: There may have been.

The Minister for Works: Not may have been; there were.

Mr. COURT: Price control in this State was enforced during a most difficult period in the economy of this State and of Australia. There were very many black-marketers.

The Minister for Works: That does not excuse it.

Mr. COURT: Nothing excuses blackmarketing, which is something that is morally wrong; and, in most cases, legally wrong.

The Minister for Labour: The blackmarketer is agreeing with your outlook. He is engaging in free trade and free enterprise.

Mr. COURT: Nothing of the sort!

The Minister for Works: That is what it amounts to.

Mr. COURT: There have been times in a national emergency when all parties have agreed to controls with a view to combating blackmarketing. But the experience is the reverse. The blackmarketers are the ones that prosper, because they are prepared to break the law; to give it a go; to take a chance.

Mr. Jamieson: At what stage does a profit become morally wrong?

Mr. COURT: If the hon. member wants a discourse on fixing of margins, I will gladly oblige him.

Mr. Heal: No; get on with the Bill.

Mr. COURT: Apparently the member for West Perth wants the matter to end.

Mr. Jamieson: You'd better take his advice.

Mr. COURT: I want to make this further observation: The Minister has said that some people have expressed satisfaction and pleasure at controls. I can tell him that there will always be some who will express satisfaction with controls, because controls act as a magnet to them. They find that they can only prosper under official direction, and are prepared to sacrifice freedom, personal liberty, and initiative, in order to gain the protection and the bolstering which comes from control. So when controls are imposed there are people who will flock to them and use them and praise them.

But are we here to bolster those people in a time like this in the history of our State when we want people who are prepared to take a risk? If we are going to have industries come here we must be prepared to take a risk. We must create an atmosphere of freedom and encouragement which will make folk want to come here. We have to look to industrial conditions. It does not end with making people welcome. As the Minister for Works knows, there are a thousand things that must be provided—communications, water, power, harbours. These things are vital to industrial development.

I feel that at this stage we must be prepared to take a chance. When these people are well-established here, in 50 or 60 years' time, and we have a large and prosperous industry, if anyone steps beyond the bounds of what is just and proper, this legislature can deal with any excesses. Just now there is apparently a desire on the part of the Government for restrictive legislation. We never seem to be prepared to use the powers that already exist. They may be more difficult to use than some more specific or powerful legislation but I think they should be used. I repeat that there is this tendency always to give more power and to tighten up the law—

The Minister for Labour: Your friend from Blackwood wants the Potato Board to continue.

Mr. COURT: Yes, but where a majority of the growers want such a board we agree to them having it, because it is at their behest. I do not think we should give greater and greater power to various bodies just to make it easier for those who have to administer the law. We should admit that we have drawn a boner with this legislation and wipe the slate clean. If we struck the Act off the statute book tomorrow and declared to the world that there had been a change of heart here in respect of private industry, I believe that even then it would take the best part of a decade to wipe out the memory of this episode.

The Royal Commission listed 18 fairly comprehensive recommendations which I do not think would be objected to by reasonable business people. Those recommendations could be brought in in such a way that they would be understood by the people coming under them, without the atmosphere that was peculiar to the 1956 measure.

Another aspect that intrudes on the question of attracting industry to this State is the attitude towards private industry and suppliers in connection with matters such as supplies from State Building Supplies and the work done by the State Engineering Works, together with the Government's decision to use its day labour force on an ever-expanding basis, without tenders, in connection with major Government works. When I asked the Minister for Works whether it was intended to call tenders for the whole or part of the new Serpentine dam, he brushed the question aside by praising the day labour force that he proposes to use.

The Minister for Labour: If you were in the Government, what would be your attitude towards those instrumentalities? Would you dispose of them?

Mr. COURT: I have already expressed my views in that regard earlier this session, and if the Minister reads my contribution to the debate on the motion of the member for Narrogin he will have no doubt—

The Minister for Labour: I will read all the Hansards during my holidays and no doubt I will come across what you said.

Mr. COURT: Reference has been made to West Germany but at present we do not know what is in the restrictive practices legislation of that country. It might be nothing at all or something innocuous—

The Minister for Works: Of course, it is likely to be nothing at all!

Mr. COURT: It is likely to be of very little effect. The Honorary Royal Commission tried to get evidence in that regard, because so much has been said about the amazing industrial advances made in postwar West Germany. The Honorary Royal Commission obtained the document that has been mentioned but no one could read it and an attempt is now being made to have it translated as a matter of general interest. The significant point is that the Government first tried to introduce this legislation in 1951—

The Minister for Labour: About the time when we introduced our State insurance legislation.

Mr. COURT: The Economics Minister of West Germany, Erhardt, has achieved wide fame and will go down in history as an extraordinary character. He has flown in the face of all accepted theories and practices and yet has real performance to his credit. People journey to that country from all over the world to discover how he has achieved his results and he upsets the critics when he tells them that his first and foremost objective is to get rid of economic controls, as many of them as possible, and to use the personal negotiation method.

What a lesson there is to be learned there! It is extraordinary that it took from 1951 to 1957 to get this legislation on the statute book. I understand that in West Germany legislation can continue to be considered without being re-introduced and they can wrangle over it every year without starting afresh as we must. But during this period of economic prosperity, they did not have that legislation.

It is only now, when they have reached a state of prosperity such that they are lending their so called conquerors money and are trying to bolster up the financial stability of their erstwhile masters, that this measure has got on to their statute book, although in what form we do not know. It could be vicious or of very little effect, but at all events they did not have it during the critical period of spectacular postwar development. The Minister touched rather airily on the cases that have been considered by the commissioner, and if they are all that this legislation means to the State, we would not have missed the Act had it never seen the light of day.

Mr. Evans: Then what are you worried about?

Mr. COURT: About the damage it has done to the State's reputation.

The Minister for Labour: Your party has done any damage that has been done.

Mr. COURT: We are not the Government of the day.

The Minister for Labour: You are supposed to be the Opposition.

Mr. COURT: We did our best to prevent the Act becoming law as we thought that was in the interests of the State.

The Minister for Works: Yes, because you represent the interests that do not want it.

Mr. COURT: I take it the interjection means that we represent those who do not want the legislation?

The Minister for Works: Yes, they want an open go.

Mr. COURT: I think we could be taken as representing most of the people in the State in this regard, when the Minister refers to people who do not want the legislation. The people of Western Australia know when the State is expanding and developing at a rate that makes them prosperous, with assured employment. Not long ago we reached a stage where we had the greatest degree of over-employment in Australia. The reverse is now the position. The cases brought forward involved nothing tremendous, yet one would have thought that in the first year's operations the commission would have dealt with the obvious ones.

Mr. Evans: Which are the obvious ones?

Mr. COURT: I know of none. I meant those obvious to the commissioner or the Government and those who support the legislation. It is open to the Government at all times to correct any abuses, as there is plenty of power available; but unfortunately it is not used. Governments do not use the power of persuasion, discussion and negotiation. In recent weeks we have seen the Minister for Labour ignore one of the most masterly pieces of employer-employee negotiation in the industrial history of the State.

The Minister for Labour: Bunk!

Mr. COURT: The Minister says "bunk" but it is one of the greatest industrial triumphs of this generation. On an issue that would otherwise have been contentious for years, those concerned were able to reach agreement—

The Minister for Labour: Did your Government consult the trade unions? Did your Minister consult the Commissioner of Native Welfare when introducing the Bill to amend that Act—

Mr. COURT: The Minister is on very tender ground. Although I was not in the Government then—

The Minister for Labour: You were an active member of the Liberal Party.

Mr. COURT: I know that the consultation between the then Government and the trade unions was of a high order in regard to—

The Minister for Labour: Especially in regard to the Industrial Arbitration Act.

Mr. COURT: I wish to comment on the Bill. The main point is that it is a continuance measure and the Government wants to delete the date and let the Act remain on the statute book permanently. The Minister does not want to bring a similar Bill down each year—

The Minister for Labour: I do not mind.

Mr. COURT: I sincerely hope that the measure will not be made permanent. One of the other two major points in the Bill is the appointment of the director of investigation—that is a sign of what we predicted. We said that as the measure became more permanent, this branch or department would become bigger and bigger, and this is the start of that. The third main point of the Bill is the discount clause and I hope that the Minister when replying will give more detail than he did when introducing the Bill.

The clause at present is ambiguous and misleading and I do not know for whose benefit it was inserted. If it was meant to help the corner storekeeper, it is of no use. As the Leader of the Opposition said, changed merchandising conditions make it important to acknowledge what is taking place and greater benefit would accrue to the small storekeepers if the Minister introduced a measure to relax their trading hours.

The Minister for Labour: Relax whose trading hours?

Mr. COURT: Those of the small storekeeper.

The Minister for Labour: Would the hon. member like to have the industrial award cancelled?

Mr. COURT: No. The trading hours can be extended without interfering with industrial conditions as no one would be forced to work more than 40 hours a week.

The Minister for Labour: You know that the award overrides the Act.

Mr. COURT: I do not agree with the Minister's contentions, which he put forward at length on another measure. There is no reason why this Parliament should not legislate to change the present state of affairs. However, I will not be sidetracked in that way. I think that those who complain about restrictive practices are mostly people who are breaking their necks to gain admission to those practices themselves. I hazard a guess that most of them, if they were admitted, would be most difficult people to convince that further individuals should be introduced. It is a question of "What I have I hold." If they see something that is greener in another man's paddocks, they want it, and when they cannot get it, they raise Cain. But let those people into the paddock and they want to stop everybody else from getting into it.

For my part, I feel that the time has come when we should grow up and we should realise that we cannot deal with these people as children. We should not think that we can discipline these people from abroad and from the Eastern States and even our own industrialists with a piece of legislation such as this. The recommendations made by the Royal Commission are fairly comprehensive and fairly powerful. If the powers suggested were in the hands of a trade associations registrar, he would have all the power he needed, in conjunction with the Minister, to deal with abuses of sound trading practices.

In conclusion, I want to reiterate that this legislation has had a damaging effect —it does not matter how many arguments are advanced to show that it does not represent a danger to legitimate and bona fide traders—and it will continue to have a damaging effect whilst it remains on the statute book. I now wish to quote to the House some questions asked by the Leader of the Opposition only today and the answers that he received to them. They are as follows:—

> (1) Is the report in the issue of "The West Australian" of Saturday, the 16th November, 1957, correct in that the Grants Commission was told that industrial expansion in Western Australia had slowed down in 1956-57, as indicated in the increase of only 3 per cent in the demand for electrical power as against 10 per cent the previous year?
>
> If so, to what does the Government attribute this drastic slump in the demand for power for industry?

The replies given to those questions were as follows:—

> (1) The percentage increase in units generated in the State Electricity Commission's power stations were—
>
> 1956 over 1955—10.8 per cent.
> 1957 over 1956— 5.7 per cent.
>
> The figure quoted in the newspaper apparently did not take into account the interchange of power between power stations.
>
> (2) It is thought that the principal cause of the reduced increase is the mild seasons experienced in the year ended the 30th June, 1957.

I congratulate the Minister for Works in thinking that last answer up.

Hon. D. Brand: It was mild in the industrial field.

Mr. COURT: It was not a bad attempt on his part to get out of a rather difficult situation when one of the senior public

servants had declared before the Grants Commission that industrial expansion in this State had slowed down and he gave as one of his reasons the reduced demand for electrical power in the year under review. It is one of many things.

This sudden turning off of the tap of the flow of industry has had the obvious effect on employment which we cannot afford at a time when we want to boost industry to increase employment and to increase prosperity. I feel that we could have it by starting the ball rolling by giving a demonstration that there is a new order abroad in this State.

MR. HEAL (West Perth) [10.19]: As one of the members of the Royal Commission which recently investigated unfair trading in this State, I desire to say a few words on this Bill. However, I do not want to cover the ground that has been traversed by my colleague, the member for North Perth, and by other members also. Unlike the member for Nedlands, I do not think we should wipe this legislation off the statute book but, on the contrary, we should retain it for the benefit of the people of Western Australia. If members of the Opposition were correct in saying that there is no unfair trading in our midst, I firmly believe that the legislation should still remain on our statute book as a preventive measure. I say that in all seriousness. During his remarks on the Bill, the Leader of the Opposition said our State was going through a period of disaster.

Mr. Crommelin drew attention to the state of the House.

Bells rung and a quorum formed.

Mr. HEAL: The Leader of the Opposition also said that the legislation introduced last season had had an adverse effect on industry in this State. I would point out to the Leader of the Opposition that if that is the opinion held by him, the legislation which now exists would never have become law unless some of the members in another place had supported it.

Hon. D. Brand: That does not make it right.

Mr. HEAL: I would like to make it clear to him that two members in another place who supported that legislation were those who were members of his Government when it was in office. If he seeks to blame the Government at present in office for the lack of industrial expansion in Western Australia, he should also blame the Country Party members in another place.

Hon. D. Brand: This is one Act in regard to which the Labour Government cannot hide behind the Upper House.

Mr. HEAL: The Labour Government has no desire to hide behind the Upper House. The Government believes that this is worth-while legislation and it sincerely hopes that it will continue for at least another 12 months. The Leader of the Opposition also emphasised to the House that there was unanimous agreement among the members of the Royal Commission in relation to 18 of the recommendations made. There is nothing strange in that because those who sat on that Royal Commission listened to the evidence tendered and they considered the recommendations that were to be made. The member for North Perth and I put our signature to all the recommendations up to Recommendation No. 18.

The great part of the evidence tendered was given by representatives of trade associations in Western Australia. To my mind, it was unfortunate that there was not sufficient evidence given in relation to this matter, because I believe there were many people who were anxious to give evidence before the Royal Commission but were not willing to do so for certain obvious reasons. The reason why I signed my name to 18 of the recommendations was that I considered trade associations in this State should be registered. This was clearly indicated as being what I might term the preamble to the recommendations.

I would like to quote the following which appears on page 26 of the report—

> Evidence clearly shows that there exists in Western Australia, an increasing tendency to form trade associations for the purpose of—
>
> (a) Mutual self-help to members.
>
> (b) Chanelling of distribution through its members.
>
> (c) Collective agreement as to price fixation and the enforcement thereof.
>
> (d) Level or collusive tendering.

From the outset I want to make it clear that I am not in favour of the trade associations being disbanded or discontinued. On the contrary, I think they have performed excellent service in regard to assisting industry to develop in Western Australia. Nevertheless, I believe that some of their activities should be curtailed. That is one reason why I signed my name to those recommendations which stated that such associations should be registered. I believe that if they were registered, the people of Western Australia would then be at liberty to go to the Supreme Court and see for themselves what these trade associations do. Such a state of affairs would not only be of benefit to the associations themselves but also to the people of this State in general.

During the course of the inquiry made by the Royal Commission the member for North Perth and I made a point of asking a specific question of the presidents and secretaries of the associations who appeared before the Royal Commission. That question was: "Do you believe in price control?" In most instances the answer given by the witnesses was: "No, I do not believe in State price control." Another

question was: "Do you believe in fixing the price?" Invariably the answer given was "Yes, but by our own members." I fail to see the logic of those men when they believe that it is quite in order for the members of their particular association to fix the price for any article but it is wrong for the Government of Western Australia to introduce legislation to control the price of certain goods.

What their objection to Government price control is, I do not know because certain States in the Commonwealth still have price control legislation on their statute books and I would bring to the notice of members in this House that the basic wage in those States is below that ruling in Western Australia at present.

Certain reasons for that were given by witnesses who appeared before the commission. I still believe, however, that the reason why the basic wage in those States is below the Western Australian basic wage is that in those States there still exists price control legislation. I firmly believe that if price control continued to operate in Western Australia, our basic wage would be much lower than it is today.

Another portion of the preamble which I would like to quote to the House is in relation to level and collusive tendering. At page 32 of the report the following appears:—

> We came across certain instances of what is usually known, we understand, as level or collusive tendering. This amounts to an arrangement between persons engaged in the same lines of business not to tender an amount which differs from that to be tendered by other persons engaged in the same line of business. This practice, of course, eliminates the competition as to price on which the practice of calling for tenders is based and may have the effect of destroying the real reason underlying the calling of tenders, namely to obtain competitive prices and is correspondingly undesirable. It appears that this practice is not as yet very common in Western Australia but there is direct evidence of it in certain associations and it is therefore desirable that no opportunity should be given for it to become more widespread.

Underneath these comments there appears a list of a number of articles which are non-competitive as to price whenever tenders are called.

I believe that the registration of these trade associations will tend to wipe out level or collusive tendering which, I think all members will agree, is not in the best interests of the people of this State. I fail to appreciate the great play that has been made, mainly by Liberal Party members, of the damage that this legislation will do or the damage it has done to industry in the past 12 months. Whether industry would have prospered to a greater degree if this legislation had not been in existence, I do not know. However, when I was in Queensland recently I did not hear any complaints about similar legislation which has been on the statute book of that State for many years. As stated by the member for North Perth, this type of legislation has been in existence in many countries of the world.

Mr. Perkins: Yes, but there is no inquiry proceeding in other countries comparable to that which is going on here.

Mr. HEAL: I do not know whether there is or whether there is not. But even if there is not, their legislation is on similar lines to ours, and I still venture to say that industry is going ahead under their legislation as it will go ahead under ours. The member for Nedlands made reference to the legislation recently introduced in Germany. Most members know that since World War II, West Germany has made more industrial progress than any other country in the world. That legislation was made law in June or July last, and West Germany will continue to make progress in the industries in which she is engaging at the moment.

There is another aspect in respect of which this legislation has done good and that is with regard to the petrol industry. It has been brought to my notice by a certain person that since this legislation was made law in 1956, the pressure from the oil companies on the resellers of petrol and those who own petrol stations in the metropolitan area has eased. That is one reason why it should be retained.

Hon. D. Brand: How has that happened?

Mr. HEAL: One aspect that has been very evident and which has been brought to my notice is that 12 to 18 months ago there was a marked pressure by the oil companies on owners of petrol stations in the metropolitan area. The oil companies sought to buy them out and if they had succeeded in doing so completely, they would have had a monopoly.

Hon. D. Brand: Surely you do not mean that this legislation will prevent a man from selling a service station he owns.

Mr. HEAL: The legislation will protect him and enable him to get the best price for his business; he will not be forced into selling it as many of them have been over recent years. Even if it is the belief of the members of the Opposition—and they are entitled to their convictions—that this legislation is retarding progress in Western Australia, I think they should cease with their political propaganda in relation to the matter. For some unknown reason, they seem to take a delight in slating the Government because of this legislation.

Hon. Sir Ross McLarty: Surely we have the right to criticise if we consider it bad legislation.

Mr. HEAL: If the member for Murray had been listening, he would have heard me say that members opposite had every right to their beliefs. But having had their say, let them now get behind the Government and help us to get on with the job.

There was an interesting article in "The West Australian" of the 15th November. It was headed, "Party Politics" and portion of it reads as follows:—

> But the people of Western Australia must often be surprised by the behaviour in the Federal Parliament of some of their elected representatives.
>
> Liberal member Freeth claims clearly and loudly that the present Commonwealth dole to Western Australia is large enough to give all of us backwoodsmen a sense of gratitude. He seems to be concerned only with party politics. There is no doubt about where he stands—with the Liberal hierarchy in Canberra.

Mr. Ackland: Has that anything to do with this Bill?

Mr. HEAL: I do not think it matters to the hon. member whether it has or not. The article continues—

> Territories Minister Hasluck has spoken freely of his accomplishments, involving the expenditure of £15,000,000 or so, for New Guinea and the Northern Territory. He seems to have done a good job up there but some of his Western Australian electors must have wondered how much he wanted spent in north-west Australia. He did not say.

If members opposite want the State to expand, and I know they do, they would better serve its interests by getting behind some of their Liberal colleagues in the Federal sphere with a view to securing more finance for this State than it has received over the past few years. In conclusion, I want to say that, as a member of the Honorary Royal Commission, I firmly believe that the minority recommendation that the member for North Perth and I brought down should stand for the good of the people of the State.

MR. W. A. MANNING (Narrogin) [10.35]: In considering legislation of this kind it seems to me that the point we need to determine is whether it is going to promote industry in this State or not. That is the vital question that concerns all of us. It does not only concern business and industry but everybody who is employed in industry. We must view the matter sanely and squarely. A statement was made by Sir Thomas Playford a few months ago in which he said, "You must create a set of conditions in which industries will flourish." That was his recipe for industrial progress. We can interpret that in many ways, but it is obvious what he means.

Sir Thomas Playford should know what he is talking about because in the three years prior to that he had in South Australia one new industry of various proportions generally commencing every second day—and that for three years. Industries do not start unless they see that the conditions are satisfactory. If South Australia can do that, then I am sure the same can be done in this State. If that is not being done, then there is some reason for it, and we must find that reason. We must carefully analyse the position and see what remedy can be applied. We must look at the position fairly and squarely. It is no use getting hot and bothered and losing our tempers over it; we must face up to facts.

We have had an inquiry into unfair trading practices, etc., and a report has been laid on the Table of the House and certain recommendations have been included in that report. I have read the whole of the report and I believe that the entire problem has been faced fairly and squarely and a certain recommendation has been made in relation to the registration of associations which, to my mind, would be a very powerful method of controlling any practices that might be detrimental to the community. But it does so in a way that is reasonable.

I know that there is a minority report that recommends, besides the control of associations, the continuation of the unfair trading Act. When we have a report such as this before us, we should study it carefully and consider what can best be done to encourage industry in this State. I cannot help but think that, in view of the recommendations of the Honorary Royal Commission, we should have nothing to do with the unfair trading Act and we should put our weight behind some measure that would implement the majority recommendations of that commission. The unfair trading legislation was introduced with the idea of controlling anything that is unfair in the conduct of business but the commission has decided that these practices were not as widespread as was suspected. Under such conditions, we should not attempt to continue an Act which is not doing a great deal of good, if it is doing any good at all.

Why should we spend thousands of pounds to continue an Act when we are not accomplishing what we set out to do? Not only is it proposed by the Government that we extend the time of the Act but also that we expand its costs. It is proposed to build up a more expensive staff. We need a good reason for such a step. Why are we doing it? It seems to me it is merely with a view to exercising some sort

of control, and if that is the reason we should not pass this measure to continue that Act.

I believe that we should ensure that business is conducted along fair lines, and that is why I would support a measure along the lines recommended by the Royal Commission. That commission approached the matter from a human point of view, where it is possible to control something before it starts. One does not suspect the whole business community of being criminals and treat them as such from the start.

If we have a Bill that would register associations and deal with the matter on a fair basis, we might get somewhere. Business is not out to do anything that would destroy the community. After all, who is most interested in the community? It is the business people and those who are employed by business and industry. It is not to the profit of anybody to destroy the industrial activity of our community, and the sooner we realise that the better.

We must have a good deal of sanity in any action we propose. We must see that our activities in the control of costs, and the rising costs of wages and awards and so on, are reasonable and that these considerations attract business to this State. The possibility of building up our industries, not only for export, but to supply our own community, is immense, and I think we should ensure that encouragement is given from every angle and that reason prevails. That is why I am opposing any extension of this Act, which has been on trial for 12 months. But I would support a measure if it pursued the lines recommended by the Honorary Royal Commission.

MR. PERKINS (Roe) [10.42]: I think the Government would be very well advised to allow this legislation to lapse. It should give a trial to the type of legislation recommended by the Honorary Royal Commission. It is inevitable, no matter what amendments the Government may propose to this particular Act, that this type of legislation will have a disturbing effect on industry and will act as a deterrent to industrial expansion and the entry of new industries to this State.

A good deal of stress has been laid on legislation existing in other parts of the world and in other States of the Commonwealth. But it is very significant that so much of that legislation is more or less dormant. Of course it was enacted at a time when possibly there was some public scandal about the developments in a particular industry, but I have no doubt that if a close investigation is made it will be found that the publicity given at the time has had some effect at least in improving the conditions in that particular industry, and that it has not been necessary to make further drastic use of the particular legislation. A much better approach would be to adopt the recommendations set out in the majority report of the Honorary Royal Commission, and that in itself, I believe, will act as a sufficient deterrent to bring about a general improvement in whatever bad practices may exist at the present time.

As other members who sat on the Honorary Royal Commision have stated, there appears to be very sharp competition in industry in Western Australia at the present time and the restrictive trade practices existing at the moment are not such as to cause any scandal. If the Government follows the commission's recommendations and agrees that certain general principles can be followed by industry, I believe that that is the more sensible approach and one which will avoid some of the dangers that are inherent in the particular legislation now before us.

Apparently the amendments proposed in the Bill aim to improve the machinery in the opinion of the Government. It is proposed to appoint a director of investigation, in addition to the commissioner. I listened to the Minister and I have examined his speech carefully since, but I do not think he made it clear just exactly how that improvement was to take place. The basic difficulty remains, which I stressed when the original Bill was before the House and which I hold to be a difficulty to an even greater extent now.

If we set up this type of investigating officer, although perhaps at the moment the present officers concerned are not abusing their powers and are acting in a responsible manner, there is always a danger that they may not always be so, and we well know that it is sometimes very difficult indeed, even for a Government which disagrees with the attitude taken by a particular public servant to get rid of that individual, and we know the effect of that on administration.

If, on the other hand, the Government of the day has some leanings towards that type of dealing with industry, then, of course, those individuals might well be encouraged in what some of us consider a method of procedure which could be very inimical to the establishment of further industries in Western Australia. We all know the old adage that power corrupts and absolute power corrupts absolutely.

Hon. D. Brand: How true.

Mr. PERKINS: We have seen examples of it in the Public Service already. I believe that appointments envisaged in this particular legislation open up greater possibilities of that sort of development than in almost any other section of the service in Western Australia. If that were so, and if we had an irresponsible Government and irresponsible officers acting under such legislation, they could do irreparable harm

to the reputation of this State. I do not think it is necessary to even take the risk; and I hope the Government, even at this late stage, will realise that the other type of approach to the problem recommended by the Honorary Royal Commission should be followed. I think at least it is worth a trial.

I have no doubt that if the other type of approach to the question is followed and legislation is enacted to provide for the registration of associations, at least members of the public will have the opportunity of knowing just how each industry is organised. I also believe that if any public scandal does arise in that an industry is exploiting the public, that the matter will soon be raised in Parliament and appropriate action considered at that time.

It will be very much easier for us to consider appropriate action when such concrete instances are available for us to deal with, than it is to envisage at this stage just what might be necessary and the type of legislation needed. It is very evident from the investigations conducted by the Honorary Royal Commission that control of a great many of the industries operating in Western Australia is from outside this State, which imposes very great limitations indeed on any effective legislation that we might pass in this Parliament.

Again it is significant that this type of legislation overseas is all on the basis of the national Parliament of the country enacting such measures. It is obvious that the national Parliament is the one which has the control of the tariff and that being so, it seems to indicate that is the sensible basis on which to institute such controls, if they are necessary. In most cases, so far as Australia is concerned, such control, or a very great measure of control, can be effected by the Tariff Board.

There is not one secondary industry in Australia that I know of which can compete with the lowest priced products from overseas. Of course, in these circumstances, it is necessary for such Australian industries to approach the Tariff Board asking for appropriate protection for the particular commodities they are interested in manufacturing. Those of us who have read reports of the Tariff Board when such applications have been made by industries for tariff protection, realise that the case is sifted very carefully indeed by the board.

The Tariff Board is expressly charged with the responsibility of seeing that the Australian public—whether people live in Western Australia or any other State of the Commonwealth—is not exploited. I have no doubt that if any industry in Australia did attempt to exploit the Australian public and went to the Tariff Board asking for protection at the same time, it would not receive a very sympathetic hearing. It must be obvious that that type of control can be very effective in controlling either excessively high prices for goods or any other malpractice which might develop in industry.

Personally, I think the minimum of legislation we are required to pass to control industry, the better it will be. When we think back to the difficulties associated with price-control legislation, I am sure members will realise that we can place too much faith in Government controls when we attempt to correct some of these malpractices. It is obvious to me that the only real effective control is competition within industry itself.

I was chairman of a select committee of this House inquiring into the matter of price control with regard to meat immediately after the war. I think that members from both sides of the House, who were associated with that inquiry, will agree that whenever it was attempted to really police that particular legislation, great difficulties developed; with the result that the price control in relation to meat at least became something of a public scandal. The difficulties which had developed were even worse than the disease.

Members who represent the Kalgoorlie area will recall that that was one area where price control of meat was policed very effectively and the final result was that the controllers were unable to buy meat at the butchers' shops and were receiving it by various unorthodox means from butchers in other parts of the State. There was no effective price control when meat was purchased on that basis.

Having regard to all the circumstances, I hope the Government does not persist with this particular legislation. However, in any case, I propose to vote against the second reading of this Bill.

HON. SIR ROSS McLARTY (Murray) [10.58]: Looking at Hansard, I find that I made a speech of some considerable length on this proposal on the 26th September, 1956, and I do not intend to make a speech of long duration this evening. Members who listened to what I said will remember that I strongly opposed similar legislation to that we are now discussing. I dealt with it practically clause by clause. I am still opposed to the legislation. In fact, I think that if ever there was a need for it, which I do not admit, I believe there is much less need for it today.

When we look at the position generally we find there is keen competition in regard to the everyday requirements of the people. We have only to go around the city and see the great sales that are advertised to realise the position. There is keen competition in connection with the sale of clothing and other requirements in the big shops. It cannot be said that there is any combination operating to the detriment of the public in that direction. Quite a number of everyday needs are already controlled and the price is fixed.

Mr. Lawrence: What about meat?

Hon. Sir ROSS McLARTY: I think of potatoes, butter, milk, bread, eggs and onions, which are all controlled by boards, and the prices are fixed. Transport charges, water charges and electricity charges are fixed. This legislation would not affect any of those commodities or services. So I repeat that so far as the everyday requirements of the people are concerned, there is no need for this class of legislation.

For my part, I do not know of any other major commodity that calls for control. I have not heard the Minister, or any other member of the House, cite any item which he considers should be brought under control. During the time I was in office, I met quite a number of people both in Western Australia and abroad who were interested in investment in this State. As members know, we encouraged some to establish themselves here.

But I recall telling some of them that we were not encouraging them to come to Western Australia with the idea of wiping out industries that already existed. I think that was a perfectly justifiable attitude to adopt. After all, we are still trying to encourage our local people to put their money into industrial expansion. If they do so, they have a right to a fair return on their capital. That was my attitude to the representatives of the companies that came to me with the idea of investing money in Western Australia.

I agree with a number of members who have expressed the opinion that this legislation is detrimental to Western Australia. I have been out of the State and I have heard expressions from outside, as well as from within Western Australia, on this question, and it cannot be said that these expressions were made purely from a party political point of view. The people were expressing to me their firm convictions in regard to this type of legislation.

The Minister for Labour: What people?

Hon. Sir ROSS McLARTY: Quite a number. I am not going to give any names.

The Minister for Labour: What type of people?

Hon. Sir ROSS McLARTY: People who have money for investment.

The Minister for Labour: Investment in what?

Hon. Sir ROSS McLARTY: In industry.

The Minister for Labour: In what industries?

Hon. Sir ROSS McLARTY: The Minister thinks he is very clever in trying to pinpoint me. Next he will say, "What are the names of these people?" But I am not going to tell him.

The Minister for Labour: You cannot.

Hon. Sir ROSS McLARTY: Yes, I can. If the Minister were honest in his expressions, he would agree—

The Minister for Labour: No, he would not.

Hon. Sir ROSS McLARTY: —that certain people are very timid about investing in Western Australia.

Hon. D. Brand: They certainly are, and they have said so.

Hon. Sir ROSS McLARTY: The proof of the pudding is in the eating. What great industries have started?

Hon. D. Brand: None.

Hon. Sir ROSS McLARTY: The Minister might answer that.

Hon. D. Brand: They have been scared away.

Hon. Sir ROSS McLARTY: Of course. This legislation has been detrimental to Western Australia. Why do we want it? What has it achieved since it was proclaimed about January, 1956?

Mr. Bovell: Humbug!

The Minister for Labour: January of this year.

Hon. Sir ROSS McLARTY: Yes, it has been in operation for about 11 months now. Nothing has been achieved except that it continues to frighten capital away from Western Australia. It is easy to frighten capital. We are all timid about what we will do with our money. We think pretty hard before we decide what type of investment we will make. If there is legislation which we think is detrimental we become more hesitant before we advance capital to industry. People have said to me, "Why should we invest our money in enterprises when we will probably be controlled to such an extent that our business cannot prosper? Is it not easier for us to put our money into some trust funds or Commonwealth bonds or other form of investment where we will not be worried by legislative action?"

Mr. Lawrence: Hire-purchase?

Hon. Sir ROSS McLARTY: Yes.

The Minister for Labour: They must have faith in this State if they invest in hire-purchase.

Hon. Sir ROSS McLARTY: They have faith in the companies in which they invest and they believe that with those companies there is less chance of Government interference than if they invest their money in industrial expansion.

The Minister, when moving the second reading of the Bill, gave a short introduction, but he did not give any reasons, so far as I could see, for the continuance of the legislation. He did not tell us what it had achieved. He said that the commissioner had had discussions with certain

people—a handful of people—and it had not been necessary to take action against them.

But in the main nothing has been achieved. What has been done would not have any effect on the cost of living. I have not heard any member tell us how a reduction in living costs would be brought about if the legislation were continued. I hope we will get rid of it, and I am sure that if we do, Western Australia will benefit. It is the most extreme legislation in Australia.

Mr. Andrew: Why do they have it in other countries?

Hon. Sir ROSS McLARTY: The legislation has been widely publicised throughout Australia. Leading articles have appeared in the daily Press in the great cities of the Commonwealth giving us a bad advertisement in connection with this legislation. These editorials have not been written with the idea of damaging Western Australia but to give a true expression of the views held. That being the case, naturally damage is being done to Western Australia. The Minister takes exception to what he calls the Liberal criticism of this legislation.

The Minister for Labour: I do not take exception to it; I expect it.

Hon. Sir ROSS McLARTY: The Minister took exception to some.

The Minister for Labour: No.

Hon. Sir ROSS McLARTY: If we think legislation is bad, or if we think anything is bad for Western Australia, we have a perfect right—

The Minister for Labour: Hear, hear!

Hon. Sir ROSS McLARTY: —to offer all the criticism we consider should be offered, and we think this legislation is particularly bad and not in the best interests of the State. I hope the House will reject it.

THE MINISTER FOR LABOUR (Hon. W. Hegney—Mt. Hawthorn—in reply) [11.9]: The debate has been interesting. I assure the member for Murray that I do not take any umbrage at criticism of Bills I introduce. I fully expected the Liberal Opposition to oppose this measure. I would have been surprised if it had not. It opposed it last year, and it will oppose it when we introduce it again next year.

The member for Roe did not contribute much of substance but he did say that where there is power there is corruption and he spoke of the man who would be appointed as director of investigation. I just do not know the purport of his remark, but it indicated that something was open to corruption. I do not know whether the hon. member has read the Bill, but I do not think the member for Nedlands, the member for Narrogin, the Minister for Works or I, would appreciate what he said, because the man who will be appointed as director of investigation will require to be a member of the Institute of Chartered Accountants in Australia, or of the Australian Society of Accountants, having knowledge of trade, commerce and business affairs. The hon. member does not know why a director of investigation should be appointed. I indicated why when I introduced the Bill.

Mr. Court: Your laudatory remarks about accountants had better be repeated for the benefit of the Minister for Justice and the member for Leederville.

The MINISTER FOR LABOUR: The member for Leederville is not here, so I am all right. It was found advisable to divorce the position of investigation officer from that of commissioner. I do not want to labour the point because it has already been dealt with.

I shall deal now with the remarks made by certain members in connection with the recommendations of the Honorary Royal Commission into restrictive trade practices. This to me, if it were not so serious, would be amusing. Here we have the Leader of the Country Party, who held office as Deputy Premier for six years in the Liberal-Country Party Government, and who is a qualified lawyer and was the chairman of this commission, and who after hearing evidence, subscribed to the 18 recommendations in regard to what might be done to curb restrictive trade practices.

In the course of his remarks he said that he did not believe that the legislation we are now debating had any adverse effect on industry in Western Australia. This is the man who was Deputy Premier for six years and who was the righthand man of the present member for Murray. Yet we have members of the Liberal Opposition saying it has had an adverse effect on industry in Western Australia.

Hon. D. Brand: It has.

The MINISTER FOR LABOUR: I will deal with the aspect of controls. The Leader of the Opposition was all agog to assure the House that he was in favour of the 18 recommendations of the Honorary Royal Commission, and he hoped that legislation would be introduced on that basis and that this Bill would be jettisoned. But what is the view of his honoured Deputy Leader, sitting on his right hand, who is a first-class exponent of free enterprise and private enterprise? Does he believe in this proposed control?

Mr. Court: I was a member of the Royal Commission.

The MINISTER FOR LABOUR: Does he believe in the recommendations of the Royal Commission to which he subscribed his name? What would be the real attitude of the Liberal Party if legislation were introduced to restrict certain trade practices? In one breath they say, "We want

complete and untrammelled private enterprise without any controls whatsoever." But we heard the member for West Perth read extracts of evidence given to the Royal Commission. Witnesses were against the view that the representatives of the people should exercise price control, but they are fully in favour of fixing prices themselves.

Mr. Heal: Quite right. The member for Nedlands will admit that.

Hon. D. Brand: Did he read from the evidence or from the report?

Mr. Court: He should not have done.

The MINISTER FOR LABOUR: I do not know, but I do not want to take advantage of that. The point is that the Leader of the Country Party suggests, and the Deputy Leader subscribes to the recommendations in the report, that legislation to restrict certain trade practices should be introduced. Yet we read in an article called "We the People" that there should be no controls whatever—we must have free private enterprise.

Mr. Court: I am glad you read it.

The MINISTER FOR LABOUR: I do now and again. Sometimes I read it instead of the Pottses. It is rather amusing at times, and I get a chuckle out of it.

Mr. Court: Do you read "Rex Morgan, M.D."?

The MINISTER FOR LABOUR: No, but sometimes I read "We the People". The Leader of the Country Party has suggested that this legislation be repealed, and the recommendations of the majority of the Royal Commission inserted in its place. The two members who wrote the minority report, members of the Government, indicate that this legislation should continue. I have said before, and I repeat, that the Leader of the Country Party said that this legislation has had no adverse affect upon the people or industry in Western Australia. If any suspicion has been created in the minds of people overseas, or in other States, the Liberal Party is largely responsible for it.

Hon. D. Brand: Rubbish!

Mr. Roberts: Absolute rubbish!

The MINISTER FOR LABOUR: There is a great contribution! It was "rot" the other night and it is "rubbish" tonight. It was not the member for Nedlands but the member for Bunbury.

Mr. Roberts: Well, it is rubbish.

The MINISTER FOR LABOUR: There is one aspect which has been raised, and with which I would like to deal. I shall not go into any mass of detail, but I asked the Minister for Industrial Development to check up on the point and I found that for the financial year 1956-57, 92 new factories were established in this State, and the total sum of money involved was £1,105,000.

Hon. D. Brand: What a colossal sum!

The MINISTER FOR LABOUR: The member for Murray said that no new industries had been established; and members who have opposed the Bill have been harping on it. They said that no new industries would be established while this legislation was on the statute book. But they cannot pinpoint any industry which might be established if the legislation were repealed.

Mr. Andrew: They can't.

The MINISTER FOR LABOUR: They have not suggested it to the Minister for Industrial Development, the Premier or any member of the Government. They have indulged in a lot of negative criticism; but have done nothing constructive to try to help the State. I do not want to go into details regarding this Bill, because the members for West Perth and North Perth have given much information to the House. As I said when introducing the Bill, legislation such as this is not new. It is in force in a number of other countries. Somebody said that the legislation in those countries was dormant. As far as I am concerned any legislation put on the statute book will remain alive if it is found necessary to implement it.

The commercial community of this State, manufacturers or any of those good folk engaged in industry who are conducting their businesses on the ordinary, ethical and orthodox lines, have nothing to worry about from this Government or from this legislation. On the contrary, this Government represents the interests of the people generally; it would be lacking in its duty if it did not have legislation of a protective nature, and somebody to whom the people could appeal and obtain equity and a fair deal.

Hon. D. Brand: A wailing wall.

The MINISTER FOR LABOUR: I do not know about a wailing war; all I want to do is to declare war on any sharks that might be about. The people of Western Australia generally are not against this legislation. The commissioner had an investigation made of approximately 180 different stores throughout the South-West Land Division, the metropolitan area and the Eastern Goldfields. Most of those who were interviewed indicated their opposition to what is called the discriminatory discount practice. Those interviewed were comparatively small storekeepers.

We do not want to keep in business any inefficient businessman; but we certainly want to try to protect the ordinary businessman and the man of comparatively small means. If there are any unfair trading methods being indulged in, by any particular section of the community, there should be an impartial body to whom an approach can be made and by whom an inquiry can be carried out.

Mr. Court: Are you going to explain just how the amendments in the Bill will achieve what you suggest because, for the life of me, I cannot see how you will be able to do it?

The MINISTER FOR LABOUR: You mean in regard to discriminatory discounts or rebates?

Mr. Court: Yes.

The MINISTER FOR LABOUR: The same legislation is in Canada and in 26 of the United States of America.

Mr. Court: But you cannot pluck legislation out of their statutes and operate it in this State.

The MINISTER FOR LABOUR: The clause is worded so that there shall not be any preferential or discriminatory discounts or rebates in respect of people where goods of a like quantity or like quality are concerned.

Mr. Court: But tell us how that will help the small corner-store as against the supermart?

The MINISTER FOR LABOUR: The supermart would obtain larger quantities of goods than the small corner store.

Mr. Court: That is so.

The MINISTER FOR LABOUR: We are not going to legislate for the impossible; but where, in any particular industry, there is a system of discounts there should be no preferential treatment if goods of a like quantity or quality are involved. The clause is quite clear.

Hon. D. Brand: As clear as mud!

The MINISTER FOR LABOUR: I know that members of the Liberal Opposition, if they cannot seize on one part of a clause will seize on another when their argument is threadbare. They are wholly and solely against this legislation.

Mr. Court: That is a fair statement.

The MINISTER FOR LABOUR: It is; and I am not underestimating it either. I am not taking any offence at it.

Hon. D. Brand: And to use your own phrase, "We will make no bones about opposing it, either."

The MINISTER FOR LABOUR: The hon. member is entitled to carry out his policy. Our policy is to see that the administration is carried on in an impartial way; and we will carry out our policy. This Government does not desire to harrass industry in this State in any way.

Mr. Wild: Before you finish, what about explaining how the amendment you have in the Bill, regarding special discounts, will help the small corner stores as against the supermarts? You do not know.

The MINISTER FOR LABOUR: We want to be able to help everybody. If the member for Dale reads the clause—

Mr. Wild: I want you to explain it.

The MINISTER FOR LABOUR: It is self-explanatory. Where there is an order for stores of like quantity and quality, any discounts that are the practice in the industry shall be common to all so that the competition will be on a fair and equitable basis. I commend the Bill to the House.

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

Ayes	25
Noes	18
Majority for	7

Ayes.

Mr. Andrew	Mr. Marshall
Mr. Brady	Mr. Moir
Mr. Evans	Mr. Nulsen
Mr. Graham	Mr. O'Brien
Mr. Hall	Mr. Potter
Mr. Heal	Mr. Rhatigan
Mr. W. Hegney	Mr. Rodoreda
Mr. Hoar	Mr. Sewell
Mr. Jamieson	Mr. Sleeman
Mr. Johnson	Mr. Toms
Mr. Kelly	Mr. Tonkin
Mr. Lapham	Mr. Norton
Mr. Lawrence	*(Teller.)*

Noes.

Mr. Bovell	Sir Ross McLarty
Mr. Brand	Mr. Nalder
Mr. Cornell	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Crommelin	Mr. Perkins
Mr. Grayden	Mr. Roberts
Mr. Hearman	Mr. Watts
Mr. Hutchinson	Mr. Wild
Mr. W. Manning	Mr. I. Manning *(Teller.)*

Pairs.

Ayes.	Noes.
Mr. May	Mr. Ackland
Mr. Gaffy	Mr. Mann
Mr. Hawke	Mr. Thorn

Question thus passed.

Bill read a second time.

In Committee.

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

Clauses 1 and 2—agreed to.

Clause 3—Section 8 amended:

Mr. COURT: Subclause (a) substitutes for the words "Commissioner for Prevention of Unfair Trading" in lines 4 and 5, the words "Unfair Trading Control Commissioner." Can the Minister explain the reason for the change in the wording?

The MINISTER FOR LABOUR: It has no legal significance. The title of the legislation is Unfair Trading and Profit Control Act, and the commissioner under the interpretation means a person appointed to the office of Commissioner of Unfair Trading.

Mr. Court: It not the change significant in connection with the appointment of Mr. Wallwork?

The MINISTER FOR LABOUR: Not as far as I know.

Mr. Court: Is he the substantive commissioner or only acting commissioner?

The MINISTER FOR LABOUR: He is the commissioner. There is no significance in the change of the wording. It is only a change of name.

Hon. D. BRAND: I would like the Minister to explain the meaning of the following subparagraph contained in paragraph (d) of this clause:—

> (ii) being a party, whether as seller or purchaser, to a sale by or to a person engaged in trade, commerce or industry, that discriminates, directly or indirectly against competitors of the purchaser, in that a discount, rebate, allowance, price concession, or other advantage, is granted to the purchaser over and above any discount, rebate allowance, price concession, or other advantage, available at the time of the sale to the competitors in respect of a sale of goods of like quantity and quality.

They are merely a group of words which mean nothing, except to convey to the public that the problem of discriminatory discounts as it applies to small traders and large supermarts is covered.

The MINISTER FOR LABOUR: I went into that aspect the other evening. This matter has been considered by the Honorary Royal Commission inquiring into restrictive trade practices. If discriminatory discounts are permitted between various classes of traders there will be unfair trading. The words "goods of like quantity and quality" are very clear in their meaning. They indicate that the same discount is to be given in respect of an order for 20 tons of goods, as against an order of 100 tons. I have checked up on this point in respect of a large number of stores in the city, and I have found there were discriminatory discounts given. That is why this provision has been inserted. It is not a novel provision because it is already included in the legislation of other countries.

Mr. LAWRENCE: If members were to examine the wording of the paragraph under consideration, they would understand the meaning of the words "in respect of goods of like quantity and quality." I would point out that only last week the supermart advertised hogget at 10d. a lb. No one in this State can buy hogget from Midland Junction at that price.

Hon. J. B. Sleeman: It is all mutton.

Mr. LAWRENCE: It is not even mutton being advertised at that price, but broken-mouthed ewes. Members representing the farming districts will agree with me that for small butchers even to make wages they have to sell hogget at 2s. 2d. per lb. This also applies to the sale of beef. We in this State can import beef much cheaper from Queensland than by purchasing it on the local market. In the circumstances I mentioned, obviously unfair trading is taking place, and in my opinion that was the reason for the inclusion of the provision under discussion.

Is not the small trader just as much entitled to protection as the big traders? The Deputy Leader of the Opposition may be in favour of supermarts, but he would change his opinion if his wife were to make her purchases there and serve him with meat of poor quality. We are all aware of the reason why hogget is not available. No farmer these days will sell his hogget because he is able to get five or six lambs as well as five and six years' growth of wool out of each before their usefulness is outlived. The public must be protected against the malpractices in trade that I have referred to.

Mr. HEARMAN: I would like the Minister to give me an explanation on this point. I understand that the parent Act does not apply to co-operatives. Some of them adopt the practice of returning profits to shareholders, while others issue a bonus.

The Minister for Labour: You need not worry about that aspect.

Mr. HEARMAN: If a shareholder of a co-operative makes a purchase he is placed at an advantage over a person who is not a shareholder. Obviously the paragraph under discussion could embrace trading under these circumstances.

The Minister for Labour: The Government will not include co-operatives.

Mr. COURT: The Committee was led to believe, rightly or wrongly, that one of the reasons for discriminatory discounts was to help the small trader.

The Minister for Labour: I did not say that.

Mr. COURT: That was the impression I gained. The clause will not help the small trader at all because the words "of like quantity and quality" are specific. There is a difference between a customer purchasing in thousands as against one purchasing in tens. The trader is able to allow a substantial discount to the purchaser of thousands, and still be within the law. If we accept that fact as one of the intentions of the Minister's, who then will the clause protect?

We must read paragraph (d) (ii) in conjunction with the provisions in subparagraph (i) on page 6 of the Act. One

cannot be divorced from the other. What does the Minister intend to achieve by this paragraph? He has not merely inserted it in the Bill because it appears in the Criminal Code of Canada. Can he indicate whether the Crown Law Department is satisfied that this provision will achieve the purpose which he seeks to achieve?

The question of discounts is very complex. Some firms give them on an overall basis. When one has a large account one receives a discount on the whole lot of one's purchases. If there are large regular purchases then an extra discount may be given regardless of what is bought. It is an overall discount for the purchases made from the firm.

There are other firms from which one may buy a particular commodity—say eggs. There might be somebody who buys an even greater quantity in one month of that particular commodity than another purchaser, although the latter is the bigger customer overall. Under this law the provision could be unwittingly violated and the person could be subject to prosecution; because, although the quality of the item would be the same, the quantity would be greater for the person who got the lower discount. Surely we are not going to carry the legislation that far!

Again, a lot of firms deal through interstate subsidiaries. While there is a legal distinction between a parent company and a subsidiary company, the fact is that the whole of the shares are owned by the parent company; and for all practical purposes, the one includes the other. Surely we are not going to make it illegal for those people to give their subsidiary companies special discounts as distinct from one of their competing companies! If that were done, the subsidiary company would be wound up and the parent company would trade in its own name and by-pass this legislation. We should have detailed information from the Minister as to the effect he hopes to achieve by this legislation.

Hon. D. BRAND: Could this amendment operate against wholesalers or manufacturers in the Eastern States supplying our retail stores here? Would they be robbed of some advantage which might be offered by way of discounts? The Minister might also explain whether he has investigated a possible conflict with Section 92 of the Constitution.

What is it hoped to achieve? The Minister has not told us. We were under the impression that he aimed at solving certain problems of the small buyers as against the supermart buyers; but this has nothing to do with that, and I believe it might act detrimentally to certain traders in Western Australia.

The Minister for Labour: No; it won't.

Mr. PERKINS: It seems the Minister has got into entirely unchartered waters. Certainly the explanation he gave was not satisfactory in view of the points raised by a number of members; and it seems reasonable that he should give the Committee some of the data on which his advisers have based this clause.

The investigating director will have very general powers, which seem to be of such a dragnet nature that it was not necessary to be so specific as this particular paragraph seems to be. Unless the Minister has had some fairly complete investigation made, it could be that he is simply putting a provision into the Act which it will be impossible to use. I suppose there are other pieces of legislation which have provisions that have proved to be impossible to implement; but I do not think that we, as an Opposition, should accept a paragraph of which the Minister has given such a slight explanation.

About the only explanation that I have heard him give has been that it is in legislation somewhere else in the world. The Minister should give us a fuller explanation than we have had so far. It appears he may be including a provision which will add to the difficulties of the commissioner rather than make the interpretation clearer for him.

Mr. POTTER: There is a practice whereby wholesalers form a certain ring by virtue of making a lot of small retailers subscribe to them as a sort of trade association. In that, they have special price concessions which are not given to others who have to purchase from the wholesalers and are not members of the particular association.

Mr. Roberts: Are they debarred from becoming members?

Mr. POTTER: Not necessarily. But they may possibly have to subscribe a substantial sum to become members; and on some occasions they may be deprived of the opportunity of membership.

Mr. Roberts: Could you give us an example of such an association?

Mr. POTTER: I know there is in existence some form of association similar to that; but it is some time ago since it came to my notice.

Mr. Court: This provision will not help that situation.

Mr. POTTER: I think it would.

Hon. D. Brand: How?

Mr. POTTER: Under this clause, the department would be at liberty to tackle that particular situation if it arose, by which I mean that there would be discriminatory discounts or price concessions for goods of similar quantity or quality. One small grocer could subscribe to such an association and another one at the corner would not have a concession made available to him.

Mr. I. W. MANNING: I have grave misgivings about the clause because it cuts right across a practice of some of the major business houses in dealing with country clients. Many of the major business houses—particularly those dealing in motor parts or agricultural machinery—give discounts to various clients, and those discounts vary.

Sometimes a discount of 10 per cent. is is given to some clients, and one of 20 per cent. to others, depending on the type of business and as to whether the buyer is a reseller. This clause could conflict to a very great extent with something that is being practised by certain business establishments. I would like the Minister to make some comment on that and say whether he believes that this clause will completely eliminate the giving of discounts by city business firms to country clients.

Mr. HEARMAN: I am not satisfied with the Minister's explanation. Apparently this practice is quite all right for co-operatives but becomes vicious if somebody else practises it. It seems to me from the explanation given that the only net result to the public will be that prices will be increased. People will not be able to get additional discounts that at present they can pass on in the form of lower prices. I do not know whether the Government wants to keep retail prices up, but that will be the effect.

The Minister for Native Welfare: Did you want co-operatives included?

Mr. HEARMAN: I did not say that. I wanted an assurance that they would not be. But if it is good enough to allow this for co-operatives, why is it bad for anybody else?

The Minister for Native Welfare: The solution would be to bring the co-operatives in.

Mr. HEARMAN: No, the solution is to eliminate the whole thing. It is ridiculous to permit a system of discounts for co-operatives, and say it is quite wrong for other firms to operate the same system.

The Minister for Native Welfare: Co-operatives will be happy to hear of your attitude.

Mr. HEARMAN: They have nothing to suffer if this is eliminated. I think the general public will be interested to hear that the Government proposes to bring down legislation which will have the effect of putting up retail prices.

The Minister for Native Welfare: The co-operatives will be pleased to hear your distinction!

Mr. HEARMAN: I do not want to see a distinction. I say that what is good enough for one firm is good enough for another. What is ethical for one company is ethical for another. The Minister for Labour should explain how this will not increase retail prices. It is about time he gave us an explanation as to how the Government justifies that state of affairs.

Mr. LAPHAM: It is simply that if a wholesaler sells to one purchaser at a certain discount and does not give the same discount to another purchaser he is guilty of unfair trading.

Mr. COURT: I hoped the Minister would reply—

The Minister for Labour: I have made a sufficient reply.

Mr. COURT: The member for Subiaco mentioned several retailers buying collectively in large quantities in order to buy on a better basis. If they achieve a sufficient volume of buying they receive the same discount as any other firm or group buying at that level and that is the general practice today. If a man will not join the group or association he cannot get the discount.

The measure will not help a man who will not join a combined buying group. The member for Harvey was right, because a person qualifies for a discount by buying a certain overall volume of goods and it does not mean that a motor spares trader must buy so many of a particular article, but that he must buy in a certain volume.

A man belonging to a firm that qualified for a 20 per cent. discount might buy two pistons at a better price than a man from a firm that qualified for a 7½ per cent. discount, even though perhaps the latter bought 12 pistons, and rightly so, yet under this measure the supplier would be committing an offence. The Minister said this provision was intended to help the small storekeeper as against the supermart, but it will not do that.

Mr. Potter: In my electorate there are a great number of small shopkeepers and if some of them cannot join these associations and obtain the benefits, that is unfair.

Mr. COURT: Apparently the Minister cannot tell us what the clause is meant to achieve.

The Minister for Labour: I told you, in regard to the grocery inquiries in the South-West, the Goldfields and elsewhere.

Mr. COURT: The Minister said this did not apply to that.

The Minister for Labour: I did not.

Mr. LAPHAM: The member for Nedlands said this provision would affect quantity buying, but that does not come under it. Where a firm or a number of firms are in an association that has closed books and will not admit new members, if they get a discount from a manufacturer while ousiders cannot and are thereby at a disadvantage, that is unfair trading. If a man in the hardware trade is not in a certain small ring he cannot buy an enamel bath at a certain discount, and that is unfair.

Mr. EVANS: A Holden dealer in Kalgoorlie has the right to distribute that vehicle in that area but he told me that General Motors-Holdens were giving huge discounts to Sydney Atkinsons and City Motors, far above what was allowed to other dealers, and that gave them a big advantage over country and other distributors, because people from the districts concerned could take delivery of their vehicles either locally or in Perth and many of them naturally took advantage of the better price in Perth. This man found that many of his prospective clients were buying their cars in the metropolitan area with the result that he did not get the benefit of the advertising he did and the service he gave in his own area.

Mr. HEARMAN: The example just given shows that this clause would raise retail prices. Will not any member of the Government say what its effect is meant to be?

Mr. COURT: I think the member for North Perth and the member for Kalgoorlie have let the cat out of the bag. Apparently the amendment is aimed at price maintenance which members of the Government normally seem to think is an offence. It is one of the things they objected to restrictive trade practices—

The Minister for Labour: Not always.

Mr. COURT: Price maintenance generally has a good effect in industry although in a few cases it may perhaps be against the public interest. The Royal Commission dealt with that aspect at some length. What it means to say is that the Government is trying to bring down a Bill which, in effect, stipulates that all vendors shall sell goods of like quantity and quality at the same price.

Mr. Potter: That is not the effect at all.

Mr. COURT: It must be by deduction from all that has been said by the member for North Perth and the member for Kalgoorlie. It means that all goods shall be sold for one price.

Mr. Evans: And at a fair price.

Mr. COURT: It does not matter if one substitutes the word "fair," it will still be the one price, or in other words, price maintenance. I oppose the clause.

Mr. I. W. MANNING: I oppose the clause because it will interfere with what is a highly competitive form of business. If this provision is included it will have the effect of wiping out all rebates and discounts and it will force prices up.

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

Ayes	24
Noes	18
Majority for	6

Ayes.	
Mr. Andrew	Mr. Lawrence
Mr. Brady	Mr. Marshall
Mr. Evans	Mr. Nulsen
Mr. Graham	Mr. O'Brien
Mr. Hall	Mr. Potter
Mr. Heal	Mr. Rhatigan
Mr. W. Hegney	Mr. Rodoreda
Mr. Hoar	Mr. Sewell
Mr. Jamieson	Mr. Sleeman
Mr. Johnson	Mr. Toms
Mr. Kelly	Mr. Tonkin
Mr. Lapham	Mr. Norton
	(Teller.)

Noes.	
Mr. Bovell	Sir Ross McLarty
Mr. Brand	Mr. Nalder
Mr. Cornell	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Crommelin	Mr. Perkins
Mr. Grayden	Mr. Roberts
Mr. Hearman	Mr. Watts
Mr. Hutchinson	Mr. Wild
Mr. W. Manning	Mr. I. Manning
	(Teller.)

Pairs.	
Ayes.	Noes.
Mr. May	Mr. Ackland
Mr. Gaffy	Mr. Mann
Mr. Hawke	Mr. Thorn

Clause thus passed.

Clauses 4 to 21—agreed to.

Clause 22—Section 41 repealed:

Hon. D. BRAND: This clause seeks to repeal the limitation at present appearing in Section 41 of the Act and to make this legislation permanent. We are strongly opposed to this legislation becoming permanent and we hope the Committee will once again indicate its complete opposition to this frustrating legislation.

Mr. W. A. MANNING: I move an amendment—

> That the word "repealed" in line 18, page 7, be struck out.

If this amendment is agreed to I intend to move a further amendment to insert the words "amended by striking out the word 'seven' in the last line of the section and inserting the single word 'eight'." The object of the amendment is quite clear. It will mean that instead of repealing the section it will allow the legislation to continue for one year and will also prevent the legislation from becoming permanent.

The Minister for Labour: Is this amendment on the notice paper?

Mr. W. A. MANNING: I think anyone can understand it because it is so simple. We have a report by an Honorary Royal Commission on the restrictive trade practices now before us and if we are to take notice of its recommendations next session, we should not extend this legislation for an indefinite period.

The MINISTER FOR LABOUR: I cannot accept this amendment. This clause is especially framed so that there will be no restricted period for this legislation. During the next session of Parliament any member can move an amendment, but there is no need to limit the legislation at this stage. Undoubtedly the Government will give consideration to the report that

has been made by the Honorary Royal Commission on restrictive trade practices, but what will be done next session I could not say at this stage.

Hon. D. BRAND: Whilst I appreciate the reason why the member for Narrogin has moved this amendment, we have made our position quite clear. We do not think there is any justification to keep this legislation on the statute book for a further 12 months.

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

Ayes	8
Noes	34
Majority against	26

Ayes.

Mr. Cornell	Mr. Owen
Mr. W. Manning	Mr. Perkins
Mr. Nalder	Mr. Watts
Mr. Oldfield	Mr. Bovell

(Teller.)

Noes.

Mr. Andrew	Mr. Lapham
Mr. Brady	Mr. Lawrence
Mr. Brand	Mr. Marshall
Mr. Court	Sir Ross McLarty
Mr. Crommelin	Mr. Norton
Mr. Evans	Mr. Nulsen
Mr. Graham	Mr. O'Brien
Mr. Grayden	Mr. Potter
Mr. Hall	Mr. Rhatigan
Mr. Heal	Mr. Roberts
Mr. Hearman	Mr. Rodoreda
Mr. W. Hegney	Mr. Sewell
Mr. Hoar	Mr. Sleeman
Mr. Hutchinson	Mr. Toms
Mr. Jamieson	Mr. Tonkin
Mr. Johnson	Mr. Wild
Mr. Kelly	Mr. I. Manning

(Teller.)

Amendment thus negatived.

Hon. D. BRAND: We voted against that amendment because our opposition is 100 per cent and we could not support the legislation for another 12 months having said all we have and taken the stand we have. I oppose the clause and I hope the Committee will support us. This section which it is sought to repeal places a limitation on the life of the legislation but the Bill wishes to make it a permanent measure and I can think of nothing more undesirable than that.

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

Ayes	24
Noes	18
Majority for	6

Ayes.

Mr. Andrew	Mr. Lawrence
Mr. Brady	Mr. Marshall
Mr. Evans	Mr. Nulsen
Mr. Graham	Mr. O'Brien
Mr. Hall	Mr. Potter
Mr. Heal	Mr. Rhatigan
Mr. W. Hegney	Mr. Rodoreda
Mr. Hoar	Mr. Sewell
Mr. Jamieson	Mr. Sleeman
Mr. Johnson	Mr. Toms
Mr. Kelly	Mr. Tonkin
Mr. Lapham	Mr. Norton

(Teller.)

Noes.

Mr. Bovell	Sir Ross McLarty
Mr. Brand	Mr. Nalder
Mr. Cornell	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Crommelin	Mr. Perkins
Mr. Grayden	Mr. Roberts
Mr. Hearman	Mr. Watts
Mr. Hutchinson	Mr. Wild
Mr. W. Manning	Mr. I. Manning

(Teller.)

Pairs.

Ayes.	Noes.
Mr. May	Mr. Ackland
Mr. Gaffy	Mr. Mann
Mr. Hawke	Mr. Thorn

Clause thus passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

THE MINISTER FOR LABOUR (Hon. W. Hegney—Mt. Hawthorn): I move—

That the Bill be now read a third time.

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

Ayes	25
Noes	18
Majority for	7

Ayes.

Mr. Andrew	Mr. Marshall
Mr. Brady	Mr. Moir
Mr. Evans	Mr. Norton
Mr. Graham	Mr. Nulsen
Mr. Hall	Mr. O'Brien
Mr. Heal	Mr. Potter
Mr. W. Hegney	Mr. Rhatigan
Mr. Hoar	Mr. Rodoreda
Mr. Jamieson	Mr. Sewell
Mr. Johnson	Mr. Toms
Mr. Kelly	Mr. Tonkin
Mr. Lapham	Mr. Sleeman
Mr. Lawrence	

(Teller.)

Noes.

Mr. Bovell	Sir Ross McLarty
Mr. Brand	Mr. Nalder
Mr. Cornell	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Crommelin	Mr. Perkins
Mr. Grayden	Mr. Roberts
Mr. Hearman	Mr. Watts
Mr. Hutchinson	Mr. Wild
Mr. W. Manning	Mr. I. Manning

(Teller.)

Pairs.

Ayes.	Noes.
Mr. May	Mr. Ackland
Mr. Gaffy	Mr. Mann
Mr. Hawke	Mr. Thorn

Question thus passed.

Bill read a third time and transmitted to the Council.

House adjourned at 12.40 a.m. (Thursday.)