

—not anything that the companies think fit to send—we shall be able to maintain our coal trade.

The people of Collie over the years have given the State a very good go. I do not think that any Government has had reason to complain of being short of coal as a result of the miners not attending to their work.

Hon. Sir Ross McLarty: How much further could Collie coal be used for domestic purposes.

Mr. MAY: That trade should be capable of considerable extension. As a matter of fact, one company during the past winter opened depots in the metropolitan area and made coal available to the people for domestic purposes.

Hon. D. Brand: Is there anything in the statement of the member for Maylands that plastic industries could be established on the by-products of Collie coal?

Mr. MAY: I do not know; I was not aware that he was connected with the coalmining industry, but I would be happy to find that he is. We have a wonderful asset in our coal deposits, and quality coal could be made available, not only to consumers in the State but also possibly to consumers elsewhere. First of all, however, somebody must be vested with the responsibility of ensuring that the coal is produced along the right lines and supplied according to the requirements of customers. If that were done, I would have no fear for the industry, and would not be afraid of its going under as some people have suggested that it might do.

Personally I am not afraid of the competition of oil fuel. Consumers in the State are generally State-minded; they consider the needs of the State first and foremost and believe, as I do, that whatever we can provide within the State should be made use of. All I am asking this afternoon is that something be done to equalise the trade for each company operating in the industry, and that some system of supervision be instituted whereby customers will be supplied with quality coal in accordance with the price they pay for it. On that note I conclude my remarks.

Progress reported.

ADJOURNMENT.

THE PREMIER (Hon. A. R. G. Hawke—Northam): Before moving the adjournment of the House, I would like to say it is the view of the Government that, with reasonable co-operation from all members, the session could be ended not later than the 25th November. I move—

That the House do now adjourn.

Question put and passed.

House adjourned at 5.53 p.m.

Legislative Council

Tuesday, 15th November, 1955.

CONTENTS.

	Page
Question : Child Welfare Department, tabling of Hicks report	1704
Bills : Administration Act Amendment, 3r.	1704
Fertilisers Act Amendment, 2r.	1704
Trustees Act Amendment, (No. 1), 2r., Com., report	1708
Education Act Amendment, 1r.	1711
Main Roads Act (Funds Appropriation), 1r.	1711
Traffic Act Amendment, Assembly's Amendment	1711
Prices Control, 2r.	1711
State Government Insurance Office Act Amendment, 2r., defeated	1721
Bank Holidays Act Amendment, 2r.	1728
Adjournment, special	1785

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

QUESTION.

CHILD WELFARE DEPARTMENT.

Tabling of Hicks Report.

Hon. Sir CHARLES LATHAM (without notice) asked the Chief Secretary:

Will he, tomorrow, lay on the Table of the House Mr. Hicks's report on the Child Welfare Department?

The CHIEF SECRETARY replied:

I am sorry that I cannot oblige the hon. member as we do not wish to table the report. But I think arrangements can be made to make it available to members should they desire to read it. I will make inquiries along those lines. In the meantime, I think I can guarantee that it will be made available.

BILL—ADMINISTRATION ACT AMENDMENT.

Read a third time and returned to the Assembly with amendments.

BILL—FERTILISERS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. H. C. Strickland—North) [4.37] in moving the second reading said: Since the Act was passed in 1928, considerable knowledge has been gained, and the fertiliser legislation, which was once adequate is now out of date.

If the Bill is passed it is proposed that the amendments will not become effective until a day appointed by proclamation. This is to enable dealers in fertilisers to

acquaint themselves with the amendments, and therefore be in a position to comply with them when they become operative.

The interpretation of "bone fertiliser" has been widened. The present definition implies that such materials as superphosphate, gypsum and other mineral substances may be included in a fertiliser sold as "bone fertiliser" because they are not specifically precluded. Such a practice would, however, contravene Section 17 of the Act and be misleading to the purchaser. By adding the words "superphosphate, gypsum or other mineral substance" to the present definition the anomaly will be overcome.

The Bill proposes a clearer definition of "fertiliser". Because of their increasing importance and established use, it is proposed that materials sold for their "minor element" content should be fertilisers for the purposes of the Act and therefore be brought under control.

New definitions "neutraliser" and "neutralising value" are proposed. The chief value of lime when applied to the soil is in its ability to neutralise acidity and it is considered that the new definitions will be the best method of stating the value of "liming" materials. Under the present Act the value of lime is expressed in terms of its calcium oxide (CaO) content, but this does not give a true indication of its neutralising value. Under the new definitions it is proposed that the value of lime will be expressed in terms of both calcium oxide content and neutralising value.

So that only fertilisers prepared solely from materials of animal or other organic matter can be sold under names implying such origin a new definition "organic fertiliser" is contained in the Bill. In the past, the sale of such fertiliser has been controlled by refusal to register, but the new definition will make it quite clear to manufacturers that only manures of organic origin may be sold as such.

It is stressed that it is not intended to prevent the manufacture or sale of fertilisers containing a mixture of organic and other matter. The sole aim is to prevent the use of misleading names.

At present the definition of "phosphate fertiliser" states that superphosphate is not a phosphate. As superphosphate is regularly referred to and is, in fact, the main phosphate fertiliser, the Bill proposes to rectify the anomaly. It is also proposed under the definition of "phosphate fertiliser" to stipulate that the proposed newly-defined "organic fertiliser" is not a "phosphate fertiliser" for purposes of the Act.

The section of the Act which deals with exemptions is repealed and re-enacted. The new section will permit the sale of fertilisers prepared especially for individual clients, without the necessity to

register or otherwise comply with the requirements of the Act. It is considered unreasonable to enforce separate registration of such lots, but these fertilisers will have to be made up from a prescription supplied by the buyer.

It is intended to delete the paragraph requiring the minimum percentages of nitrogen, phosphoric acid and potash to be shown, and provide that a statement be made to declare the minimum percentages of all ingredients claimed by the applicant to be present in the fertiliser and to be of value to the soil.

At present any package of fertiliser must be marked with a copy of the registered brand and name of the fertiliser. The Bill retains this requirement, but provides for these particulars to be shown on a label. For packages containing 28 lb. or more additional particulars must be supplied, including the name and place of business of the manufacturer or importer and the registered analysis.

The analysis is not required, at present, to be shown on the fertiliser packet, but these details must be set out on the invoice. The Bill therefore proposes that the registered brand and name of the fertiliser will be sufficient for the invoice. In many instances the vendors and retailers do not understand the analysis; and once this is shown on the packages, as proposed, there will be no need for it to be repeated on the invoices.

These amendments are similar to provisions which were inserted in the Feeding Stuffs Act in 1951, and which have operated very satisfactorily. It should also be pointed out that, at present, Western Australia is the only State which does not require fertiliser to be labelled as proposed by this measure.

The Act now requires a manufacturer to forward a sample to the chemist of the Department of Agriculture. The Bill proposes that an inspector shall be able to take a sample; and as there is no such chemist in the Department of Agriculture, it is proposed that the sample be provided for analysis by an analyst without specifically mentioning the "Government Analyst" or anyone else.

Although the Act prohibits the use of "second-hand" bags for repacking fertilisers, it has been the practice to cancel the old brand and re-use the containers; and for various reasons, this has been tolerated for many years.

Hon. H. K. Watson: What is the position regarding bulk sales?

The MINISTER FOR THE NORTH-WEST: I do not know that there is any provision in the Bill governing bulk sales. Does the hon. member mean in regard to branding?

Hon. H. K. Watson: Yes. Branding a bag is one thing; but how about the bulk lots?

The MINISTER FOR THE NORTH-WEST: I should imagine that the manufacturers would have to give some guarantee of the analysis of the fertiliser. However, I should not think there would be any fertiliser that would be sold in bulk. The Bill is purely to prevent fertilisers being sold which might not be up to standard. The Bill seeks to legalise the use of second-hand bags provided the old brand is clearly cancelled.

Section 15 of the principal Act prescribes the tolerances permissible as regards percentages of constituents of fertilisers. The Bill contains consequential amendments because of the amendments relating to lime, gypsum and specified ingredients and will also clarify the tolerances permissible concerning other constituents.

The Bill repeals Section 17 and re-enacts it in amended form. This follows the proposed new and amended definitions of "bone fertiliser," "organic fertiliser" and "phosphate fertiliser." The amendments are designed to give purchasers greater protection, and it will be an offence to sell a fertiliser in such a way as to imply that it contains organic matter when it is in fact an inorganic fertiliser. On the other hand it will be an offence to sell organic fertiliser, organic manure, bone fertiliser or bone manure so described as to lead a purchaser to believe that any one of them contains inorganic fertiliser.

It is not proposed to prevent the mixing of fertilisers provided they are registered and the packages clearly indicate the consistency of the mixture. I move—

That the Bill be now read a second time.

On motion by Hon. L. A. Logan, debate adjourned.

BILL—TRUSTEES ACT AMENDMENT (No. 1).

Second Reading.

Debate resumed from the 25th October.

HON. H. K. WATSON (Metropolitan) [4.48]: The Trustees Act has been in existence since 1900; and throughout the Commonwealth it has been common experience, during the last 50 years, that the problems of trustees and trust estates are much more complex than they were 50 years ago. In recent years, other States of the Commonwealth—notably Victoria—have submitted the Trustees Act to a complete overhaul.

I commend to the Government the need for the Crown Law Department, in conjunction with the Law Society and the trustee companies, to submit our legislation relating to trustees to a similar overhaul and review with the object of bringing down a new, comprehensive measure, not dissimilar, I would suggest, to that proclaimed by Victoria in 1953.

This Bill has been introduced by a private member, and is designed to deal with two points. It proposes that the section relating to various investments—that is, investments in which trustees may invest money—shall be extended to include, with the approval of the court and on such terms and conditions as the court thinks fit, real estate, for the purpose of providing a home for any beneficiary under the trust. I point out for the consideration of the House that the Bill as presented stipulates that it shall be subject to the approval of the court. It is a moot point whether we should not leave it to the discretion of the trustee to act on his own account.

When a trustee lends money on mortgage, he must first get a valuation of the property which is to be mortgaged. I imagine that, similarly, a trustee would not purchase property without first getting a sworn valuation. I am disinclined to agree to so many of the acts of trustees being made subject to the approval of the court. The cost of making these applications is high; and we should be careful not to put some estates, particularly small ones, to the unnecessary expense of applying to the court for approval to do certain things.

I notice that in the Trustees Act of Victoria, which was completely overhauled in 1953, a provision similar to this is found. I would invite the attention of the member in charge of the Bill to the corresponding section in the Victorian Act. In that State, the trustee is not required to apply to the court. There, the Act provides that where a trustee is of the opinion that it is desirable to purchase a dwelling-house for the use of a beneficiary under the trust, he may invest any trust funds in the purchase of land in fee simple in the State of Victoria used for the purpose of a dwelling-house only, and may permit any beneficiary to reside on the land upon such terms and conditions, consistent with the trust and the extent of the interest of the beneficiary, as the trustee thinks fit.

That Act also provides that a trustee shall not be chargeable with any breach of trust in connection with the purchase of such property if he has, in purchasing it, acted upon the valuation made by a sworn valuer, and if he purchased the land at a price not exceeding that value. It also provides that a trustee may retain as an asset of the trust any land so purchased, notwithstanding that no beneficiary under the trust is residing on the land. We might give a little thought to whether a trustee has to apply to the court to do some of these things in this State; or whether he could act on his own initiative, subject to the safeguards I indicated.

The Bill proposes that the trustee may apply to the court for the varying, from time to time, of the amount of any

payment, whether by way of annuity or otherwise, being made periodically to any beneficiary where the court is of the opinion, having regard to all the circumstances, that it is just and equitable that the amount be varied. I view this proposal with mixed feelings.

I have been acquainted with cases where people made wills—particularly before the last war—and left their widows an annuity which, according to the then monetary standards and values, would have been sufficient to maintain them according to their stations in life. But, owing to the passage of years and the depreciation of money, the annuity today is hardly enough to enable widows to scrape along. To that extent I have some sympathy with the amendment contained in the Bill.

At the same time, to that extent I also feel that if such a provision were to be included in the statute book with respect to the widow or children of a testator, the proper place for it would be in the Testators Family Maintenance Act.

Hon. L. Craig: Claims have to be made within two years.

Hon. H. K. WATSON: Something like that. That is the Act which gives some countenance to the procedure for altering a man's will. That Act does enable the court to alter a will if the testator has not left sufficient to provide adequately for his family. The court has power to increase the amount of the annuity. The proposal in the Bill will sanction the principle of altering a person's will. If that is to become law, then it should be included in the Testators Family Maintenance Act.

Against that, we are faced with the point that, when a person makes a will, he is prompted and guided by a variety of factors of which no one but he himself is aware. If one were to pick up an ordinary will, one would ask why the testator made this or that provision. The fact remains that, in drawing up a will, a man has only his own wishes to consider, and whatever appears in the will should be applied. I do not think it should be the right of anyone, not even the court, to make any substantial variation in what a testator has expressly laid down in his will.

Hon. L. Craig: You are proposing that the trustee should not have to go to court in order to do certain things.

Hon. H. K. WATSON: The other provision I referred to was the power of a trustee to make investments. Even today he has not to apply to the court for authorised investments.

Hon. L. Craig: An investment under Clause 2 may be against the terms of a will.

Hon. H. K. WATSON: It is carrying out the provisions of the will. A will may stipulate that a trustee may invest money

in any authorised trustee security. This is a common provision in wills where no specific securities are mentioned. Section 5 specifies the authorised investments. Section 5 does not say that, "Notwithstanding anything contained in a will." There is a distinct difference between the two proposals in the Bill. A trustee cannot do anything permitted to him under Section 5 relating to trustee investments if the terms of the trust direct him otherwise.

Here, however, we have a different proposition. It is said that, notwithstanding the provisions of the will, the court may vary the amount of any payment. A testator may have left an annuity to his wife or children or to any other person, because the proposal is quite general in terms and is not confined to the annuity paid to the wife or children, but relates to any annuity paid to any beneficiary. Under the Bill, the beneficiary could well be the son of the trustee and neither of them related to the family.

Under this provision, a very interesting problem could be presented. We have to bear in mind also that if an annuitant, who is receiving, say, £500 a year, has his annuity increased to £1,000 a year, the increase must be granted at the expense of someone else. That would be at the expense of the person to whom the capital would ultimately go. It is not like increasing a pension out of Government funds where the money would be provided out of a pool, as it were. Under this proposal, if the amount payable to the annuitant were increased, it would result in diminishing someone else's interest in the estate.

These are points which, in my opinion, the testator must be assumed to have taken into account when making his will, and for my part I should not like to know that any trustee or any court could set out to vary the terms of my will. I should say that would be the view of the average man, and to that extent we ought to give a second look at this proposal. If it is to be adopted, I suggest that it should be restricted to annuities payable to the wife or dependants of the testator, and not to all and sundry.

Hon. L. Craig: Payable to the issue.

Hon. H. K. WATSON: Yes, the wife or the issue, and that being so, the provision should be inserted in the Testators Family Maintenance Act, and not in the general provisions of the Trustees Act.

Hon. Sir Charles Latham: Would this be duplicating the power given to the judge under the Testators Family Maintenance Act?

Hon. H. K. WATSON: In so far as it relates to the wife and the issue, it could well be subject to the application having been made within the specified time.

Hon. Sir Charles Latham: I think it is two years.

Hon. H. K. WATSON: Yes. That period might be reviewed and perhaps extended. I repeat that if this principle is to be adopted, even in part, it should be inserted in the Testators Family Maintenance Act and not in the general provisions of the Trustees Act.

HON. L. CRAIG (South-West) [5.4]: I had some notes on this Bill, but I cannot find them at the moment. I spent some time in considering the measure, and submitted its provisions to expert trustee officers, who commended it. I think the first point to accept is that when a man makes his will, we must assume that he is of sound mind and knows what he is doing. Consequently one should be reluctant to alter what a man determines during his lifetime should happen to his estate after his death.

There are specific cases of hardship. I can quote a particular case that occurs to my mind—the case of a wife or husband dying and leaving the income from the estate to the spouse and, on the death of the spouse, to the children. That is a very common form of will. The specific case is that of a woman who left her husband an income of £5 a week. He had nowhere to live; all he had was the £5 a week under the will. The capital was invested in trust funds such as bonds, mortgages and the like, but the fact of his having an income of £5 a week precluded him from receiving the old-age pension, although he was by age qualified to receive it. So he had £5 a week, could not get the pension, and had nowhere to live.

Under this measure, he could go to the court, and the court could authorise the trustee to use the money to purchase a house for him. He would then have a house and would be able to draw the full rate of pension, which would be enough to keep him for the rest of his life; whereas the amount of £5 a week, without a home, would not be sufficient.

The amendment would be a good one for specific cases. There are many people who have been left a small income which precludes them from receiving the old-age pension because they are in receipt of a private income. If they were provided with a home, they would not be precluded from receiving the old-age pension. Therefore I think it would be desirable to agree to the amendment proposed to Section 5 of the Act.

The court is very reluctant to alter the terms of a man's will. Before it will do so, it has to be supplied with very good reasons. Under this measure, the court would be empowered to act if it were right and just to do so, and I think the proposal in the Bill is right and just. Therefore we should accept it.

The next proposal is to give the right to a beneficiary to claim through the court an alteration to the terms of a will. I do not

think that any trustee should be authorised to do this without the consent of the court because, as Mr. Watson has pointed out, it is a very serious matter to take from A and give to B, when to do so is contrary to the terms of the will. However, it must not be overlooked that a testator has an obligation to his family. Whether he gets along with his wife or not, when he dies he has a specific obligation to ensure that she does not want, so long as there is sufficient money in the estate to provide for her.

Under the Testators Family Maintenance Act, any spouse who has been insufficiently provided for under the will may claim within a period of, I think, two years. The widow could say that her husband had died leaving £200,000, and had bequeathed her £200 a year under the will. The court would probably decide that that was not enough, and that she was entitled to £500 a year. Such an application has to be made within two years.

The amendment proposed by the Bill would allow a beneficiary to submit to the court that the terms of the will, through circumstances such as the alteration in money values, had become unjust. Suppose that in 1940 a man had left his widow £500 a year, we would have said that she was well provided for and had all she needed. He might have left another £2,000 or £3,000 for life to his children. Today the position would be unjust, because the children's share might have increased two or three times, whereas the purchasing power of the wife's allowance would be about £160. Consequently the children would be enjoying a great benefit at the expense of the mother, because the alteration in money values would have left her in almost dire distress.

The Bill would authorise the trustee to go to a court and say, "See what happened. The widow is hard up and the children are well off." Of course, decent children would see that the mother did not suffer; but the beneficiaries might be some other relatives. The court would probably decide that there was an injustice, and that the widow was entitled to some comfort, seeing that the husband had died well off. I think that is reasonable, bearing in mind that the court is composed of learned people who do not lightly alter the conditions of a man's will. It would be only in cases of grave hardship that the court would approve of an alteration.

In circumstances, I think the court should be given this right; but in no circumstances should trustees be able to depart from the terms of a will without getting the approval of the court to do so. Trustees are not always honourable people. If a man could say, "I appoint you my trustee because I know that you are a man of integrity and good sense," it would be all right; but some people are not honourable. It could be that a son

of the trustee would benefit by an alteration of the terms of the will. Consequently when a will is varied, the variation should be made only under specific instructions from the court. I support the second reading.

HON. SIR CHARLES LATHAM (Central) [5.13]: I recall the passing of the Testators Family Maintenance Bill in 1939, and I have not forgotten some of the speeches made on that occasion. Though I was young in politics at the time, I remember its having been pointed out that when a person made a will, he was handing over to the trustee or executor a very sacred duty. So long as the testator is of sound mind and has a full knowledge of his responsibilities to his family, it is very unwise to permit anyone to alter his wishes in any way. Therefore I consider that we should not lightly pass legislation of this sort.

I know of a woman who had lived apart from her husband for 30 years. When he died, he left her £9 a week. Upon an application being made to the court, the amount was increased to £20 a week; and, in addition, she was granted £5,000. That woman, however, had made no contribution whatever to her husband's life or to help him in any way. I admit that in that case the probability is that the estate was a reasonably large one and the judge wisely or otherwise decided that a different distribution might well be made. Members may make two guesses as to the case I have in mind.

Hon. F. R. H. Lavery: Did she bear him any family?

Hon. Sir CHARLES LATHAM: She did not bear him anything, except a lot of annoyance, and she was well rewarded for that.

Hon. L. Craig: She was his wife.

Hon. Sir CHARLES LATHAM: Yes. He married her in his young days. He should not have done so; but that was his affair. He made provision for her and left her £9 a week which, at that time, was a substantial sum.

Hon. L. Craig: Not in accordance with the estate.

Hon. Sir CHARLES LATHAM: We should be careful before we pass legislation of this kind, because it interferes with the expressed wish of a testator. If it were passed, in its present form, I might tell my friends to squander their money during their lifetime, because their wishes might be interfered with after they die. The Testators Family Maintenance Act is a reasonable piece of legislation.

It would be unwise to tamper with legislation of this character for it would not encourage people to do their best for their families. Mr. Watson wisely pointed out that provision is already made if beneficiaries are deprived of the benefits to

which they are entitled. During the last few years we have had a set of circumstances which have never before occurred in the history of English-speaking people. People on the Continent have had inflation; but over the last few years, particularly, inflation in the English-speaking countries has been rapid. There was mild inflation in 1921, but in recent years it has considerably increased.

Hon. H. K. Watson: The history of the world is an inflationary one.

Hon. Sir CHARLES LATHAM: At the moment it is dreadfully so.

Hon. L. Craig: It has been so for 100 years. During that time the value of money has been decreasing.

Hon. Sir CHARLES LATHAM: Not for 100 years. Since the beginning of the 19th century money values have changed little. There was a slight alteration in values in 1910; but even then £1 was worth £1, and a person knew exactly what he could buy for it. However, in these days one does not know how much one can buy for £1, and every Parliament and every organisation is encouraging inflation.

I hesitate to support any legislation which will take away the right of the individual, provided he is of sound mind. After all, when a man makes a will, he is disposing of money, which, presumably, he obtained by honest means; and he should have the right to say how it should be distributed. Of course, there are cases of hardship; and when the Testators Family Maintenance Act was placed on the statute book in 1939, some instances were quoted. But there are extremely few of them; and when any disagreement arises, the cases are handed over to the judge for his decision.

In one case I know of, a man went to the war and left his wife at home with a family on a farm. She cleared out with somebody else, and left the family to take care of itself. When the husband was killed, it was found that there was no provision made for the wife in the will. She applied to the court; and because she was, legally, his widow, she was granted some assistance, even though she had made no effort to provide for the family.

It is not possible to legislate for a few cases only. If we must legislate for people, then we must legislate for the majority. The Testators Family Maintenance Act, which is already on the statute book, is a good piece of legislation, and we should hesitate to pass at least some parts of this Bill. I shall give further consideration to it in Committee.

HON. A. F. GRIFFITH (Suburban—in reply) [5.20]: I would like to take the opportunity of thanking members for the contributions they have made to this debate; and, to the best of my ability, I wish to answer the points which have been raised. Mr. Craig said that it was assumed that

a person made a will when of sound mind. I venture to suggest that when there is doubt as to a testator's sanity, a certain course can be followed, and there are any number of examples where action has been taken to upset a will. The present law provides for that situation.

Hon. Sir Charles Latham: It does.

Hon. A. F. GRIFFITH: I think Sir Charles Latham spoke of a testator handing over, to use his own words, a sacred duty to a trustee. With that point of view I agree. Then the hon. member quoted a particular case. I suggest that the court when any action comes before it, must take into consideration, under the Testators Family Maintenance Act, the size of the estate. The estate involved in the case quoted by the hon. member, where an annuity of £9, payable weekly, was granted, must have been considerable.

Hon. H. K. Watson: But the order of the court did seriously disorganise the estate.

Hon. Sir Charles Latham: It made the position dreadfully difficult; and it has not yet been cleaned up, even by a trustee company.

Hon. A. F. GRIFFITH: That is not denied. As it is not denied, may I suggest that the ordinary course of law exists. The Testators Family Maintenance Act is not being altered; and under that statute, it is possible to apply to the court to have the terms of the will altered in some way. I suggest that that Act was brought down in order to provide for the very set of circumstances which Sir Charles Latham mentioned—that is, where there is an estrangement between the testator and some of his dependants, and in cases where the testator purposely goes out of his way to preclude one or more of his dependants from getting their just rights.

Hon. Sir Charles Latham: I did not instance that.

Hon. A. F. GRIFFITH: The hon. member did not mention any names; nor do I want to know who were the people. I suggest that the purpose for which that Act was introduced was to cover cases where injustices were being done. Under that Act, the court has the right to interfere, always taking into account the size of the estate.

I do not think there is any argument about the first amendment in the Bill, which is to amend Section 5. If we look at Clause 2, which amends Section 5, we will see that it adds a paragraph to the principal Act; and already, under Section 5, the trustee is given certain rights. These are set out in paragraphs (a) to (g).

Hon. H. K. Watson: They are all authorised trustee investments.

Hon. A. F. GRIFFITH: Right. In this particular case, I would not like to see a trustee being granted this further right. Mr. Watson probably knows the Act better

than I do; and he will know that, in the main, it is limited to the administrative actions of a trustee. This Bill actually covers the spending of some trust moneys, for instance, in the form of purchasing a home for a dependant person.

Hon. H. K. Watson: The investing of some of the trust moneys.

Hon. A. F. GRIFFITH: That is an appropriate expression where the money is used to buy a house. But instead of copying the Victorian Act, I think it desirable that the trustee should still have to apply to the court, because we know that the court is the highest judiciary in the land. I venture to suggest that it would be safer to leave the position in the hands of a court rather than in the hands of a trustee.

Hon. L. Craig: It could be done with the consent of the other beneficiaries; and as a rule, that is what happens.

Hon. H. K. Watson: Yes; but it is difficult if they are all not of age.

Hon. A. F. GRIFFITH: Mr. Watson also said that careful consideration should be given before the terms of a man's will were interfered with.

Hon. H. K. Watson: I was not discussing the first amendment.

Hon. A. F. GRIFFITH: No; the hon. member was discussing the second amendment when he made that remark. I agree with it; but we have to look at Section 45 of the Act, which Clause 3 of the Bill seeks to amend. None of the things which Section 45 of the principal Act provides for can be done without the permission of the court. In those cases I think it is still desirable; and here I would like to say I do not think that Mr. Watson implied that the trustee should have this power without reference to the court.

Hon. H. K. Watson: I certainly did not; I challenged the right of the court to have that power.

Hon. A. F. GRIFFITH: I thought that was the hon. member's idea; but I also thought that some members might have obtained a wrong impression.

Hon. H. K. Watson: No. I even challenged the right of the court to make an alteration.

Hon. A. F. GRIFFITH: It is perfectly true, as Mr. Watson said, that a testator should have a right, when he makes a will, to decide on the whys and wherefors contained in it. But may I point out that this Bill does not seek to amend the whys and wherefors of a man's will. It seeks to give the trustee one specific power in addition to the six he already has under Section 45 of the principal Act—to apply to the court to alter an annuity. Mr. Craig covered the ground in that respect; and, as members know, he is closely connected with that type of business.

I explained, when introducing the Bill, that the purpose of this clause is simply to make it possible for a trustee to apply to the court to have the amounts stated in a will varied. A testator may have imagined, in years gone by, when the will was drawn up, that he had left an annuity sufficient for his dependants. But, because of changing times, and the depreciation of money values, the dependants find themselves in difficult circumstances. What better tribunal could we have to decide this point than the courts? After all, as I explained, the obligation is not on the beneficiary; he cannot go to the court and say, "I want this annuity increased." The only person who has the right to go to the court is the trustee himself. I believe that an authority of this nature left in the hands of the trustee will be well placed if put in the hands of the court.

Hon. H. K. Watson: Even this Bill does not meet the case of a deserving beneficiary who may be at loggerheads with the trustee.

Hon. A. F. GRIFFITH: I know that; but the Testators Family Maintenance Act does.

Hon. H. K. Watson: In that case this is unnecessary.

Hon. A. F. GRIFFITH: That is not so. As the hon. member knows, the Testators Family Maintenance Act provides for the variation of the terms of a will where, in the opinion of the court, the testator has left insufficient means for the dependant person to live on because of some estrangement that exists between the man and his wife. But the application must be made within a specified time. If it is not made within a specified time, then the benefit under that particular Act is lost to the applicant.

Hon. H. K. Watson: And then you fall back on this one?

Hon. A. F. GRIFFITH: With respect, Mr. President, I suggest that we do not fall back. I think the two sets of circumstances are divorced one from the other. I used the word "estrangement" merely as an example. One case applies where insufficient means have been left because of the testator's original intention.

If the House passes this Bill, the second case that will exist will be where, in all good faith, the testator has made a will and said that an amount of money paid on an annuity basis will be sufficient for his dependants to be cared for and for them to live on; and where, because of the change in monetary values, they find they can no longer live on that sum, the court then has the discretion on the application of the trustee.

Hon. H. K. Watson: Even though it may be a deserving beneficiary who is entitled to have his case presented. If that

beneficiary is at loggerheads with the trustee, the trustee can say, "You cannot go yourself, and I will not go on your behalf."

Hon. A. F. GRIFFITH: As Mr. Craig has pointed out, there are circumstances in which all trustees are not as reliable as we would have them. There are trustee companies, trustees under the Act, and private individuals who operate as trustees. If the hon. member wishes to move an amendment which would deal with that particular provision, I would have no objection.

Nor would I have any objection if he wished to amend the clause to limit the provision in connection with any particular set of beneficiaries, if this right could be limited to the wife or children. Personally, however, I do not see any necessity for it, because I think we can have faith in the court. I see nothing wrong with the provisions of the Bill, and I commend it to the House. I do not think that the fears envisaged by Sir Charles Latham are real; and I am sure that the court will do the right thing in the exercise of its discretion.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; Hon. A. F. Griffith in charge of the Bill.

The CHAIRMAN: I would like to point out to members that this is a Bill to amend the Trustees Act. The word "amendment" has been omitted from the Short Title and the correction will be made.

Hon. A. F. GRIFFITH: When introducing the Bill, Sir, I sought the direction of the Clerk in this matter.

The CHAIRMAN: That is so: I merely point it out to members.

Clause 1 to 3, Title—agreed to.

Bill reported without amendment and the report adopted.

BILLS (2)—FIRST READING.

1, Education Act Amendment.

2, Main Roads Act (Funds Appropriation).

Received from the Assembly.

BILL—TRAFFIC ACT AMENDMENT.

Returned from the Assembly with an amendment.

BILL—PRICES CONTROL.

Second Reading.

Debate resumed from the 1st November.

HON. L. A. LOGAN (Midland) [541]: From time immemorial nations, countries, and the States of those particular countries have at some time or another in their

history endeavoured to control their affairs by means of price control. If our historians are right in their recordings, those countries have failed to do so on every occasion. Now we have the Government of Western Australia in the year 1955, in spite of all that experience, endeavouring to reintroduce prices control in this State.

The Minister for the North-West: The same as all other States.

Hon. L. A. LOGAN: The only reason I can see for the introduction of this measure is that the word "profit" appears to Labour members as does a red rag to a bull.

The Minister for the North-West: Excess profit.

Hon. F. R. H. Lavery: Mr. Playford does not think that.

Hon. L. A. LOGAN: There has been a great deal of reference to Mr. Playford by some members who have spoken to this debate. I happened to travel through South Australia not long ago, and I asked a few questions as to what the people of that State thought of Mr. Playford. The reply was, "He is the best Labour Premier we have ever had." If Mr. Playford wishes to introduce Labour principles into South Australia, there is no need for us to do so here. What Mr. Playford does in South Australia does not mean a thing to me.

Hon. F. R. H. Lavery: He is still the Leader of the Liberal Party.

Hon. L. A. LOGAN: If Mr. Playford wishes to play along with the Labour Party, he is at liberty to do so. As I was saying, the word "profit" to Labour members is like a red rag to a bull.

The Minister for the North-West: Excess profit.

Hon. L. A. LOGAN: I will come to that shortly. Without a profit being made, the community would have nothing to live or work for. It is only because of that profit that there is full employment today; it is only because of that profit that the community is prosperous.

The Minister for the North-West: Too prosperous, the Prime Minister said.

Hon. L. A. LOGAN: He is not always right.

Hon. Sir Charles Latham: I did not hear him say that.

Hon. L. A. LOGAN: It is necessary to have profits to build up reserves. Let us consider the position of any firm or company running with a bare margin without building up any reserve. If such a firm struck a lean period, its position would be hopeless and there would be immediate unemployment. But that, apparently, is what the Labour Party wants. Yet it is supposed to represent the workers. Let us consider, for a

minute, the matter of excess profits. What happened when the Bill to deal with excess profits was before this House? Every member of the Labour Party voted against the excess profits tax.

The Minister for the North-West: When?

Hon. L. A. LOGAN: It will be found at page 1952 of "Hansard" for November, 1952. Every member of the Labour Party voted against that tax.

The Minister for the North-West: There was price control then.

Hon. L. A. LOGAN: It was a case of three Bills being tied up in one, and the excess profits tax was included. On the night before the vote was taken, the Chief Secretary said he was going to vote against price control and favour the excess profits tax. The next night he changed his mind.

The Minister for the North-West: Was not that the Profiteering Prevention Act?

Hon. L. A. LOGAN: Yes. The excess profits tax was part of that measure and Labour Party members all voted against it.

The Minister for the North-West: We voted against it in order to retain price control.

Hon. L. A. LOGAN: Members of the Labour Party did not want it the night before.

The Minister for the North-West: That was a double-headed Bill.

Hon. L. A. LOGAN: I know it was. The night before, the Chief Secretary did not want price control, but an excess profits tax. But with a bit of skulduggery, he changed his mind, and his supporters all followed him.

The Minister for the North-West: He thought it over. He was not the Chief Secretary then.

Hon. Sir Charles Latham: He is now, though.

Hon. L. A. LOGAN: Mr. Barker spoke about the 40-hour week and the advent of science, and said that as much could be produced in 40 hours as in 48 hours.

Hon. C. W. D. Barker: That has been proved.

Hon. Sir Charles Latham: You try the machines and see if they will do it.

Hon. L. A. LOGAN: Suppose I am driving a tractor at five miles an hour and the hon. member is driving one at five miles an hour, and both are pulling 14 ft. Sunder seeders; and suppose one works for 40 hours and the other for 48 hours. Who would do the greater amount of work? Let the hon. member reason it out for himself, and see whether he could produce as much in 40 hours as he could in 48 hours.

Hon. C. W. D. Barker: That sounds nice, but it is not in accordance with facts.

Hon. L. A. LOGAN: Of course it is! Grow up and learn something!

Hon. C. W. D. Barker: There is such a thing—

The PRESIDENT: Order!

Hon. L. A. LOGAN: I will admit that one man may do as much work in 40 hours as others would do in 48 hours. One might do as much in 40 hours as another would do in 60 hours. But it is not such a simple matter when we consider it on a machinery basis.

Hon. Sir Charles Latham: This is a machine age.

Hon. L. A. LOGAN: The hon. member took the words out of my mouth. Mr. Barker cannot get away with the argument that costs will be reduced by a reduction of hours.

Nobody has told us how prices would be fixed. Not one member has referred to any commodity the price of which is too high. I would have thought that would be one of the first arguments adduced in favour of a reintroduction of price control; but not a word was said about that, and not one article was mentioned as being too dear in price.

Hon. C. W. D. Barker: Can you sell your wheat? No! It is too high in price; that is why it cannot be sold.

Hon. L. A. LOGAN: I will come to wheat directly. The only way price control could work would be by taking the cost of the article into store and adding a margin. The total would then become the cost to the purchaser.

Hon. F. R. H. Lavery: A lot of cost factors are involved before the article goes into store.

Hon. L. A. LOGAN: Let us have a look at the situation within the metropolitan area. There are three types of grocery businesses with which I will deal. There are the chain stores, the suburban stores which combine for purchasing purposes, and the ordinary small stores whose owners have to procure most of their supplies through wholesalers.

The chain store, which buys goods in huge quantities, pays a much lesser price than the combines, and a lower price still than the small suburban store. That being the case, what price would be fixed under price control? If there were to be one price only, profits would be fixed, and the chain stores derive almost excess profits; the combines would have something like the existing margin; but the price for the poor suburban grocer would be reduced. He has to buy through wholesalers and pay more than would be the case if he could purchase direct from the manufacturer. In such circumstances, price control would not work.

Hon. C. W. D. Barker: How did it work during the war?

Hon. L. A. LOGAN: Everything was controlled then.

Hon. C. W. D. Barker: Why not control everything now?

Hon. L. A. LOGAN: Everything was controlled then, even the movements around the clock. Surely the hon. member does not want us to go back to that state of affairs! He talks about progress.

Hon. C. W. D. Barker: I want to bring down the cost of production.

Hon. L. A. LOGAN: Talking about bringing down costs—if the hon. member is so persistent about that—I would point out that I have here a list of prices for groceries that were charged during 1953, when price control was in operation; and also prices for the same commodities today. The goods to which I shall make reference were sold on each occasion by the same store, and the same brand of product was involved. Here are the figures—

Commodity.	Price.	
	1953. s. d.	1955. s. d.
Flaked Oats	10	9
Trusol Paste	1 6	1 4½
16-oz. Biddy Peas	1 7½	1 6
Jack Horner Seeded Raisins	1 11½	1 8
	to	
Cholee Sultanias	1 9½	1 9
	to	
Currants	2 3	1 8
30-oz. tins Peaches	2 11½	2 3
	to	
Kraft Cheese	3 0	2 6
	to	
24-oz. tins Glen Ellen Plum Jam	2 2½	1 10
	to	
	2 0	1 9

I have a list of something like 50 items in respect of all of which there have been reductions in price.

Hon. G. Bennetts: Is that at Charlie Carter's?

Hon. L. A. LOGAN: It does not make any difference. The goods were sold by the same firm in each year.

Hon. R. F. Hutchison: They are all week-end cut prices.

Hon. L. A. LOGAN: I have taken these prices from the newspaper advertisements of a firm which regularly advertises on a particular day of the week.

Hon. R. F. Hutchison: Cut prices!

Hon. L. A. LOGAN: They appear on Thursday of every week, and members can check the list if they wish. I took the figures out for three months in 1953 and a similar period in 1955. Unfortunately, members who are interjecting do not like the truth because it knocks out their case.

Hon. R. F. Hutchison: I am saying—

The PRESIDENT: Order!

Hon. L. A. LOGAN: That is why they growl when the truth is thrown at them. Prices today are lower than they were under price control.

Hon. E. M. Davies: Tell us about hardware and electrical installations.

Hon. L. A. LOGAN: I will tell the hon. member about them, too. I bought a sink top the other day for £13 10s. I went to another firm and the price was £17 11s. Because I had the initiative to ascertain the different prices, I was able to buy what I wanted at a lower cost. If we reintroduce price control, we will remove initiative from buyers and they will become like a mob of sheep. Surely we do not want that! We want them to think for themselves.

There is an article before me from the "Daily News" of Wednesday, the 6th October, 1954, with the heading, "Here's a Way to Make Shopping Pay". That article also contains a list of prices in various shops. It is an article which should induce members of the public to think for themselves, and the variation in prices tends to create that competition which is so necessary in these days in order to bring about a reduction in cost.

Where is there competition under price control? There is none. It is gone. So is any chance of a reduction in price. At this stage I would mention the action of the wheat prices fixation committee in lowering the price of bread. If the prices commissioner envisaged by the Bill is to act on the same lines as that committee, then heaven help this State! Without taking a scrap of evidence from any baker in the country areas, the committee arbitrarily reduced the price of bread by a half-penny. I thought this State had a reputation for justice, but I cannot see where any justice has been meted out to the community in this respect—

Hon. R. F. Hutchison: There is none here.

Hon. L. A. LOGAN: —when such things as that take place. For the benefit of the hon. member, I would point out that immediately the price of bread was reduced in the country, there was a deterioration in the service rendered. What did the housewife get out of it? She lost considerably. That is what would happen under price control.

Reference was made by Mr. Barker to the price of wheat, and to farmers selling commodities to other countries. He would like to see the wheat given to the Asiatic countries.

Hon. C. W. D. Barker: No.

Hon. L. A. LOGAN: The hon. member mentioned that.

Hon. C. W. D. Barker: No. I want it sold at a fair price.

Hon. L. A. LOGAN: Let us have a look at this business of selling wheat to Asiatic countries. What means would they have of

handling the commodity, even if it were given to them? It is not so easy; and the hon. member had better have another think about it before he speaks of giving away our wheat or selling it to those countries, which could not handle it.

Hon. C. W. D. Barker: I did not mention that.

Hon. L. A. LOGAN: Much has been said about the price of tea. Let us have a look at the commodities we have to import from those same Asiatic countries. We find that the standard of living in those places has risen quite considerably, particularly since the war. What members do not realise is that, as soon as the standard of living in those countries is improved, the cost of commodities imported from such places must increase, and thus the price to the consumers in Australia must rise.

Hon. C. W. D. Barker: We must give them the wherewithal before they can buy our goods.

Hon. L. A. LOGAN: They have that today by the improved standard of living; but as soon as the standard of living is improved, the cost of goods to the consumer in Australia is increased; it cannot be otherwise.

A hue and cry was raised over the reference by Mr. Jones to a reduction of 30s. per week in the wages of workers. Unfortunately interjections confused his statement; and despite the fact that he made a personal explanation subsequently, it was still contended that Mr. Jones wanted only the worker to suffer a reduction of 30s. per week.

As a matter of fact, the wage of the worker has not come down at all; on the contrary, it has gone up. But the return to the producer has already declined quite considerably. The price for his wheat, to which Mr. Barker made reference, has gone from 25s. to 18s. 6d. on the open market; and from 17s. 6d. to 13s. 11d. under the International Wheat Agreement.

Hon. C. W. D. Barker: And he is still paying high prices for everything else.

Hon. L. A. LOGAN: I know he is—because of high wages and other charges that are included in the cost of the articles he purchases, including freights, which the hon. member's Government put up by 35 per cent.

Hon. C. W. D. Barker: They are still the lowest, anyway.

The Chief Secretary: And which your Government was not game to do.

Hon. L. A. LOGAN: Because we would not let it. It is to our credit that Country Party members would not allow the Government to increase freights. We are not ashamed to say that. We kept down the cost to the producer by that action.

The Chief Secretary: You did not face facts.

Hon. L. A. LOGAN: We did. Let us have a look at the price of wool. In 1950-51, the average was 137d.; in 1952-53, it was 76d.; and for the first and third sales of this year, it was 54d., which is a considerable reduction.

Hon. C. W. D. Barker: That is not the average price.

Hon. L. A. LOGAN: It is.

Hon. C. W. D. Barker: Not for the whole of this year.

Hon. L. A. LOGAN: No; it is lower than that.

Hon. C. W. D. Barker: It is still a good price.

Hon. L. A. LOGAN: If the rest of the community had their returns brought down in the same way as the producer has had his reduced, the State would be a lot better off, and we could sell our export commodities at a price more comparable with that of other countries. Our export balance, too, would be on the credit side and not on the debit side, as it is.

Hon. C. W. D. Barker: You have first to bring down the price of food.

Hon. L. A. LOGAN: I have already said that it is down.

Hon. C. W. D. Barker: The Arbitration Court does not say that.

Hon. L. A. LOGAN: I am not worrying about the Arbitration Court. These are the facts. It is of no use mentioning only one firm in the city, which is operating in all the suburban areas. About 20 firms of this type are operating throughout the suburbs. On account of these stores reducing their prices, the suburban storekeepers have made reductions, too. They have done this because, if their prices are too far above those of the city man, they fear that their customers will go into the city. It has also had an effect in the country, inasmuch as self-service stores are being established throughout the country areas.

Hon. G. Bennetts: Where?

Hon. L. A. LOGAN: In my district. If the hon. member is not progressive—

Hon. G. Bennetts: Not on the Gold-fields.

Hon. L. A. LOGAN: This, again, reduces prices. It is only because of the action of the big firms in the city that they have had to follow suit.

Hon. C. W. D. Barker: Do you believe in that?

Hon. L. A. LOGAN: Does not the hon. member believe in bringing down prices?

Hon. C. W. D. Barker: Yes.

Hon. L. A. LOGAN: It is being done much more than under price control. Even the Minister admitted the other day that

the price of houses had come down by more than £200, all without price control. Where is the argument for price control?

The Chief Secretary: They never were under price control.

Hon. L. A. LOGAN: The commodities attaching to houses were under price control. Why bring that furphy into it?

The Chief Secretary: But the price of houses was not.

Hon. L. A. LOGAN: The materials attaching to houses were.

The Chief Secretary: Some.

Hon. L. A. LOGAN: Quite a lot.

Hon. F. R. H. Lavery: Quite a lot were not, too.

Hon. L. A. LOGAN: I admit the court held the basic wage, but it did not hold wages. Very few people in Australia have not had a rise in wages since 1953.

Hon. C. W. D. Barker: Except us.

Hon. L. A. LOGAN: If the hon. member is endeavouring to keep down prices, he will probably vote against the increase.

Hon. C. W. D. Barker: I cannot afford to.

The Chief Secretary: Do not anticipate legislation!

Hon. L. A. LOGAN: One would think from the speeches made on this debate that the poor old workers were down and out.

Hon. G. Bennetts: Some are.

Hon. L. A. LOGAN: Let us look at what their leader said. In April of this year, he said—

In essence, the bread and butter objectives of the Labour Party were not strong enough to maintain unity in a period when no bread and butter problems existed.

So the Premier does not think that the poor old worker is down and out.

Hon. C. W. D. Barker: Do you not think we have a problem in connection with the high cost of production?

Hon. L. A. LOGAN: Yes.

Hon. C. W. D. Barker: How are you going to alter it?

Hon. L. A. LOGAN: By everybody accepting a reduction at the one time.

Hon. C. W. D. Barker: That is O.K.; I will be in that.

Hon. L. A. LOGAN: I am prepared to take my cut, provided everyone else will do the same. If it is not done on a voluntary basis, it will have to be done compulsorily before long. I suggest that for a beginning—this is a Federal matter—there should be a reduction in the excise on many of our commodities; and a reduction could be made in a lot of the customs duties, as well as in sales tax

on those commodities which affect the home. These reductions would lead to a lessening in the price of the commodities; and, in turn, this would create a reduction in other items. In most cases, particularly in matters such as this, there has to be a Federal lead, because this State cannot be out of step with the rest of the community.

Hon. C. W. D. Barker: It would not be, if we had price control.

Hon. L. A. LOGAN: To a certain extent, we could also cut taxation; and this, too, would reduce the costs of manufactured items. This again is a Federal issue. I do not see any State issue where we could reduce costs unless, as I said earlier, we all accepted a reduction. That would mean that the manufacturer would cut his costs, and the labourer would cut his wages. The farmer and producer have already cut their costs; but, even so, if there were a reduction in regard to the other sections of the community, the producer might come down a little further, to be in line. If I thought there was any possibility that price control would be able to control the price of the commodities which the producer buys, so that it would be to the advantage of the producer, I would be the first to support it.

The Chief Secretary: You will not give it a go.

Hon. L. A. LOGAN: I have already said that it has been tried for generations and proved a failure.

Hon. C. W. D. Barker: You give me credit for being sincere.

Hon. L. A. LOGAN: I quite understand that the hon. member is sincere; no one has ever doubted that. I think we are all sincere in this House. We accept a responsibility and face up to it, whatever our thoughts might be. Because we do not agree with the hon. member's idea, does that make us any less sincere?

Hon. C. W. D. Barker: No.

Hon. L. A. LOGAN: We legislate as we understand a problem. If I thought that by having price control we could do any good, I would be prepared to support it.

The Chief Secretary: It did good when it was imposed previously.

Hon. L. A. LOGAN: Yes, because the whole of Australia was under control. Do we want to go back to that control?

The Chief Secretary: Yes.

Hon. L. A. LOGAN: Of course we do not! The Bill is nothing short of a Gestapo measure. We could have every man, woman and child under the thumb. That is what the Government wants to get back to in this year of grace, 1955. I do not think we want that, and we will not go back to it with my vote. I intend to vote against the Bill.

HON. F. R. H. LAVERY (West) [6.10]: My conception of what is intended by the Bill is different from the opinion I have formed from what has been said by those in opposition to the Bill. I mean that I feel that the introduction of this measure is an attempt by the Government to place on the statute book a law by which members of the community who attempt to exploit the public may be dealt with.

I do not think the measure has been brought here for the reason advanced by some members in opposition to it—namely, to create a great organisation similar to that which existed during the war years. But if the Bill is agreed to, there will be an office to which members of the business and private communities, and people in executive positions can appeal if and when some industry or firm transgresses what I would call the ideals of ordinary business.

Price control, I feel, is aimed at limiting the seller to a fair return for his labour and investment, and therefore would only cause fear to those business people who were likely to be of the unscrupulous type. To support that contention, I maintain that throughout the country there are a number of industries run under the strictest and most rigid management, so that no one has anything to fear from them in the way of exploitation. I really mean that these firms are so efficiently controlled and managed that the price of their products to the consumer is fair and reasonable. I have heard it said by our own people, and seen it stated in the Press, that Holdens make excess profits. I do not agree.

Hon. C. W. D. Barker: What!

Hon. F. R. H. LAVERY: I do not agree that they have made excess profits. Like other members, I have had an opportunity of going through their works in South Australia—not through the engineering works but through the body works—and what I learned there was sufficient to endorse what I have always said in this House in regard to good management, when speaking on legislation dealing with workers' compensation, industrial arbitration, prices and other matters.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. F. R. H. LAVERY: Before tea, I was pointing out that price control would not be necessary if we had proper management and control in industry. At General Motors Holdens body building works in South Australia, approximately 8,500 people are employed. I do not agree with the contention that because a firm of that sort makes a reasonable profit it should not be allowed to exist. I believe that without industries of that type, we would not be able to keep up our present high standard of employment for all.

As an instance of efficient management, I would point out that while working a 44-hour week General Motors Holdens, in their South Australian plant, were able to produce 204 motor bodies per day. When the working week was reduced to 40 hours, they continued, without interruption, to produce the same number of bodies per day. My point in giving this illustration is two-fold. I am demonstrating that the Australian worker, under good and efficient management, can produce just as much as his counterpart in any other part of the world.

In this instance we have an industry employing 8,500 workers—Australians, Englishmen and some new Australians. But the efficient management and safe production methods provided in that factory are a revelation to anyone, and make one wonder how, with firms of that sort operating in Australia, it ever becomes necessary to have price control. I repeat that General Motors Holdens Ltd. have such efficient and exacting methods of cost control that they were able to continue producing 204 motor bodies per day under a 40-hour week just as they had previously done under a 44-hour week, and the employees had no complaints to make.

It has been said, erroneously, that price control creates a black market. I do not believe that is borne out by the facts. Members may not agree with me in that statement; but I desire to examine a number of manufactures that are price-fixed at the source. In this regard, I have in mind most patent medicines, and so on, which must not be sold below a certain price.

Anyone desiring to repair a dwelling or build a new one has it brought home to him that all the requisites for the work are price-fixed in some way. The ordinary man in the street can go from firm to firm; but no matter where he obtains his supplies, the price is the same. Plasterboard is a good example of that, as it costs the same per square yard, no matter where one procures it. Razor blades, also, must not be sold below a certain price, and the manufacturer will distribute only to retailers who agree to sell at the set price. It is all very well for opponents of price control to say that prices cannot be fixed. In fact, a great proportion of the goods produced in Australia today are price-fixed, and a shining example is to be found in the petrol industry.

No matter where he secures his supplies, the man in the street pays the same price for petrol. Yet when the Government calls for tenders for the supply of diesel oil to the railways, we see how quickly the large oil companies enter into competition with one another, each trying to undercut the other's price. The wages of the man in the street are more or less pegged—

Hon. N. E. Baxter: They are not pegged.

Hon. F. R. H. LAVERY: I have heard the hon. member say that so often that I do not think he knows whether wages are pegged or not. I say that, in effect, wages are pegged in this State; and yet the necessities of life are not subject to the same stabilisation of prices.

We heard Mr. Logan this afternoon on the subject of groceries, and so on. Only a week ago a firm wanted an 8-ton load carted to the country, and various members of the transport association quoted from £124 to £66 for the job. So members can realise what a huge profit the firm quoting £124 would have made, in view of the fact that the organisation which quoted £66 had to pay full union rates, including overtime for Sunday work.

I cannot understand the farmers' representatives objecting to price fixation; because, of all the people in the State, there are few who bear a greater burden in this respect today than the farmers. Their products have been price-fixed in the markets of the world. It is not many weeks since we read in one of our economic journals that the wool growers in the Eastern States took exception to the combining of the wool buyers, and the price they offered for wool on the Sydney market. When I say that farm products are price-fixed I mean that they are morally price-fixed.

The prices of currants, raisins and sultanas in 1955 were compared by Mr. Logan with the prices in 1952; but he did not tell us that the grower today is not getting the same price as he did in 1952. I am surprised at Mr. Logan's suggestion—

Hon. L. A. Logan: I did tell you that.

Hon. F. R. H. LAVERY: The hon. member did not, because I interjected, and he did not reply.

Hon. Sir Charles Latham: Interjections are disorderly.

Hon. H. Hearn: He need not reply to an interjection, because interjections are improper.

Hon. F. R. H. LAVERY: I will tell Mr. Hearn, who has just come into the Chamber—I am sorry he was not here earlier—what good management could do for Australia. The "Australian Financial Review" of the 18th November, 1954, in column 2, page 3, printed the following:—

Good Word for the Australian Worker.

Australians, despite opinions to the contrary, do know how to work and to earn a fair day's pay, according to Mr. John G. Hurley, Joint Managing Director of Berlei Ltd.

Hon. H. Hearn: Surely that is the corset people!

Hon. F. R. H. LAVERY: To continue—

Mr. Hurley returned this week from a 7-months' business visit to England, the Continent and the United States,

convinced that Australian living standards are calculated to establish the most balanced race of people in the world. He believes that Australians not only know how to work but also how to spend and save for a better way of life; that they show an increasingly balanced approach to work, to home life, health and sport.

Mr. Hurley also had a good word to say about Australian leadership. "The more one sees of other countries," he said, "the more one realises how much difference it makes to world regard and respect for Australia to have public leaders who are natural statesmen with a breadth of view which begets confidence in Australia and her destiny."

Hon. H. Hearn: Is he talking of the Federal or State people?

Hon. F. R. H. LAVERY: Not only do I want to castigate the managements of some industries in Western Australia, but also to state that certain of the bigger firms have excellent leadership and are able to get their workers to produce goods at a price competitive with the rest of the world. Mr. Logan and other members had a lot to say about the week-end prices in cash-and-carry stores.

Hon. L. A. Logan: I did not mention week-end prices.

Hon. F. R. H. LAVERY: The hon. member said they were published every Thursday, and if that did not imply the week-end—

Hon. L. A. Logan: Nothing of the sort!

The PRESIDENT: Order!

Hon. F. R. H. LAVERY: Mr. Logan said, with great gusto, that these prices were published every Thursday, and he waved his arms and shook the list about. We know that the prices are published every Thursday, and that people serve themselves in these shops. We also know that those firms do not employ a full adult staff.

Hon. H. Hearn: They work under an Arbitration Court agreement.

Hon. F. R. H. LAVERY: We know that the wholesalers employ a maximum adult staff; and therefore, when they deliver goods to the small suburban grocer, the price to him is higher than that at which the public can buy the same goods from the cash-and-carry stores. Mr. Logan, in eulogising the cash-and-carry stores, forgets that that type of establishment is a labour-saving device on the part of the management. Those concerns do not give the public cheaper prices for any reason other than that they are not paying the same high overhead costs as the suburban grocer pays or as, I suggest, Mr. Hearn pays in his industry.

Hon. H. Hearn: You are entirely wrong.

Hon. F. R. H. LAVERY: In his industry Mr. Hearn has a very good and solid union award, and at no time have I known him or his firm to be taken to task for not abiding by the awards. I could not say the same about the cash-and-carry businesses.

Hon. A. F. Griffith: There are many shops in Victoria Park that are attended by personnel who serve customers.

Hon. F. R. H. LAVERY: That is so. But if one walks into another shop where one is served at the counter, how much more cost is added to the overhead of that shop at the end of the year compared to the establishment where 30 people are served by one little girl operating a cash register in the store?

Hon. H. Hearn: Is that not a credit to the establishment?

Hon. F. R. H. LAVERY: It is not a credit to such an establishment when other shops are accused of overcharging. As I have said throughout my speech, there is no necessity to overcharge if there is good management; and to support those remarks, I quoted the views of Mr. Hurley. I now intend to quote what Mr. Playford had to say in relation to this subject. But before doing so, I would point out that Mr. Logan stated that Mr. Playford had turned Labour.

Hon. L. A. Logan: I did not say that!

Hon. F. R. H. LAVERY: If the hon. member did not say it, he implied as much. I am not sure of the newspaper from which this cutting was taken, but it was published in South Australia, and the date is Monday, the 15th August, 1955. The heading relates to a high quality iron-ore field that has been found in that State, and the remarks by Mr. Playford were made at the 50th anniversary "Association Day" dinner of the Commercial Travellers' Association. The extract from the cutting reads as follows:—

Mr. Playford said the finds had proved the whole geological concept of iron ore deposits in South Australia to be fundamentally wrong.

Because of the new ore finds, the opening at Port Pirie of one of the world's biggest uranium treatment plants and the State's happy geographical position between New South Wales coal and Western Australia's Kwinana oil refinery, South Australia was becoming an increasingly healthy State to live in, said Mr. Playford.

And this is why he said that—

The recent competition between New South Wales and Western Australia for South Australian custom meant a cut of 6s. a ton next week in the price of Newcastle coal.

Kwinana oil was being sold here £2 a ton cheaper than in W.A.

Hon. H. Hearn: Well, you do not want price control.

Hon. F. R. H. LAVERY: Yet members say we do not want price control. However, if a firm can ship oil to another State and sell it at £2 per ton cheaper than in the State which has been so good to it, we do need price control.

Hon. Sir Charles Latham: Are you not quoting the retail and wholesale prices separately in those States?

Hon. F. R. H. LAVERY: Mr. Logan objected when I said that a Liberal Premier had reimposed price fixation. I want to quote a little more of what Mr. Playford had to say, because I am very pleased with this statement. This is what he said—

The remarkable advances in South Australian industry in recent years, however, were due largely to sober-minded administration of union affairs and to businessmen of integrity and enterprise.

They were doing much to give the State an excellent reputation overseas.

I repeat that price control can be feared only by unscrupulous manufacturers or traders.

Hon. N. E. Baxter: That is only your opinion, of course.

Hon. F. R. H. LAVERY: That interjection could be answered by the remark Mr. Logan made when he said that we are all giving our own opinions on this subject. I have heard many people—both inside and outside of this Chamber—when speaking on price control, say that it would not be necessary if the worker produced more. In answer to that, I ask why it appears that General Motors Holdens were able to produce more on a fair day's work by the worker.

Hon. H. Hearn: And then you do not agree with the profit it makes.

Hon. F. R. H. LAVERY: If the hon. member had been present in the Chamber previously he would have known that I made a remark which was quite different from that. According to those in Opposition, we are just about to turn the corner on the road to a recession. However, "The Daily Telegraph" of the 11th March, 1955, in its share market and commerce columns, quotes three interesting facts, two of which I will now read. They are as follows:—

Bank Says Trade Still Improving.

Australian traders are maintaining turnovers at a level equal to a year ago and possibly higher, says the National Bank of Australasia.

Some traders expect extremely high employment and widespread wage and salary increases to increase buying, the bank adds.

As Mr. Hurley said, the Australian worker works hard and spends well. The second extract is as follows:—

Factory Output Up.

New South Wales factories produced goods valued at £1,299,801,000 gross during the year ended June 30, 1954.

This was £160,475,000 more than in 1952-53, the Bureau of Statistics and Economics says.

Yet some say the worker is not doing his job. Continuing—

Rubber Profit Up.

Kerema Rubber Ltd. made £13,383 net profit for the year ended December 31 after charging £2,750 depreciation.

The previous year's profit was £4,746, after £2,781 depreciation.

Dividend rose from 5 p.c. to 10 p.c., absorbing £7,291.

Some members may say, "What is wrong with that?" I am prepared to admit that 5 per cent., 6 per cent. or even 7 per cent. is a fair profit; but this company's dividend rose from 5 per cent. to 10 per cent. in one year. However, it did not rise because the worker sat down and did not do his job. I do not want to labour the point, but there is no doubt that good management is the key to a prosperous industry. I would not say that good management has always been practised in Western Australia; but good management is the golden key to open the door to a stabilised price structure.

One of the factors that increase the cost of articles retailed to consumers is the vicious cost-plus system. Coming back to the point of good management, in our own State we have a coal industry, which—like others throughout the world—is feeling the effect of oil coming into its own; and, as a result, has suffered a decrease in production. Mr. Griffith said recently that whereas, in America, when a firm's profit drops the management approaches the workers to find out what is wrong, and because the men are worried about their position—

Hon. A. F. Griffith: I did not say that at all. I said that the union representative wanted to know whether the business was remaining stable. It had nothing to do with the worker.

Hon. F. R. H. LAVERY: If the union representative has nothing to do with the worker, I do not know what he has to do with. In any case, I was paying the hon. member a tribute by agreeing that what he said was correct—namely, that the worker should be interested in what is going on. The following is an extract from a pamphlet issued by the executive of the Collie Miners' Union:—

It has been said that open cut coal is cheaper than that which is produced from the deep mines. During

the period that open cuts have been operating in Collie the price of deep mine and open cut coal has been the same. In December, 1953, two new open cuts were started—the Muja and Western No. 3—the price of coal from these two companies was 65s. 7d. and 67s. 9d. per ton respectively. The price of coal from these two companies now is 72s. per ton, and they are obtaining 50 per cent. of their production from open cuts, the third company which is producing 70 per cent. of its coal from deep mines and 30 per cent. from open cuts, is able to sell coal at 58s. per ton. Coal from the deep mines with efficient management and control can be sold at a price competitive with oil, and much cheaper than the existing overall prices quoted above.

I wish to emphasise that coal is a major factor in the supply of power for industry in this State. The miners at Collie are just as appreciative of that fact as they are of the fact that coal exists at Collie. No matter how hard the Collie miners may work, the town of Collie can no longer exist if the present trend continues. However, if good management is practised in the Collie mines, we will not be faced with worry about coal production.

I feel that I have put forward a case to show that price control is not necessary over every article that we buy. Nevertheless, this legislation is required on the statute book so that unscrupulous people may have their charges controlled. I will quote the example of a master plumber. He did a job at my home and he charged me 30s. for material and £9 18s. for labour on a Sunday. If such charges do not warrant price control, I do not know what does.

HON. N. E. BAXTER (Central) [7.57]: In considering this legislation, I think we have to trace the history of price control in this State. When price control was introduced during the last war—

Hon. C. W. D. Barker: It worked.

Hon. N. E. BAXTER: Yes; but during the whole time that legislation was on the statute book, prices continued to rise from year to year. I do not think anybody can dispute that. That is an indication of what price control did for Western Australia. After all is said and done, what is price fixing? The prices commission was supposed to consider facts and it set on an article a maximum price to which every trader adhered. There is no minimum with price fixing.

Hon. C. W. D. Barker: Oh yes! It is a minimum.

Hon. N. E. BAXTER: No! That was proved to be entirely wrong. When a price was fixed by the prices commission there was no competition. The maximum

price fixed by that commission was the price charged, irrespective of any other factor. Competition was entirely eliminated.

The Minister for the North-West: Lack of supplies had something to do with it.

Hon. N. E. BAXTER: Yes; lack of supplies was the real cause of price fixing. Can any member point out where lack of supplies in the normal requirements of life for a family exists today, so as to justify price fixing? We have the exact opposite. There is a plentiful supply of foodstuffs and the normal home requirements, and there is competition between the various retailers to sell those articles at cheaper prices. Except for certain stages when goods were in short supply competition has existed in the British Commonwealth of Nations ever since there were traders.

More profits were made under price fixing than when there was free competition. When articles were in short supply during a period of price fixing, I knew of some people in this city who spent one hour a day over the telephone in selling goods they were able to import or get hold of, without employing any labour. For one hour's work on the telephone per day, and without the need for employing labour, they made more profits on the sale of goods than they are ever likely to under present-day conditions.

Much has been said during this debate about the profits made by individuals and companies. But after all is said and done, healthy profits in industry mean full employment, and I believe that this is the policy of the Australian Labour Party. At the same time, I consider that a little unemployment will waken the people up to their responsibilities.

The Minister for the North-West: You believe in an unemployed pool.

Hon. N. E. BAXTER: I do not believe in a large unemployed pool; but we have seen the effects of full employment during and since the war years. They have not reflected greatly to the credit of the Australian worker.

Hon. C. W. D. Barker: Do you want to bring the workers down on their knees?

Hon. N. E. BAXTER: I do not want to bring the people down on their knees, but I believe in awakening the workers to their responsibilities and, the need to do a fair day's work for a fair day's pay.

The Chief Secretary: You like to see that little unemployed pool.

Hon. N. E. BAXTER: In 1953 we were told of the dire consequences which would follow the abolition of price control; but what has really happened since? Ever since price fixing was abolished, things have returned to normal. We found that competition came into the field which did not exist during price fixing. As Mr. Logan

stated, the prices of many articles required in the average home have come down since price control was done away with.

The Chief Secretary: Many of them went up also.

Hon. N. E. BAXTER: Those were the dire consequences we were warned against in 1953.

The Chief Secretary: You must remember that the basic wage went up about 35s. in that period.

Hon. N. E. BAXTER: I have travelled extensively both in the city and in the country, but I have failed to see the wholesale dire consequences that were forecast by members in this House. In the normal home of today, whether it be the home of the manual worker, the clerical worker, or the tradesman, one can find practically all the things that are required to make it comfortable. In the majority of homes there is a refrigerator, a washing machine—

The Chief Secretary: That is a terrible state of affairs!

Hon. F. R. H. Lavery: What a shame!

Hon. N. E. BAXTER: I do not disagree that the workers should have these things. But does that bear out what we have been told by members of the Labour Party?

Hon. R. F. Hutchison: Who told you that?

Hon. N. E. BAXTER: The hon. member has quoted the dire consequences many times in this House.

Hon. R. F. Hutchison: You would not know.

Hon. N. E. BAXTER: She has told us of the dire circumstances which the people of this State are living under. Time and time again she has said that. In addition, what do we see among the building tradesmen in particular in regard to car ownership? Let us take the civil servants and the percentage of them who own motorcars. Does that look as though there is dire poverty amongst the community?

The Chief Secretary: Does that not look good?

Hon. N. E. BAXTER: Yes; it is good. I would like to see anyone who can afford it own a motorcar; but I do not want to be told that conditions are so bad that the workers cannot live on their wages, and that therefore the necessity exists to bring back price fixing so as to reduce the price of consumer goods.

I know of one case, close to where I live, concerning a tradesman who not only owns a nice motorcar, larger than the one I have, and originally costing £1,800, but who also has a good utility which he uses to travel to and from his work. That is one of many of such cases. It does not look as if those men are not in a position to buy the food, clothing

or requirements for their families. If they were unable to, I would vote for price fixing.

Hon. C. W. D. Barker: It is a different story when a worker receives the basic wage and has five children to support.

Hon. N. E. BAXTER: What is the purpose of price fixing? Is it to enable the worker to live comfortably and to buy the goods required for his home?

Hon. C. W. D. Barker: It is to bring down the cost of production so as to enable Australian goods to compete on the world's market.

Hon. N. E. BAXTER: Price fixing will not bring down the cost of production. Work will bring down the cost of production, and enable us to produce articles as cheaply as possible. Price fixing can have no effect on the cost of production.

Today, we are fast approaching the time when the production of wheat and wool will no longer be payable. Members opposite should realise this. Those are the two commodities on which Australia depends. Today wool is down to an average of 54d. per lb., and we have wheat on our hands which we cannot sell. In some of the bins in the country is stored the wheat from two seasons. It is unsold, and there is not much hope of selling it. When people realise that, in regard to wheat and wool, we are reaching the conditions which existed in 1929, they will have something to worry about.

Therefore I say: "Let us go along living under the conditions that exist today, under which there is sound, competitive trading." We have got to the stage where price fixing has been abolished, and the cost of maintaining the prices branch no longer exists. Under that system a maximum price is fixed for goods, but that price becomes the minimum as well as the maximum. With those few words I oppose the measure.

On motion by the Chief Secretary, debate adjourned.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

Second Reading—Defeated.

Debate resumed from the 8th November.

THE CHIEF SECRETARY (Hon. G. Fraser—West—in reply) [8.8]: I have delayed replying because I wanted to give every member an opportunity of speaking. I am rather disappointed that so few members have taken the trouble to speak on this measure.

Hon. C. H. Simpson: They have done so in previous years.

THE CHIEF SECRETARY: A good argument will always stand repeating; and if members opposite had a good case to put forward, they would be jumping out of

the barrier to place the facts before us. Only two or three members have spoken against this measure.

Hon. L. A. Logan: The rest may vote for it.

The CHIEF SECRETARY: I am rather disappointed that there are so few points to answer. So that I shall not miss any of the points that have been raised, I have prepared a written reply and I shall read it. After that I shall deal with the position generally.

In opening his speech, Mr. Hearn mentioned the basic principles which form the difference between the parties in this place. If the House is to carry out its functions as a House of Review, legislation submitted to it should, of course, be considered in the light of State interests, rather than in the light of party politics. The hon. member referred to the question of free enterprise, and in that regard I would like him to read an article in the "News Review" of the 31st October, which states that opposition to this Bill does not square with the main principles of free enterprise.

This is not a pro-Labour newspaper; it is one which, when the occasion arises, takes the opportunity of pulling down this Government. I quote this article because I want members to look at the Bill from the point of view suggested here. So when legislation which merits the consideration, that one would expect from a House of Review, does not get it—as indicated from the remarks of those who have spoken against the Bill—one can say that it is being treated from the party view point.

Hon. H. Hearn: Quite wrong.

The CHIEF SECRETARY: We shall soon see how wrong I am when the division bells ring. The quotation from the "News Review" is as follows:—

The argument in the Legislative Council that the State Insurance Office must not be allowed to extend its operations because such would be an infringement of free enterprise has some merit, but it is no more an infringement than is an expansion of the railways or the State Shipping Service or water and electricity supplies. There are now 79 insurance companies operating in Western Australia. Why not, as in banking, have seven or eight, including one State? Who can prove that it is to the interests of free enterprise to protect all these 79 insurance concerns from State competition? Probably the business community and the State would get lower premiums and better service if about 70 of the insurance concerns were disbanded and their staffs put to work at something more productive.

Dealing with the figures quoted by Mr. Hearn, which purport to indicate that the State Government Insurance Office has not maintained its position in regard to the volume of business written under the Workers' Compensation Act, the reasons the companies may show a greater improvement in that particular line of business are apparent.

As has been pointed out, there are 79 insurance companies operating in Western Australia, and each office has agents and inspectors continually canvassing for business; whereas the State Insurance Office has no such organisation operating. Many clients would have come to the State office had it been possible for them to place the whole of their risks with it. When they find that the office cannot accept their fire, public liability and other risks, they prefer to leave their compensation cover with a company that can accept the lot.

Hon. H. Hearn: Not necessarily. That is not right.

The CHIEF SECRETARY: Perhaps the more important reason is that many clients come to the State office and obtain quotations and immediately return to their company with the rate quoted by the State office. The company then obtains permission to reduce its tariff rate to the rate offered by the State office and the business is left with the company.

Hon. H. Hearn: Did you say it was a monopoly?

The CHIEF SECRETARY: The hon. member would like it to remain that way. Except where the rates are reduced because of this reason, the companies charge the maximum rates fixed by the Premium Rates Committee, whereas the State Insurance Office reduces its rates by approximately 20 per cent., the reason it can afford to do so being that commissions and overheads are not incurred by a team of agents and inspectors being employed to obtain the business.

Hon. C. H. Simpson: In the ordinary course of events, insurance must be sold.

The CHIEF SECRETARY: To some people that may be so, but not to others. The same position does not arise in respect of motor-vehicle (comprehensive) insurance as not only the rates but also the no-claim bonuses granted are involved. In regard to this type of business, the premiums received by the State office increased from £3,465 in 1944-45 to £100,356 in 1953-54.

Hon. H. Hearn: What about the Government purchases of motorcars?

The CHIEF SECRETARY: The percentage increases were—all other insurers, 217 per cent. in 1948-49 and 194 per cent. in 1953-54; State Government Insurance Office, 2,800 per cent. and 1,237 per cent. These substantial increases of the

State office are notwithstanding the fact that premiums are substantially lower and no-claim bonuses considerable higher.

Hon. A. F. Griffith: Have the premiums been increased?

The CHIEF SECRETARY: Not to my knowledge.

Hon. H. Hearn: You would not know.

The CHIEF SECRETARY: If there have been increases by the State office, premiums have also been increased elsewhere. The State office would not increase its premiums if others did not do so. Members should understand that the profits of the companies quoted do not include any profits from the life assurance section of the business of those offices, but refer only to the fire, marine and general accident sections of the respective offices.

Hon. H. Hearn: You did not say so in your recent reading speech.

The CHIEF SECRETARY: Yes; I did. The points which Mr. Hearn made in regard to the reserves of the companies and the relating of profits to such reserves were clearly dealt with by me when introducing the Bill, but I shall deal further with that matter when replying to the points made by Mr. Baxter.

When dealing with the local authorities' pool, Mr. Hearn very rightly asked what would happen if we had a major catastrophe in any section of our State and found that thousands and thousands of pounds had to be paid out which would be more than local governing bodies had contributed. He presumed that ultimately the taxpayer would be called upon to meet the loss. The true position has been explained on more than one occasion. The business of the pool is dealt with on exactly the same basis as any other insurance activity of the State office or any tariff company. All risks are reinsured, the State office retaining only as much as it feels it would be in a position to meet should a catastrophe occur.

The requisite proportion of the premiums received from the local government authorities is paid to reinsuring underwriters, who accept the bulk of the risks. Reinsurance commissions received in respect of such business are credited back to the pool. The question of taxpayers having to meet any substantial loss does not, therefore, arise.

It must be borne in mind that the activities of the State Insurance Office are at all times subject to the examination of the Auditor General, who is charged with the responsibility of protecting public funds. If a position such as that suggested by the hon. member could arise, then undoubtedly the Auditor General would have drawn attention to it long before this. I think it will be time enough to worry

about the taxpayers' liability when such a report is tabled by that responsible officer.

Dealing now with the question of taxation which has been charged to the pool account. When the pool was introduced it was considered that it was part of the business of the office, as defined by Section 2 of the Act; and because of that, taxation in accordance with the provisions of Section 7 (7) of the Act has been deducted. However, the matter can be reconsidered in the light of the opinion given by Mr. J. Hale, Q.C., who is regarded as an eminent lawyer.

Hon. H. Hearn: You admit there is something in that?

The CHIEF SECRETARY: There are possibilities. If the hon. member draws attention to something that can be investigated, we will look into it.

Hon. H. Hearn: Then we can get a refund?

The CHIEF SECRETARY: I make no promises that we may not be able to carry out. There may be legal difficulties. In any case, there is no reason why the provision should not remain in the Bill, which would remove any doubt which might exist. It must be remembered that when the State office was endeavouring to establish the pool, it met with considerable opposition from the tariff companies, who circularised all local government authorities with a view to retaining the business.

Had the State office not charged the pool account with its share of taxation payable, there would have been an immediate outcry from the companies on the ground that the office was able to reduce the premiums then being charged by virtue of the fact that taxation was not being levied, thereby giving the office an unfair advantage over the tariff companies. Obviously, they cannot have it both ways.

Figures were quoted to show the losses sustained by State Government Insurance Offices in other States. Surely when such figures are quoted, the correct position should be stated! An extract from the annual report of the Government Insurance Office of New South Wales for the year ended the 30th June, 1954, reads—

I have the honour to submit my report on the office for the year ended the 30th June, 1954, and in doing so regret to inform you that it experienced a loss for the year for the first time in its long history.

This position was entirely occasioned by an unprecedented loss of £1,468,127 resulting from the transaction of motor vehicle (third party insurance). But for this, the surplus of the office, excluding its life assurance business which experienced a profitable year, would have been a record amount of £989,407.

It is understood that the reason why the State office showed such a substantial loss on its motor-vehicle (third party) insurance was that the majority of the tariff companies were refusing to write the business, 80 per cent. of which is now written by the Government Insurance Office.

Regarding Victoria, the same position has risen in respect of motor-vehicle insurance. The overall loss in this class for the year ended the 30th June, 1954, was £96,103. The following is a quotation from the Insurance Commissioner's report for that year—

It is pleasing to note that the motor car comprehensive section of the motor car office business, which is profitable, has developed much more rapidly than the motor car (third party) section, which has shown losses for many years.

The loss incurred by the Victorian office, in regard to the workers' compensation section of its business, was common to all insurers, and was the result of the effects of the amendments of the Workers' Compensation Act, which came into force on the 1st June, 1953. Members will know that the amendments provided for substantially increased benefits to workers injured during the course of their employment.

I have already dealt with the position in Queensland and I do not wish to reiterate the figures I furnished when introducing the Bill. I would, however, stress the fact that the establishment of the State office in Queensland has not in any way been a menace to the other insurers. When the office was established in 1916, only 70 licensed insurers operated in that State, whereas at the 30th June, 1955, there were 114.

Hon. H. Hearn: But it did have a monopoly of workers' compensation.

The CHIEF SECRETARY: This is an indication that Queensland has proved a fair field for private insurers, notwithstanding the successful operations of the State office. Even with the monopoly, the number of companies has increased from 70 to 114.

Hon. H. Hearn: Still, it is unfair competition.

The CHIEF SECRETARY: It is good competition.

Hon. H. Hearn: It is not fair when you give one office a monopoly.

The CHIEF SECRETARY: I agree that monopolies are bad, and that is what we are trying to break down here. Even in Queensland, where the hon. member contends that the State office has an unfair monopoly of workers' compensation, the number of companies has increased from 70 to 114, so there must still have been a fair field for the companies there.

The hon. member referred to the ease with which the State office acquired the business of Government utilities, and I presume he was referring to insurances effected through the Government Fire, Marine and General Insurance Fund. Although that position is admitted, it will not continue in the event of this Bill becoming law.

If Clause 9 of the Bill is examined, it will be noted that in respect of any policy issued under the State Government Fire, Marine and General Insurance Fund, the office has the same rights and is subject to the same obligations as if the policy had been issued or the matter had arisen in the ordinary course of conducting the business of the office. Therefore, in respect of such business, the provisions of Subclause 7 (c) under which the office is required to pay taxation, fire brigade charges, etc., would apply. If the cost of acquiring such business can be kept to an absolute minimum, that is in the interest of all taxpayers.

Dealing now with the school children's insurance scheme, the initial move was made not by the State Government Insurance Office, but by the Federation of Parents and Citizens' Associations, which had been unable to influence either tariff or non-tariff insurers to undertake the insurance at a premium which would be within the reach of all parents. The State office was then approached by that organisation. I think Mr. Logan made a statement that the companies were not given a chance to tender.

Hon. H. Hearn: I mentioned that.

The CHIEF SECRETARY: I have explained what happened; they would not take the business.

Hon. H. Hearn: That is wrong.

The CHIEF SECRETARY: What is the use of saying it is wrong? A satisfactory scheme was formulated and the then secretary of the federation explained the scheme to a conference being held in Sydney. Press publicity was given to the scheme, and almost immediately an insurance company commenced operating in the Eastern States, giving the same benefits and charging the same premiums as those introduced by our State office.

It is all very well to say that the companies could not come into the scheme because the State office had the bulk of the business offering in the principal educational centres. That is no answer to the fact that for many years the companies had an opportunity of introducing such a scheme, but failed to do so.

Hon. H. Hearn: Why did not the State office take it up earlier?

The CHIEF SECRETARY: Because, unlike the companies, it does not go out after business. The business has to come to it.

The Federation of Parents and Citizens' Associations approached the State office and, as a result, the scheme was initiated.

I shall now deal with the comments made by Mr. Baxter; and if he is prepared to stand by these comments, I feel sure that, after listening to me, he will vote for the Bill. His statement was that if the office had huge resources available to meet heavy losses in the case of a major catastrophe, then he would support the extension of the business. He stated, "I would not place any public funds in jeopardy!"

Hon. N. E. Baxter: That is correct.

The CHIEF SECRETARY: The latter part of his statement has been dealt with in the review of the comments made by Mr. Hearn. The point at issue here is what can be regarded as adequate resources. When the second reading was introduced, I mentioned a new insurance company which had just been established with a capital of £5,000. One might ask what might be the position of that company if a building worth £500,000 which was insured by it were totally destroyed by fire. Obviously, it would be in the same position as our own State office, and would look to reinsuring underwriters to meet the major portion of the claim.

There are other instances of companies operating in Australia that commenced business with a very limited amount of capital, and I shall mention one or two of them. During the existence of the South British Insurance Co., the capital contributed in cash has totalled £91,471. Today the capital of the company is £2,063,280, no less than £1,971,809 representing bonus share issues, while assets total over £14,500,000. The cash contributed to the capital of the New Zealand Insurance Company during the period of its existence is £300,000, while of its capital of £1,500,000, no less than £1,200,000 represents bonus issues.

Hon. H. Hearn: Will you tell us about the Southern Union?

The CHIEF SECRETARY: I do not intend to deal with that.

Hon. H. Hearn: All of them lost money.

The CHIEF SECRETARY: One swallow does not make a summer.

Hon. H. Hearn: Neither does the one you mentioned.

The CHIEF SECRETARY: It was recently announced that the New Zealand company was issuing further bonuses on a one-for-one basis, increasing its capital to £3,000,000, of which, it will be observed, £2,700,000 represents bonus issues. Figures of other insurance companies in Australia which are not in any way interested in life assurance indicate similar results. If this Bill became law, and ignoring the silicosis fund referred to by the hon. member, the State

office would commence with a capital approaching £1,000,000, mostly invested in Commonwealth bonds.

Hon. H. Hearn: The silicosis fund would be included in the building.

The CHIEF SECRETARY: So it would be starting in a far more favourable position than that of any private company which has been established for some years, or any new company whose operations are just commencing. I think that is the complete answer to the objection raised by the hon. member.

It is not believed by Mr. Logan that the State office would be prepared to cover vineyard-owners from flood and storm loss. He based his opinion on the fact that other State offices would not accept such a risk. I can assure the hon. member his fears are groundless. Had the Western Australian office the right to do so, it would not hesitate to accept the risk. I think that is a complete answer to the questions raised by members.

Hon. N. E. Baxter: No. These other companies have world-wide backing.

The CHIEF SECRETARY: I know the hon. member will not stand up to what he says.

Hon. N. E. Baxter: All the companies you quoted when moving the second reading have millions of pounds behind them.

The CHIEF SECRETARY: Never mind about the other companies! The hon. member said that if the State Insurance Office were not liable for huge losses, he would support the Bill. It is starting off with almost £1,000,000, and I have explained to members how the office will meet any of its commitments, in the same way as the ordinary companies meet their commitments.

Hon. A. F. Griffith: Will the Minister always stand up to what he says?

The CHIEF SECRETARY: Yes.

Hon. A. F. Griffith: I will remind him of that later on.

The CHIEF SECRETARY: Had the Western Australian office the right to do so, it would not hesitate to accept the risks I referred to.

Hon. H. Hearn: It never said it would.

The CHIEF SECRETARY: The office has not been able to accept the risks.

Hon. H. Hearn: It did not give an answer.

The CHIEF SECRETARY: If this Bill passes, it will be able to accept them. The hon. member shakes his head. I am standing in my place and telling the hon. member, officially, that if this measure is passed, the office will accept them. I am not talking on hearsay. I am speaking after having the hon. member's speech examined; and in a ministerial statement, I am telling him that if the Bill is passed, the office will accept the risks I previously referred to.

I do not want to prolong the debate; but there are one or two general comments I wish to make. I said, at the beginning, that I regretted there was not a full-dress debate on this measure.

Hon. H. Hearn: Mostly because of your side.

The CHIEF SECRETARY: If members had any doubts, I could answer their questions; but they have not spoken, and are absolutely prejudiced in their attitude towards the Bill. It might surprise members to know that recently no less a person than the Prime Minister of Australia wrote to the Premier in regard to a matter of accident insurance cover. The letter is dated the 13th October, 1955, and reads, "My Dear Premier"—

Hon. H. L. Roche: He did not call you a friend, did he?

The CHIEF SECRETARY: The hon. member would be surprised to know who my friends are. The letter reads—

My Cabinet recently gave consideration to the problems of recruiting labour for the Australian pearling industry. As you are aware, it decided that for the current season a limited number of Japanese divers should be admitted.

It is unnecessary for me to amplify the undesirability from Australia's point of view of the pearling industry remaining dependent for its success on a supply of Japanese divers.

At one stage an attempt was made to introduce to the industry at Darwin Greek sponge divers from the Dodecanese Islands, particularly Kalymnos, but for various reasons this met with only partial success.

It has been decided to proceed with a further experiment in the introduction of Greek sponge divers from Kalymnos into the Australian pearling industry, and on this occasion the experiment will take place at Broome, where diving conditions have some similarity to those existing in the Mediterranean and there appear to be generally better prospects of success than at other pearling centres. An approach to the Broome Shellers' Association has resulted in the full co-operation of that body, which is making available and equipping a tugger and will make financial advances and provide technical advice and assistance to a Greek crew to operate it during the 1956 pearling season. Consultation has taken place on this matter with officers of your administration.

Great care is also being taken in the selection of the divers and crew, and the Commonwealth Government's pearling expert, Mr. E. Norman, is proceeding overseas for this purpose and to survey generally the prospects

of additional recruitment of pearl divers from the Greek sponge fishing industry.

You will appreciate that every effort is being made to ensure that the experiment does succeed. One problem has arisen, however, on which your intervention would be appreciated. It is understood that Kalymnian divers normally carry a small amount of personal insurance, and a factor limiting the success of a previous experiment in the introduction of Greek divers at Darwin was that normal insurance cover was not available to them in Australia at other than prohibitive premiums. It would be appreciated, therefore, if you could arrange for your State Government Insurance Office to give favourable consideration to an application for insurance cover by the Greek pearl divers and crew members whom it is proposed to introduce for the 1956 pearling season.

I understand that there is a precedent for such action by a State Government Insurance Office, in that the Queensland State Government Insurance Office does supply insurance cover for Torres Island divers at what is considered to be the relatively reasonable rate of 41s. per cent.

The Kalymnos fishing fleet is due to return to Kalymnos during this month and recruitment of divers for Australia is about to commence. I should, therefore, appreciate an early indication of your agreement in principle to this, which could be conveyed to the selection officers who will be engaged in this recruitment. If such an assurance is given, further details of the arrangements to be made could be worked out by Commonwealth officers with your State Insurance Office.

Even the Prime Minister has appealed to us to give these men some cover.

Hon. H. Hearn: Did you offer it to the other insurance companies?

The CHIEF SECRETARY: I assume it was offered because the Prime Minister wrote to us in regard to the State Insurance Office.

Hon. H. Hearn: But did the State? That is the question I asked.

The CHIEF SECRETARY: This letter came from the Prime Minister.

Hon. H. Hearn: That is not an answer to the question I asked.

The CHIEF SECRETARY: I am taking his statement as correct that the rates quoted were prohibitive, and he appealed to the State office. If this Bill were passed, we could accommodate the Prime Minister.

Hon. N. E. Baxter: Why cannot you do it without the Bill being passed?

The CHIEF SECRETARY: We would not be able to do it.

Hon. N. E. Baxter: Why not?

The CHIEF SECRETARY: Because the office has not the power.

Hon. N. E. Baxter: Of course it has!

The CHIEF SECRETARY: Members will not face up to the true position. The pearly industry is so valuable to this State that the Prime Minister has interested himself in it.

Hon. N. E. Baxter: You could have accommodated them under workers' compensation.

The CHIEF SECRETARY: The office has not the power; otherwise, we would not ask for this measure to be passed. If it is agreed to, we can assist the industry.

Hon. C. W. D. Barker: Would that be life assurance?

The CHIEF SECRETARY: I do not want members to treat this as a party question. There is nothing connected with party in this measure.

Hon. L. A. Logan: The party has not even considered it.

The CHIEF SECRETARY: If the party has not considered it, members gang up fairly well.

Hon. L. A. Logan: Members are giving their own opinions about it.

The CHIEF SECRETARY: Let us get down to the basic principle in the Bill. Its basic principle is something for which members stand up in this House—free enterprise.

Hon. H. Hearn: An extension of State trading.

The CHIEF SECRETARY: Members say that it is to give a monopoly to the State Insurance Office. It is nothing of the kind.

Hon. H. Hearn: But it did before.

The CHIEF SECRETARY: The Bill is merely to allow the State office to compete, along with the other 79 insurance companies.

Hon. F. R. H. Lavery: Seventy-nine to one!

The CHIEF SECRETARY: Yes. What are members afraid of? During the debate, I have not heard what it is. Yet they still refuse to agree to this legislation. Surely there is something they are afraid of!

Hon. C. W. D. Barker: State efficiency.

The CHIEF SECRETARY: When something like that is suggested, members laugh. If it is a laughing matter, what are they afraid of? If the State office is so inefficient, it will not get any business.

But members know that if the State Insurance Office is given an opportunity to compete with other insurance companies, there will be a reduction in premiums.

Hon. H. L. Roche: Why has it not reduced premiums in the other fields?

The CHIEF SECRETARY: It has reduced premiums in the fields in which it is permitted to operate. That is why members are afraid to grant the office an extension. They laugh when something like that is suggested; but they do not know what they are laughing at.

Hon. H. Hearn: We were laughing at you.

The CHIEF SECRETARY: I ask members to dismiss party politics from their minds. They should ask themselves, whether it is right or wrong, or whether it is fair or unfair, to permit the State office to compete with the other 79 companies? If members agree that there should be free enterprise, they must accept the idea of the State office extending its operations. I have heard members time and time again in this Chamber talking about free enterprise. Here is an opportunity to put that into practice.

Hon. G. Bennetts: Only when it suits them.

The CHIEF SECRETARY: It shows how much they believe in free enterprise.

Hon. N. E. Baxter: This is not free enterprise; it is State enterprise.

The CHIEF SECRETARY: It is free enterprise. Why should members deprive the citizens of this State from obtaining the benefits of State insurance cover? What are they afraid of? I am surprised at Country Party members. They are always talking about the poor old farmers; but quite a lot of them die leaving about £40,000. If this Bill is passed, they will be able to get cheaper insurance.

Hon. H. K. Watson: How about cheaper railway freights?

The CHIEF SECRETARY: Yes, if that is possible. As a matter of fact, they are enjoying the cheapest railway freights in Australia today.

Hon. A. F. Griffith: And the cheapest water rates!

The CHIEF SECRETARY: Everything has gone up over the last couple of years; and, because of increased costs, are not the railways entitled to some increase? Its officers have to do a job and—

Hon. A. R. Jones: Just stick to the Bill.

The CHIEF SECRETARY: If this measure is passed, farmers will get some reduction in insurance rates—

Hon. A. R. Jones: How much?

The CHIEF SECRETARY: I am not Houdini and am not gazing into a crystal ball. I cannot tell members how much it

will be. But if there is to be no reduction in premiums by the State Insurance Office, what are members afraid of? If that is so, the State office will not get any business. If there is no reduction in premiums, people will not leave the other insurance companies. I ask members to give the State office an opportunity. That is the only point in the Bill—whether we will permit the State office to handle some of these other risks. There is nothing alarming in that.

Hon. A. F. Griffith: Why do not—

The PRESIDENT: Order!

The CHIEF SECRETARY: Before members vote on this measure, I appeal to them to think seriously.

Hon. H. Hearn: We have been.

The CHIEF SECRETARY: Members thought about it before they saw the Bill.

Hon. H. Hearn: No; since.

The CHIEF SECRETARY: Members had decided before the Bill was introduced. The same attitude has been taken over the years and the hon. member has not weakened one iota. We have tried, and tried again to improve conditions; but we have met, every time, with a solid block of resistance, particularly when we have endeavoured to bring about progress in this State. Members should consider legislation on its merits, and face up to present-day conditions. They should not be content with legislation that deals with conditions that existed 40 years ago. They should progress.

Hon. L. A. Logan: It depends on what you mean by "progress".

The CHIEF SECRETARY: I would suggest that the hon. member wants to remain in a rut. Members should give this a go.

Hon. H. Hearn: That sounds like Jack Davey.

The CHIEF SECRETARY: There is nothing to lose.

Hon. J. Murray: £700,000.

The CHIEF SECRETARY: Members seem to be afraid that if this measure goes through the result will be cheaper insurance. They may be able to hold the tide back for a certain time, but progress must eventually come.

Hon. H. Hearn: Socialism will come.

The CHIEF SECRETARY: I remember when there were six of us fighting for progress.

Hon. N. E. Baxter: You have dropped one.

The CHIEF SECRETARY: We are double in our numbers now to what we were then.

Several members interjected.

The PRESIDENT: Order! I suggest that the Minister should keep to the Bill.

The CHIEF SECRETARY: I will connect my remarks with the measure, Mr. President. It proposes a step in the right direction. Members should progress with the times and get out of the old rut.

The Minister for the North-West: It is free enterprise.

The CHIEF SECRETARY: That is so, and I hope there will be some penitent members when the vote is taken.

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

Ayes	11
Noes	16

Majority against ... 5

Ayes.	
Hon. C. W. D. Barker	Hon. R. F. Hutchison
Hon. G. Bennetts	Hon. H. C. Strickland
Hon. E. M. Davies	Hon. J. D. Teahan
Hon. G. Fraser	Hon. W. F. Willesee
Hon. J. J. Garrigan	Hon. F. R. H. Lavery
Hon. W. R. Hall	(Teller.)

Noes.	
Hon. N. E. Baxter	Hon. L. A. Logan
Hon. L. Craig	Hon. J. Murray
Hon. J. Cunningham	Hon. H. L. Roche
Hon. L. C. Diver	Hon. C. H. Simpson
Hon. Sir Frank Gibson	Hon. J. McI. Thomson
Hon. H. Hearn	Hon. H. K. Watson
Hon. A. R. Jones	Hon. F. D. Willmott
Hon. Sir Chas. Latham	Hon. A. F. Griffith
	(Teller.)

Pair.	
Aye.	No.
Hon. E. M. Heenan	Hon. J. G. Hislop

Question thus negatived.

Bill defeated.

BILL—BANK HOLIDAYS ACT AMENDMENT.

Second Reading.

Debate resumed from the 9th November.

HON. A. R. JONES (Midland) [8.50]: I rise to speak to a very small Bill; in fact, I believe it is the smallest Bill I have seen introduced since I have come into this House. Nevertheless, it is one to which great importance must be attached. It seeks to add four words to the Act, and the effect would be to give Saturday as a holiday to all banks. The words we are asked to insert before "Easter Eve" in the first line of the Schedule to the Act "each and every Saturday."

As I stated previously, to my mind this Bill is one of the shortest we have ever had; but it has created more interest than any other Bill that has been introduced in this House, not only from the point of view of the speakers for or against the measure, but also from that of the bank officers who are interested.

Judging by the letters and communications we have received, it is a pity to me that people do not take as much interest

in other Bills. Some members deplore the fact that they receive communications, and I am with them when those communications are of a threatening nature. I must say, however, that the communications I have received in relation to this Bill, and the reasons why it should be supported, have been in very good taste indeed; there has been no threat whatsoever. When we receive communications like those, setting out the pros and cons for any particular legislation that may be required, it is something we all appreciate.

Hon. G. Bennetts: And can support.

Hon. A. R. JONES: This measure has been debated by many, and very strong arguments can be advanced both for and against the Bill. When we deal with legislation affecting the banks, we ought to take into consideration exactly what the banking institutions mean to us as a State in industry, in commerce and in the private lives of our people. We should consider how many of our people will be affected by any change we make in our legislation.

While I understand there are some 5,000 bank employees in this State who would benefit if this legislation became law, there are many thousands of people who could be adversely inconvenienced. Accordingly, we must consider very strongly the points for and against before making a decision.

The banking institutions have been regarded as one of our organisations which we all follow with great interest. It is part and parcel of our everyday life in commerce and agriculture, and in the private lives of our people. To be an employee of a bank has been considered to be something of importance; and I believe that the employees of a bank are proud that they work in such an institution. And well they may be, because of the important part it plays—and they, in turn, play—in the life of our State.

When we consider the role that banks fulfil in the life of our community, we must give careful consideration to the Bill before we make a decision on it. While the amendments in the Bill propose to give 5,000 people a holiday on Saturday, I wonder how many thousands would be inconvenienced! It has been said by some speakers that industry is not concerned about the banks getting a holiday on Saturday.

Hon. C. W. D. Barker: That is true.

Hon. A. R. JONES: I am sure the hon. member is quite sincere in his belief. We know that industry closes down on Friday night and does not reopen until Monday morning; it has ample time to carry out its banking business. I would say there is no inconvenience whatsoever, or very little, as it relates to that sphere of our economy.

But on the commerce side, with few exceptions, we find businesses working until 12.30 p.m. on Saturday; and in many instances, the small shops remain open all afternoon and well into the night. We can discount any effect the banks might have by way of service on the small shops that remain open all afternoon, because banking facilities are available only until 11 o'clock on Saturday morning.

The other business places, however, certainly do take advantage of the facilities that are available to them. They collect change, and no doubt quite a number of them do a fair amount of banking business. While I know that facilities are provided in the form of night safes for business houses that wish to make safe deposits over the week-end, it is not the same as being able to transact business and finalise it on the spot.

I have been informed that, even though these night safe facilities are available, they are not used to any great extent. In some instances the banks have gone to considerable expense to install safes, which enable people to deposit money or valuables over the week-end; but they are used very sparingly indeed, and they are a loss to the banks. That rather indicates that some business houses consider that banking on Saturday morning is not so essential as we might have believed it to be.

Hon. R. F. Hutchison: Who wants it?

Hon. A. R. JONES: The hon. member, who always interjects, asks "Who wants it?" My reply would be that the workers whom she represents would want it, and there are many hundreds of thousands of them in Australia, and well over 100,000 in Western Australia.

While I suppose it is not possible to state a definite figure, I would suggest that from 25,000 to 30,000 people would be inconvenienced if the savings banks were closed on Saturday morning; because without having to look for or being provided with figures, I would estimate from observations that the one and a half hours on Saturday mornings, during which the banks are open, are the busiest times of the week.

This indicates that a great number of people require the service on Saturday morning. Many of them would be workers, who would wish either to draw money to transact business over the week-end or to bank money as a nest-egg. Whichever way one looks at it, I believe it is the workers who would be more greatly penalised than any other section of the community by the passing of this Bill. To my mind, it has not been proved by any members who have spoken up to date that a change is absolutely necessary and that it would not inconvenience a great number of people.

A section of the community who need consideration are those living in the country. It was stated by one or two that the farmer could conduct his business at any old time during the week. It was said that there are five days, and that would be plenty for him, and business houses could make their own arrangements. I consider that country businesses would be more vulnerable to robbery than those in the city because of the inadequate places for the safe-keeping of valuables and money.

At the moment, the opening of banks on Saturdays is essential. No suggestions have come to me from farmers in the country that this legislation should be supported, or that the banking people should have a holiday on Saturday morning; and I can only assume, therefore, that people in the country are definitely not asking for it at all. I have had many requests from people whom I have seen, and who have said, "For goodness' sake do not let us be without our banking services on Saturday mornings!"

It is risky if a person conducting a business in the country has to carry money over the week-end. It would be a bad thing if he had to take out change on Friday afternoon by 4 o'clock and not be able to deposit any money again until Monday morning at 10 o'clock. He would be running a considerable risk.

The Minister for the North-West: What do they do with the Christmas Eve takings?

Hon. A. R. JONES: I know that banks in the country are very obliging and help out.

Hon. C. W. D. Barker: They are always obliging everywhere.

Hon. A. R. JONES: It is not wrong to say that they often help by accepting deposits out of banking hours. If this Bill were passed, nobody would be available to render any service whatsoever, because all bank employees who were free from work from Friday afternoon till Monday morning would, if they lived close to a big town or the seaside, be in those places.

Hon. C. W. D. Barker: They would live normally, like anyone else.

Hon. A. R. JONES: It would be a good thing if this could be brought about. Unfortunately, we cannot always determine what we would like to do and then do it.

Hon. R. F. Hutchison: They do it in Tasmania.

Hon. L. A. Logan: I thought Tasmania would come into it!

Hon. A. R. JONES: I have not been to Tasmania; but I have had reports from that State to the effect that people are not happy with the arrangement, and

that it would be good if they were able to do banking again on Saturday morning, particularly in the savings banks. I suggest that, while it would be very desirable for all bank officers—and all workers for that matter—to have to work only a five-day week, it would be very inconvenient if the banks did no business on Saturday mornings.

It was suggested by Mr. Hearn that the way to deal with this matter would be for the bank employees to approach the court and ask for a five-day week; and if they could prove that they should not work any more than five days, the court would see eye to eye with them and grant their request, whereupon it would be up to the banking institutions to decide how they would roster their staff so that only a five-day week was worked and yet business went on as usual. I am not opposed to bank officers working only five days a week. Quite a number of industrial workers do so, and quite a number of employees in business houses work only five days per week.

Hon. C. W. D. Barker: You will vote for this Bill—I can see that!

Hon. A. R. JONES: I have no reason to want to exclude bank officers from working only five days. But I am concerned that the banks should give the service that they provide at the moment, by staying open on Saturday mornings for the very limited time they do at present.

If we were to pass this legislation, we would do something that we would regret. It would lead to further legislation being submitted to this House, when, as has been pointed out by Mr. Hearn, the correct approach is through the court. This legislation would leave us open to the submission of similar Bills covering all types of industry. We support very strongly, as do members of the Labour Party, the Arbitration Court system; and if any change is to be brought about in regard to working hours, and conditions and wages, I believe that the court is the place to have that change effected. With other members, I feel that the Bill is completely out of place.

Like other members, I have received a communication from the Commonwealth Bank Officers' Association (Western Australian Division), and I propose to make one or two quotations from it. The members of that association have done their best to make out a case, and I desire to deal with it. My first quotation is as follows:—

1. No Inconvenience to Business.

Existing banking hours for the public on Saturday mornings are from 9.30 a.m. to 11.0 a.m. Retail store hours are between 8.30 a.m. and 12 noon. It may be seen therefore that it is not practical for retail establishments to lodge takings for Saturdays

at present, and in fact they make other arrangements, such as using their own safes, etc.

Banks are in fact, not productive, but merely custodians.

All banks in the city make provision for Night Safe Depositories which are available for all business houses large and small.

As has been pointed out by Mr. Logan, that refers to the city, and I do not think it would apply to a great number of banks in the country. I suggest that, before we could consider this legislation, provision would have to be made for facilities to be provided in country areas as well as in the city. But this is from the point of view of the commercial banks only, I believe, and it would wipe out the possibility of anybody doing business with the savings banks, which, in my opinion, must be kept open whether the commercial banks close on Saturdays or not. The second quotation is as follows:—

2. No Opposition from Banking Industry!

The banks themselves are not averse to closing on Saturday mornings. Mr. Wilson, General Manager of the English Scottish and Australian Bank Ltd., in Australia, and Chairman of the Associated Banks in Australia, stated publicly prior to his recent retirement that he could see no valid reason why banks should remain open on Saturday mornings and that he would give a lead in this direction, but realised that an Act of Parliament would be necessary to make this effective.

Other general managers throughout Australia stated that whilst they were not prepared to give a lead in this matter, they would not oppose the innovation. Staff inspectors of all banks throughout Australia are convinced that recruiting has been seriously impaired through staff having to work on Saturday mornings.

On his retirement, the chairman referred to had nothing to lose, and I suggest it is very weak to quote him. Of all the banking institutions of which I know, not one, so far as I am aware, has recommended that banks should close on Saturday mornings.

Hon. C. W. D. Barker: Have you had any opposition?

Hon. A. R. JONES: It is natural that there would not be opposition from the managers and executives because they would not want to rub their staffs the wrong way. I know that if I had a staff of a considerable size and they asked, through any channel whatsoever, for a change in conditions that I did not like

very much, I would certainly not have an argument with them, because I would know I would be doing myself harm. It is not a good argument to say that executives do not oppose this Bill. My third quotation is as follows:—

3. Transport.

The secretary of the Road Transport Union advises that Government employees operating trams and trolley buses have been granted a five day week and this is to become effective as from April 1st, 1956. Drivers operating privately owned buses in the main, now enjoy a five day working week but their case is being submitted very shortly to the Arbitration Court and it is anticipated that their commencement date will coincide with that of Government employees (i.e., 1st April, 1956).

Transport services do not close down at the end of five days. Certainly the workers engaged therein have a five-day week, and I am not denying that to bank officers. But I do suggest that to carry the comparison with the transport services to its logical conclusion, the banks should remain open not only on Saturday mornings but also on Saturday afternoons and Sundays too! To say that a five-day week operates with regard to transport is to use a weak argument. It does so far as the workers are concerned, but not with relation to the maintenance of transport. It is the discontinuance on Saturday mornings of the banking services about which we are concerned. To continue my quotations—

5. Alternative Banking for Individuals.

As far as our parent institution is concerned, there are 502 savings bank agencies (distinct from branches), in Western Australia, 278 of which are in the metropolitan area. Those agencies would remain open on Saturdays as they are governed by retail trade hours of business.

This suggests that if the Commonwealth Savings Bank closed on Saturdays, I, as a customer, could transfer my business elsewhere. Would it not be farcical to have the head office, which conducts the greater part of the banking business of the Commonwealth Savings Bank in Western Australia, more or less subsidiary to the other agencies because the business of customers was transferred there?

In the main, these agencies are at post offices. It seems weak to say, "We want Saturday morning off. You can transfer your business to one of the other agencies, of which there are 502, including 278 in the metropolitan area." That does not cut any ice with me. The main office is here for a purpose. It is the centre of the Commonwealth Savings

Bank, and it should be treated as such, and open as long as, if not longer than, any of its branches or agencies.

It is suggested that the tourist trade is catered for. This statement says—

A number of banks provide facilities for tourists by meeting every overseas ship and aircraft whether it arrives during banking hours or not. All classes of banking business are conducted by these agencies.

That may be true or not—I do not know—but this is an admission of liability to give service. If they are prepared at all times to meet planes, trains and so on, and give service, there is no argument in favour of discontinuing the service which the public has known and enjoyed for many years.

There is a reference here to the public utilities which are not available to the public on Saturdays. Included in the list are the Lands and Surveys Department, the Lands Titles Office, and the Commissioner of Stamps. The Lands and Surveys Department is one which would have no reason to be open on Saturdays. Where the banks have many thousands of customers in a day or even in an hour, this department would have very few people calling in the course of a Saturday morning if it were open. The same remarks apply to the Lands Titles Office.

With regard to the Commissioner of Stamps, very few people, other than representatives of business houses, have to visit him. The next is the Registrar of Births, Deaths and Marriages. That office is closed on Saturday mornings, too. Then there is the Police Traffic Branch, which is closed on Saturday mornings.

Hon. Sir Charles Latham: It is not for catching offenders.

Hon. A. R. JONES: I was going to say that one part of the Traffic Branch was very active then, and over the whole week-end. That is one time when it gathers some of its fees. I am not suggesting it is the right thing for these departments to be closed. I am not a believer in any service being denied to the public.

The next department mentioned is the Metropolitan Water Supply, Sewerage and Drainage Department. It is not a fact that that department is closed and not available to the public; because if there is a break in the sewerage system, or if the water supply goes bung, it is only a matter of ringing the department, not only on Saturday mornings, but at any time during the week-end, to receive attention. So it is a weak argument to say that this department is closed.

The Taxation Department is mentioned. Well, thank goodness it is closed! Five days a week of that department is sufficient for anyone. Any business we might have to transact there would only be to answer inquiries or to pay money; so five days is quite sufficient.

The next on the list are solicitors. Well, solicitors are their own bosses; and they do not all close on Saturday mornings. I had occasion to visit a solicitor last Saturday, and I have visited him and also received service from him on a Sunday morning at his home. If a solicitor closes, he loses business. Those that stay open on Saturday mornings and give service to the people are the ones who will come out on top.

Sharebrokers are next on the list. I do not know whether it would be beneficial if they were open on Saturday mornings. Nevertheless, that is another service that the public should look to. I can see no reason why they should close on Saturday mornings.

The P.M.G. Stores Branch is the next. I do not think it has any effect on the public whatsoever. It is established only to supply stores to its own services. The same remarks apply to the P.M.G. Transport Branch, so that can be ruled out. The other departments of the P.M.G. give a service throughout 24 hours of the day each day of the week.

Next there is the Department of Social Services which, I suggest, should also be open. Quite a number of workers and aged people want to do business with the Social Services Department, and they should be able to contact it on Saturday mornings. But it is a Commonwealth department, and we have no control over it whatsoever. While I do not condone its being closed on Saturdays, I suppose there is a reasonable excuse for it to be closed.

I took the trouble to interview some of the lads who work in the banks, and ask them what they intended doing with their spare time if the Bill passed both Houses and became law. One chap told me he was interested in his home, and that he was a lover of sport and a keen spear-fisherman. He said he had no doubt that he would spend quite a bit of his time on the beach and helping around the house.

I thought that was commendable. The help he would give at home would be of benefit, and the time he spent on the beach would be spent in healthful exercise and fit him to take his place in the bank on Monday morning. Another chap I approached said that he had already made an approach and had hopes, if the Bill became law, of getting a job as a clerk in an s.p. betting shop.

Hon. F. R. H. Lavery: Oh!

Hon. A. R. JONES: Is it not amazing that members opposite scoff and laugh when one makes these statements.

Hon. F. R. H. Lavery: Because you are only delaying the Bill. You know you are going to vote against it.

Hon. A. R. JONES: I have studied the matter to this extent; that I made inquiries where I felt I could get some information which would guide me in making up my mind on the Bill. I had an

open mind on it until I had collected all the information I was able to gather, and had listened to the speeches of members.

Unfortunately, I could not get a pull of either of the Ministers' speeches because they had not vetted them, and "Hansard" is not allowed to let us see them until they have been vetted. The Minister for the North-West, however, made remarks to the effect that banks in the country could be closed on Saturday mornings because nobody used them.

The Minister for the North-West: I did not say that.

Hon. A. R. JONES: Words to that effect, I said.

The Minister for the North-West: I said there were no banks in many country towns.

Hon. A. R. JONES: I suggest that great use is made of the Saturday morning period in the area represented by the Minister.

The Minister for the North-West: Half the towns have not got banks.

Hon. A. R. JONES: Well, the other half have.

The Minister for the North-West: Some of them are closed down.

Hon. A. R. JONES: It was said, too, that the offices of the clerks of courts were closed on Saturday mornings. How many court houses have we in Western Australia? Not many. If the whole lot were closed, it would not have a great effect on the community. We could say that there are 20 times as many banks in Western Australia as court-houses.

The Minister for the North-West: You can get money without going to a bank.

Hon. A. R. JONES: I suggest that people will go where the banks are, and the service should be given. For the Minister to say this is of no consequence in the North is for him to do his people an injustice, particularly if he votes for the closing of banks on Saturday mornings. I venture to say that where there are banks, the people will do a fair amount of banking business on Saturdays.

I am not going to delay the Bill further as I have expressed my views and given my reasons for opposing it. I did not want to record a silent vote, because many people are interested in the measure; and I believe that when many people are interested, and a lot of notice is taken of a Bill, and many members in both Houses take part in the debate, we should express our opinions.

The Minister accused some of us of not debating the insurance Bill. To speak on that measure would be reiteration. If the Minister wants to know what I feel about it, I ask him to read last year's "Hansard," because I still have not

changed my mind. On this measure, where something new is before us, I feel we should all express our opinions, and that is why I have spoken.

HON. L. CRAIG (South-West) [9.27]: I regret I have been away and so have not heard all the speeches made on the Bill. But what surprises me more than anything is that this should be a private member's Bill. Surely a Bill of such importance should merit the Government's taking some interest in it and at least declaring itself and being responsible for it. But apparently it has put the responsibility on to a private member.

The Minister for the North-West: It was introduced on his own initiative.

Hon. L. CRAIG: He must have approached the Government with a view to its accepting the responsibility for introducing the Bill, and the Government apparently was unwilling to accept it because it is unpopular with a vast section of the community. But the measure is of considerable importance and is one that the Government should at least have declared itself on, and either accepted it or discouraged the private member introducing it. If it was keen on the Bill, it should have accepted the responsibility for it.

The question we have to decide is reasonable and logical. One cannot condemn the bank officers for wanting the same holidays as the vast number of people are getting. I can understand an officer seeing other people mowing their lawns and being bossed by their wives on Saturday morning, and wanting to have the same privileges or responsibilities. That is reasonable.

But there is a question larger than that; it is the question of the people who will be affected. We have accepted the responsibility of a five-day week in Australia, and it is having a considerable effect on our standards of living, or at least on our costs of production. Are we not to stop somewhere? Is everybody to be given the Saturday morning off? If we are to do it properly, why should not the trams stop running Saturday mornings? That is reasonable. Mr. Barker shakes his head. Why?

Hon. C. W. D. Barker: Because they give a service to the people.

Hon. L. CRAIG: Exactly.

The Minister for the North-West: An essential service.

Hon. L. CRAIG: Yes.

The Minister for the North-West: Banking is not.

Hon. L. CRAIG: Saturday morning today is the great shopping day of the week for men. I have, until quite recently, had some connection with the retail trade, and I know that Saturday is the great shopping

day for men, when they and their wives go shopping, perhaps to buy the man's trousers or coat.

Hon. C. W. D. Barker: They will still do that.

Hon. N. E. Baxter: On Friday afternoons, I suppose.

Hon. L. CRAIG: Does the hon. member say the shops should be shut on Saturdays? He does not know what to say.

Hon. C. W. D. Barker: I think they should have Saturday off.

The PRESIDENT: Order! I must ask the hon. member to address the Chair and not carry on a private conversation with another member across the Chamber.

Hon. L. CRAIG: I will ignore him in future.

The Chief Secretary: Would you support Saturday morning closing of shops if we brought in a Bill for that purpose?

Hon. L. CRAIG: Yes. Is the Minister speaking for the Government or for himself only?

The Chief Secretary: For myself.

Hon. L. CRAIG: If I were a bank officer I would want Saturday morning off, provided I could get it; and the same if I were a tram driver or a shop assistant. And why should I not get it?

Hon. R. F. Hutchison: What about Tasmania?

Hon. L. CRAIG: The hon. member might as well quote the Montebello Islands, except that they are radioactive—

The PRESIDENT: Order! People in the gallery must remain seated.

Hon. L. CRAIG: I am sorry, Mr. President, if I have drawn interjections. I am not trying to be facetious; but one has to treat this measure on its merits.

The PRESIDENT: Order! Will the hon. member resume his seat? I draw the attention of people in the gallery to the fact that they must remain seated and not make noises. Please proceed, Mr. Craig.

Hon. L. CRAIG: I regret it if I have been responsible for some of the onlookers standing up! As legislators we must give this question a broader consideration than simply that of suiting one section of the people. I believe the vast majority of working people look on Saturday morning shopping as essential to their requirements.

The Chief Secretary: They used to look on Friday nights in the same way.

Hon. L. CRAIG: When could the working people shop, if not on Saturday mornings; and when do they draw their money?

The Chief Secretary: Monday to Friday.

Hon. L. CRAIG: The Chief Secretary says we should give them Friday off. Give everybody Friday off and then we come to Thursday.

The Minister for the North-West: You asked how—

The PRESIDENT: Order!

Hon. L. CRAIG: Just where are we to stop? We must stop somewhere. Last week I had the privilege and responsibility of entertaining a distinguished gentleman from overseas. He was the representative of a big trust company in England which handles vast numbers of millions of pounds, and it was his job to travel the world looking for investments.

Hon. C. W. D. Barker: Did you get him to leave any millions here?

Hon. L. CRAIG: He questioned me about industry, agriculture, and finance, and a number of matters about which he knew more than I did; and the upshot of it was—he did not come to his decision on anything I said—that he said Australia was not a good country in which to invest money. He said, "We are not going to invest money here. We already have £1,000,000 invested here but will invest no more. It is not a good country to invest money in because your costs are too high. You are not competing, and I can see no hope in the foreseeable future of your coming into line with the rest of the world. Your standard of living is higher than that of any other place in the world, including America".

Hon. R. F. Hutchison: Is that a disgrace?

Hon. L. CRAIG: No; it is very desirable. But is it not time we were able to produce at competitive prices instead of having almost everything subsidised? The time is coming when we must take stock of ourselves.

Hon. C. W. D. Barker: Will closing the banks for one and a half hours on Saturdays make any difference?

The PRESIDENT: Order! The hon. member must keep order.

Hon. L. CRAIG: I agree, Mr. President, that the hon. member is very annoying. I believe banking facilities can be made available to those who really require them on Saturdays by the provision of token staffs in the banks. Life assurance offices, stock firms and many other institutions employ that method and provide token staffs on Saturdays to deal with those who really require attention. I feel that such things as foreign bills, exchange matters, overdrafts, advances and so on could well be left till ordinary week days. Perhaps the banks could have an arrangement between themselves in regard to this matter. It is important that people should be able to do their shopping on Saturday mornings. If we are to have a universal full day off on Saturday, let it be universal—

Hon. R. F. Hutchison: But we have to start somewhere.

Hon. L. CRAIG: Would the hon. member agree that everybody should have a holiday on Saturday?

Hon. R. F. Hutchison: Yes.

Hon. L. CRAIG: Then there would be no football matches, unless we walked to them, and no umpires. It becomes absurd.

The Chief Secretary: People sometimes carry things to extremes.

Hon. L. CRAIG: We must get down to tin tacks and have some facilities available so that we will not end up trailing the world, as we are beginning to. We are ceasing to be the active people we used to be. I have just returned from the far eastern goldfields—

Hon. R. F. Hutchison: The same argument applies—

The PRESIDENT: Order!

Hon. L. CRAIG: I returned full of admiration for the station people of the eastern goldfields. There was no talk of special facilities there. Those people breakfast at 6.30 a.m.—I did not like it but soon got used to it—and there were no complaints. I have never seen happier people anywhere.

Hon. R. F. Hutchison: What were they doing?

Hon. L. CRAIG: They were out working at 7 a.m.; and many, including the wages men, did not come in until 6 p.m., because they did not want to. They set an example to people in some other districts.

I do not think the time is yet ripe for us to have a universal holiday on Saturday morning. I believe, however, that 60 or 70 per cent. of the bank staffs could be given that morning off, and such an arrangement would require no legislation. I have discussed this question with some bank managements and I am sure they could put on token staffs as the stock firms and life assurance offices do, to provide the facilities required. I suggest that the bankers' representatives go into that question, as I feel they would need to provide only a token staff consisting of perhaps not more than 20 per cent. of their personnel. I oppose the second reading.

On motion by Hon. J. M. A. Cunningham, debate adjourned.

ADJOURNMENT—SPECIAL.

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

That the House at its rising adjourn till Thursday, the 17th November.

Question put and passed.

House adjourned at 9.42 p.m.

Legislative Assembly

Tuesday, 15th November, 1955.

CONTENTS.

	Page
Questions : Geraldton district, establishment of abattoir	1735
Education, (a) provision of technical school, Bunbury	1736
(b) recreation room and ablution block, girls' hostel, Bunbury	1736
(c) part-time teachers	1736
(d) payment to trainee teachers	1737
Trading, approaches to Government of Mauritius	1737
Potatoes, shipment from Bunbury	1737
Reserves, inclusion of Swanbourne area in Bill	1737
War service land settlement scheme, tobacco growers	1737
Railways, (a) use of diesels	1737
(b) consumption of Newcastle and local coal	1737
Fires, (a) hazards and strengthening of brigades	1738
(b) warning to new Australians	1738
Abattoirs board, appointment of employees' representative and charges	1738
Dairying industry, assistance to farmers	1738
Annual Estimates, 1955-56, Com. of Supply, general debate	1739
Speaker on financial policy— Mr. Owen	1739
Bills : Licensing Act Amendment (No. 4), leave to introduce, 1r.	1739
Main Roads Act (Funds Appropriation), 3r.	1739
Administration Act Amendment, Council's amendments	1739
Marketing of Eggs Act Amendment, 2r.	1740
Public Works Act Amendment, Message, 2r.	1744
Land Act Amendment, 2r.	1751
Supply (No. 2), £16,000,000, Com. of Supply, Com. of Ways and Means, 1r., remaining stages	1753
Constitution Acts Amendment (No. 3), Message, 2r.	1773
Judges' Salaries and Pensions Act Amendment, Message, 2r.	1774
Acts Amendment (Allowances and Salaries Adjustment), Message, 2r.	1775
Adjournment, special	1776

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

QUESTIONS.

GERALDTON DISTRICT.

Establishment of Abattoir.

Hon. D. BRAND asked the Minister for Agriculture:

(1) Does he consider that the Geraldton district and port are capable of carrying an abattoir?