

the Leader of the Opposition will put forward on that point. Provided that the Leader of the Opposition can put forward a case, and I think he would be able to do so, then members of the Government would be inclined to approve of some provision being made in the Bill along the lines to be suggested by him.

This Bill contains the same retrospective provision in regard to the marginal element in the total increase as is contained in the other two Bills; in other words, a portion of the total increases in each instance which is related to a marginal increase, will be retrospective to the 24th December, 1954. The other part of the total increase will not be retrospective in any respect but will, under the Bill, date as from the 1st December, 1955.

Finally, the Bill also deals with the proposed salary increase to the Agent General for Western Australia in London. At present he receives £1,750 stg. per annum and in addition an entertainment allowance of £1,250 stg. per annum. The marginal increase payable to the Agent General is £348, and the total salary provided for him is £2,150, which, of course, will be payable also in sterling. I move—

That the Bill be now read a second time.

On motion by Hon. Sir Ross McLarty, debate adjourned.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. A. R. G. Hawke—Northam): I move—

That the House at its rising adjourn till 5 p.m. tomorrow.

I move this motion because the annual cricket match between the Parliament and the Press is to take place tomorrow. My colleague, the Deputy Premier, will doubtless query the use of the term "match". The Press will be the host on this occasion, as on all previous occasions, and I am authorised on behalf of the Press to issue an invitation to all members of both Houses to be guests at the luncheon at the cricket ground.

It was thought first of all that we might ask the House to adjourn till 7.30 p.m., but we considered that the parliamentary team would be capable of vanquishing the Press team by 4 o'clock, and therefore that the House might meet at 5 o'clock and thus give private members 1½ hours additional time to have their business discussed. I understand that the luncheon will commence at 12.45 and the Press hopes that as many members of both Houses as possible will be present.

Question put and passed.

House adjourned at 11.22 p.m.

Legislative Assembly

Wednesday, 16th November, 1955.

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The **SPEAKER** took the Chair at 5 p.m. and read prayers.

QUESTIONS.

HOUSING.

(a) *Land Resumptions and Price Per Acre.*

Mr. **JAMIESON** asked the Minister for Housing:

(1) How many acres of land were resumed by the McLarty-Watts Government for State Housing Commission purposes?

(2) What was the average price per acre paid for this land?

(3) How many acres have been resumed by the present Government for State Housing Commission purposes?

(4) What is the estimated price per acre being paid for this land?

The MINISTER replied:

(1) 9,604 acres, of which 135 acres were subsequently released, leaving 9,469 retained.

(2) £45 per acre.

(3) 2,618 acres, of which 320 acres were subsequently released, leaving 2,298 retained.

(4) £300 per acre.

(b) Pre-cut Homes.

Mr. WILD asked the Minister for Housing:

Referring to the questions answered on Wednesday, the 9th November, under the heading "Orders for Pre-cut Homes"—

(1) On what date were the contracts let?

(2) When is it expected that delivery to site will commence?

(3) Where are they to be erected?

(4) Were tenders called or was agreement made as to prices between the individual firms concerned and the State Housing Commission?

(5) Are these houses to be paid for from funds supplied during the current financial year or have the companies been asked to accept Treasury bills payable next financial year?

The MINISTER replied:

(1) The 20th June, 1955.

(2) Commenced immediately. (Figures given on the 9th November last were for balance of contracts.)

(3) In metropolitan area and various country districts.

(4) Tenders were called.

(5) From funds supplied during the current financial year.

(c) Contracts under Deferred Payment System.

Mr. WILD asked the Minister for Housing:

(1) How many contracts have been arranged with builders under the deferred payment scheme?

(2) What is the total amount involved?

(3) To what date, or dates, have the payments been deferred?

The MINISTER replied:

(1) One.

(2) £150,000.

(3) The 31st July, 1956.

BANANAS.

Imports.

Mr. NORTON asked the Minister for Agriculture:

As it is known that Queensland bananas have a number of diseases in them not yet known in Western Australia, and as there are a number of shops in Perth labelling their bananas as "Queensland bananas" would he advise the House:—

(1) Are these correctly described when labelled as "Queensland"?

(2) If not, will he advise the House of their place of origin?

(3) Are these bananas imported from disease-free areas?

(4) If the answer to No. (3) is "No," what steps are being taken to ensure that such diseases are not introduced into Western Australia?

The MINISTER replied:

(1) No.

(2) It is understood that most of the bananas imported are grown in northern New South Wales.

(3) Not necessarily so. It is not known that any area used for growing bananas is entirely free from disease. Northern New South Wales is no exception and there are a number of diseases present there which are not established in this State.

(4) All consignments of fruit imported from the Eastern States are thoroughly inspected by inspectors under the Plant Diseases Act. Regulations under this Act also restrict the possibility of introducing the disease "Squinter" as they require that all bananas imported into Western Australia during the months of May to September be suitably treated.

Over the course of many years, since the introduction of these regulations, few signs of disease have been seen.

POLICE.

Midland Junction Station.

Mr. BRADY asked the Minister for Police:

(1) When was the grade of the police station at Midland Junction last arranged?

(2) When was the grade last reviewed for up-grading?

(3) Is it anticipated an inspector will be appointed for a new district to include Midland Junction? If not, why not?

(4) What is the strength of the police panel at present in Midland Junction?

(5) What was the strength five years ago?

(6) Does the night patrol visit the Midland area?

The MINISTER replied:

(1) Midland Junction has been a sergeant's station for over 30 years, but the strength of constables has been progressively increased as circumstances made it necessary. The last increase was in March of this year.

A second sergeant was appointed to the station in 1949.

(2) Answered by No. (1).

(3) No. Such action is not really warranted at present and in any case no office accommodation is available.

(4) Two 2nd class sergeants, 1 plain-clothes constable and 9 constables.

(5) Two 3rd class sergeants, 1 plain-clothes constable and 7 constables.

(6) Not in the normal course of patrol, but when required in answer to calls.

A Holden utility was issued to Midland Junction in June of this year and this greatly facilitates patrols.

RAILWAYS.

(a) Noise at Midland Junction Workshops.

Mr. BRADY asked the Minister for Railways:

(1) Is it a fact that there has been a tendency in recent times to increase the volume of noise in the boiler shop at the Government Workshops, Midland Junction?

(2) Can suitable baffles be arranged to deaden or reduce the volume of noise?

(3) As artificial appliances are now procurable for individuals to use in their ears to reduce volume of noise, can same be issued to employees?

The MINISTER replied:

(1) No.

(2) This improvement is now under investigation.

(3) Ear plugs may assist but it is doubtful whether employees generally would take advantage of their use due to discomfort and possible cause of irritation. The problem, however, is at present the subject of investigation.

(b) New Goods Shed, Bunbury.

Mr. ROBERTS asked the Minister for Railways:

(1) Have plans been drawn up for the building of a new, modern and larger goods shed at Bunbury?

(2) If so—

(a) Where is it to be sited?

(b) When will work commence on its erection?

(c) Has provision been made for suitable cranes, and if so, what is to be their capacity and type?

(d) What are the dimensions of the floor area of—

(i) present goods shed;

(ii) proposed new shed?

The MINISTER replied:

(1) No.

(2) (a) Arrangements are in hand with Commonwealth authorities to take over the present Customs bond store and office at the north end of the existing goods shed to provide additional accommodation.

(b) This will depend on the availability of funds.

(c) A six-ton mobile crane has been ordered for use at Bunbury goods shed and has been shipped from England.

(d) (i) Approximately 7,300 square feet including goods office.

(ii) An additional 2,000 square feet by absorption of the Customs building.

(c) Ablution Block for Employees, Bunbury.

Mr. ROBERTS asked the Minister for Railways:

(1) What are the future plans for the erection of an up-to-date ablution block for the Western Australian Society of Railway Employees stationed at Bunbury?

(2) When will work on this project commence?

(3) Where is the building to be sited in Bunbury?

(4) What is the present anticipated cost?

The MINISTER replied:

(1) This proposition is at present under consideration but investigations have not proceeded sufficiently to enable a definite statement to be made at this stage. Many W.A.S.R.E. union members will have the use of an amenities building recently provided.

(2), (3) and (4) Answered by No. (1).

(d) Marshalling Yards, Bunbury.

Mr. ROBERTS asked the Minister for Railways:

(1) What are the future plans for the W.A.G.R. marshalling yards at Bunbury?

(2) Where exactly are these marshalling yards to be located?

The MINISTER replied:

(1) No plan has yet been drawn up to cover this development beyond an authorisation for improvement to the existing Bunbury station yard to the extent of £5,000.

(2) Answered by No. (1).

KWINANA.*Applications for Land by Large Companies.*

Hon. A. V. R. ABBOTT asked the Minister for Industrial Development:

(1) Have any large manufacturing or industrial companies approached the Government with a view to obtaining land at Kwinana and carrying on business there?

(2) If the answer is "Yes"—

(a) what were the names of such companies; and

(b) what was the outcome of the approach to the Government?

The MINISTER replied:

(1) Yes.

(2) (a) Tube Makers of Australia Pty. Ltd.

Macdonald Hamilton & Co. for site for stevedoring business. Fremantle Stevedoring Co. Pty. Ltd.

Another possible large manufacturing concern whose name cannot be disclosed at present.

(b) Arrangements have been made to make land available to Tube Makers of Australia Pty. Ltd., and only details remain to be settled.

Industrial and business areas at Kwinana will shortly be gazetted. When this is done, business concerns, such as stevedoring companies, will be able to obtain sites and construct premises. Manufacturing industry will also be able to purchase industrial sites privately, while larger industry associated with either oil or steel, can be accommodated on land resumed for this purpose, and held by the Government.

SWAN RIVER.*Salinity Tests.*

Mr. COURT asked the Minister for Works:

(1) Were salinity tests made in the Swan River during October, 1955?

(2) If so—

(a) on what dates;

(b) what are the results of these tests in the several points between Perth Water and Blackwall Reach?

The MINISTER replied:

(1) Yes.

(2) (a) On the 24th October.

(b) Chloride content in parts per million:—

| Locality. | Chloride Cl. |
|-----------------------|--------------|
| Mends-st, South Perth | 690 |
| Spring-st, Perth | 720 |
| Narrows | 620 |

Chloride Cl.

| Locality. | Chloride Cl. |
|------------------|--------------|
| Swan Brewery | 650 |
| Crawley Baths | 690 |
| Crawley Bay | 760 |
| Canning Bridge | 310 |
| Como | 690 |
| Nedlands | 960 |
| Armstrong Spit | 1,170 |
| Pt. Walter | 1,310 |
| White Beach | 1,440 |
| Claremont Baths | 1,440 |
| Peppermint Grove | 1,440 |
| Mosman Bay | 1,310 |
| Blackwall Reach | 1,370 |

RATS.*Destruction in Metropolitan Area.*

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

Is the campaign for the destruction of rats in the metropolitan area reducing their numbers to an appreciable extent?

The MINISTER replied:

Through the activities of local health authorities and private individuals, the rat population is being constantly reduced. Rats are less prevalent in Perth than they used to be.

CATS.*Reduction in Suburban Population.*

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

Is it known what disease has so greatly reduced the cat population in the suburbs?

The MINISTER replied:

Virus influenza of cats is common among domestic cats and used to be responsible for a high mortality. Modern treatment has considerably reduced the mortality from this complaint.

There has been no unusual incidence of disease among cats this year.

WATER SUPPLIES.*Reticulated Supplies, Country Towns.*

Mr. PERKINS asked the Minister for Water Supplies:

(1) Which towns or townships of 30 dwellings or more in the agricultural areas of Western Australia do not have a reticulated water supply to a majority of the dwellings?

(2) Which towns or townships as above have been provided with a reticulated water supply in the last ten years?

(3) Which town or townships as above are in process of being provided with a reticulated water supply?

The MINISTER replied:

(1) The following towns in agricultural areas have a reticulated water supply:

| | |
|----------------|----------------|
| Bakers Hill | Bodallin |
| Tammin | Carnamah |
| Merredin | Moora |
| Marvel Loch | Bruce Rock |
| Goomalling | Mandiga |
| Nokanning | Boyannup Brook |
| Carrabin | Gnowangerup |
| Geraldton | Pemberton |
| Dalwallinu | Albany |
| Narrogin | Meckering |
| Trayning | Doodlakine |
| Mukinbudin | Southern Cross |
| Coille | York |
| Margaret River | Westonia |
| Yarloop | Narembeen |
| Northam | Moorine Rock |
| Baandee | Three Springs |
| Nangeenan | Mingenew |
| Bullfinch | Brookton |
| Shackleton | Bencubbin |
| Nungarin | Bridgetown |
| Noongar | Katanning |
| Yuna | Serpentine |
| Morawa | Boddington |
| Pingelly | Cunderdin |
| Kununoppin | Hines Hill |
| Lake Brown | Beverley |
| Dwellingup | Nukarnie |
| Pinjarra | Walgoolan |
| Manjimup | Wongan Hills |
| Grass Valley | Barbalin |
| Kellerberrin | Gabbin |
| Burracoppin | Brunswick |
| Toodyay | Kulin |
| Belka | Waroona |
| Kondinin | Kojonup |

All other towns in the area with 30 dwellings or more have not yet been reticulated.

(2) Of the towns mentioned above, the following have been reticulated in the last 10 years:

| | |
|----------------|-------------|
| Boyup Brook | Pemberton |
| Kulin | Dalwallinu |
| Three Springs | Yuna |
| Mingenew | Dwellingup |
| Kalamunda | Pinjarra |
| Margaret River | Kojonup |
| Boddington | Gnowangerup |
| Wongan Hills | Waroona |
| Carnamah | Morawa |

In addition, in the same period the control of the following town water supplies has been taken over by the department from locally constituted bodies:

| | |
|-----------|----------|
| Yarloop | Manjimup |
| Katanning | Moora |

(3) Reticulated schemes are at present under construction at Allanson, Tambellup and Mt. Barker.

In the following towns, major improvements are being effected to existing inadequate water supplies:—

| | |
|-----------|-------------|
| Katanning | Boyup Brook |
| Geraldton | Bridgetown |
| Moora | Manjimup |
| Kondinin | Coille |
| Albany | |

and all towns covered by the northern and southern sections of the comprehensive scheme.

BUNBURY POWER STATION.

P.W.D. Employees, Retrenchments.

Mr. ROBERTS asked the Minister for Works:

(1) How many Public Works Department employees were retrenched from the Bunbury Power Station during the week ended the 11th November, 1955?

(2) How many P.W.D. employees are to be retrenched during the weeks ending the 18th and 25th November, 1955, the 2nd, 9th, 16th and 23rd December, 1955?

(3) Will funds be made available to retain these employees on the present project?

The MINISTER replied:

(1) None.

(2) Twelve men will be retrenched on the 18th November, 1955. There is a necessity to reduce further during the remainder of the calendar year. Specific figures cannot be given on a weekly basis but the reduction will average about 10 men per week.

(3) There are not sufficient funds to retain these employees.

PASTORAL LEASEHOLDERS.

Water Rights.

Mr. MOIR asked the Minister for Lands:

(1) Have the holders of pastoral leases in the Goldfields areas exclusive rights to the natural waters and Government dams on this type of lease?

(2) Is it lawful for the holders of these leases to prevent people shooting game on these waters or in the vicinity of these waters?

The MINISTER replied:

(1) It is not possible to reply to this question in general terms. Water supplies on a particular lease may be subject to special conditions or reservations. Government dams would, in all probability, be on public reserves controlled by the Public Works Department. These water supplies must be available to persons having the right to pass over the leased land such as prospectors under the Mining Act. If the hon. member will furnish to me the names of the lessees concerned, the matter of water rights will be investigated.

(2) It is doubtful whether under the "Game Act" any person authorised to pass over the pastoral lease for other purposes would have the right to shoot game on the leased land without the approval of the lessee. This is a matter requiring legal advice when the circumstances are known.

BILLS (3)—FIRST READING.

1, Reserves.

2, Road Closure.

Introduced by the Minister for Lands.

3, Mine Workers' Relief Act Amendment.

Introduced by the Minister for Mines.

MOTION—STANDING ORDERS SUSPENSION.

Closing Days of Session.

The PREMIER: I move—

That until otherwise ordered, the Standing Orders be suspended so far as to enable Bills to be introduced without notice and to be passed through all their remaining stages on the same day, all messages from the Legislative Council to be taken into consideration on the same day they are received, and to enable resolutions from the Committees of Supply and of Ways and Means to be reported and adopted on the same day on which they shall have passed those committees.

The only purpose of this motion is to expedite the business of the House. Its passing will place the House in a position to deal more quickly than would otherwise be possible with the legislation which still remains to be considered. Wherever an adjournment of any matter is required it will be granted without any argument.

Question put and passed.

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

Second Reading.

MR. COURT (Nedlands) [5.20] in moving the second reading said: This Bill is a private one to amend the Perpetual Executors Trustees and Agency Company (W.A.) Limited Act, 1922, and, in accordance with the requirements of the Standing Orders of this House, it has been submitted to a select committee of this Chamber. The report of the committee was presented on Wednesday, the 12th October. It gives a clear and concise explanation of the position and the objectives of this Bill and, as members will have observed, the report of the select committee was a unanimous one. The members of that committee were the member for Stirling, the member for Cottesloe, the member for Fremantle, the member for North Perth, and myself as chairman.

The objects of the Bill are to permit a maximum charge of 4 per cent. on corpus for trustee companies in lieu of the present maximum charge of 2½ per cent. I want to stress that this will be only a permission to increase the maximum charge to 4 per cent. and will not necessarily imply that the charge will be an arbitrary figure of 4 per cent. I would further like to stress that there is already provision in the principal Act, in Section

16, for the court to reduce the figure should it feel that it was right and proper to do so. The appropriate section reads—

Such commission and fees shall be received and accepted by the company as a full recompense and remuneration for acting as aforesaid, and no other charges beyond the said commission and fees shall be made by the company, but if in any case the court shall be of opinion that any commission or fee charged is excessive, it shall be competent for the court to review and reduce the same, provided that commission chargeable under paragraph (a) of this subsection shall not exceed the amount of the scale of commission published by the company from time to time, but so that this subsection shall not prevent the charging of any commission or fee directed by a testator or a settlor in lieu of such commission.

That is a statutory protection in respect of estates where the testator or settlor has not fixed the scale of commission or fee.

The reasons why this increase is sought are mainly due to the increased costs generally that have been incurred by the companies. In this Bill we are dealing specifically with the Perpetual Executors Trustees and Agency Co. (W.A.) Ltd., but the remarks I make will be relevant in respect of the Bill dealing with the other trustee company. The companies have not received any relief since 1951, when there was an adjustment of charges. The adjustment then made was for permission to make special charges, such as for the preparation of tax returns, the keeping of books and the like.

The main increase in costs being experienced by the companies at present is the direct result of a consent agreement for marginal increases which had been entered into between the companies and their employees. The effect of this consent agreement, which applied from the 1st January, 1955—that is, from the beginning of the current year—will be approximately £5,000 per annum in the case of the Perpetual Executors Trustees and Agency Co. (W.A.) Ltd. and £6,000 per annum in the case of the West Australian Trustee Executor and Agency Co. Ltd.

I request members to note those two increases because they have a direct bearing on the results that have been achieved by these companies in recent years. I have made an analysis of the audited accounts of the two companies over the last three years and the figures, in regard to the Perpetual Executors Trustees and Agency Co. (W.A.) Ltd., are as follows:—In 1953 the profit disclosed was £6,509 but included in that figure was the sum of £1,238 for extraneous income, being interest from investments outside of their activities as trustees and executors. This left a net income, including rentals, of £5,271. For 1954 the figures were £6,070 gross, less

extraneous income from interest, £1,241, leaving a net income, including rentals, of £4,829. For 1955 the figure dropped still further to £5,651, less interest from investments, £1,227, leaving a net income, including rentals, of £4,424.

The appropriate figures for the West Australian Trustee Executor and Agency Co. Ltd., for 1953, were £6,040, less interest from investments £2,863, leaving a net income of £3,177. For 1954 the gross income was £6,274, less £2,733, leaving a net income, including rentals, of £3,541. For 1955 it was £6,421, less interest from investments £2,754, leaving a net income, including rentals, of £3,667.

The percentage of that profit on shareholders' funds, without taking into account any suggestion of revaluating their buildings to today's values, was 3.3 per cent. in the case of the West Australian Trustee Executor and Agency Co. Ltd. and 4.6 per cent. in the case of the Perpetual Executors Trustees and Agency Co. (W.A.) Ltd. If that was related to the 1955 value of their respective premises, both of which are in St. George's Terrace and are well known to members, the percentage would drop considerably, as members can readily appreciate. The dividends declared by the two companies were as follows:—In 1953 the Perpetual Executors Trustees and Agency Co. (W.A.) Ltd. declared a dividend of 5 per cent., in 1954 it was 6 per cent. and in 1955, 6 per cent.

Because of a different relationship between the share capital and the shareholders' funds the percentages in the case of the West Australian Trustee Executor and Agency Co. Ltd. was a little higher but the actual amount of dividend was almost the same; in fact, it was almost identical in money and amounted to 7 per cent., 8 per cent. and 8 per cent., respectively, in the three years under review.

These two companies have a long and creditable history. The W.A. trustee company was formed in 1892, which gives it 63 years of history, and the perpetual executors company was formed in 1922, giving it 33 years of history. The financial stability of the two companies is most important in the public interest and it would be wrong to allow them to be conducted in a manner which would impair their financial stability.

I think it is to the credit of both companies that they have achieved a great degree of financial stability through a cautious and conservative policy over a long period of time. Their farsighted policy in acquiring freehold properties, when properties in St. George's Terrace were comparatively cheap, is an added safeguard to the people whose affairs they handle; in other words, a large section of the general public.

It is also important to note that they are not trading concerns in the ordinary sense of the word. They are both companies that render a service and do not

trade in goods and chattels, as do some other companies. This accounts for the fact that their results have not been spectacular over the years, measured in the ordinary terms of trade performance. One could not say that they have been very lucrative investments and I do not think that was ever intended.

They were designed to be service companies, to render very necessary facilities for the people in this State and to give them a choice of place where they can have their estates and other affairs administered. Should members be interested, I have acquired three copies of the accounts of each of the two companies for the last three years. These are publicly audited accounts, set out in a very clear manner.

The Minister for Justice: Will they need to take advantage of the full 4 per cent.?

Mr. COURT: No, it is not the intention of the companies to take advantage of the full 4 per cent. It is only intended to have the upper limit as the companies in the other States have. The position in the other States is that the companies there do not use the maximum figure, but they have the right to do so. The figures in the other States are of interest. New South Wales, Queensland and Victoria, which have the advantage of very big estates—that is, an advantage to a trustee company in setting up its organisation—have a 4 per cent. maximum. That increase has been granted in the last two or three years in the case of New South Wales, Queensland and Victoria.

It is also of interest to note that Queensland adopted, in addition to the increase of 4 per cent., the same concession in respect of special charges as this House granted in 1951 to the two Western Australian companies. So if the Bill becomes law it will mean that this State will have identical limits with those permitted in Queensland. The Tasmanian situation is a rate of 3½ per cent. and South Australia, for some reason or other, has always had a 5 per cent. rate going back 50 years or more. I do not think there is any other material factor in which members may be interested. They will have read the report of the select committee if they are so interested and maybe, if members have queries I can answer those when replying to the second reading debate. I move—

That the Bill be now read a second time.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre) [5.33]: I have listened to the member for Nedlands very attentively and I think he has given the House a fair exposition of the general position relating to the private trustee agency companies. We all know that costs have risen and, of course, there should be some increase in the companies' percentage

rate. I have given reasonable consideration to the matter and it will not affect the Public Trustee at all. This Bill and the one to follow deal only with the Perpetual Executors Trustees and Agency Co. (W.A.) Ltd. and the West Australian Trustee Executor and Agency Co. Ltd.

Hon. J. B. Sleeman: One of the officers of the Public Trust Office gave evidence before the select committee.

The MINISTER FOR JUSTICE: As the member for Fremantle has said, a representative of the Public Trustee gave evidence before the select committee. I welcome the Bill and from a Government point of view I cannot see any objection to the maximum of 4 per cent. on corpus as a charge. I think this legislation will bring this State into line with the rest of the States in Australia. I am sure, too, that the companies will not take advantage of this increased benefit and that if they can carry out their business on a rate of 3, 3½ or 4 per cent.—as long as they can show a profit—they will do so. The public will not be exploited. If they are, they can always go to the Public Trustee and in that case the companies' action might be helpful to the affairs of the Public Trustee because that body is my baby. I support the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time and transmitted to the Council.

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

Second Reading.

MR. COURT (Nedlands) [5.37] in moving the second reading said: There is no need for me to explain this Bill at length because it is on all fours with the one I have just submitted to the House. Like its predecessor, it has been before a select committee in accordance with Standing Orders and a report of that committee has been tabled in this House. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time and transmitted to the Council.

**BILL—CONSTITUTION ACTS
AMENDMENT (No. 1).**

Second Reading.

Debate resumed from the 19th October.

HON. A. V. R. ABBOTT (Mt. Lawley) [5.40]: This Bill has been passed by the Legislative Council whose franchise it affects. It was introduced in and considered by that House. It has been stated here many times that, after all, the franchise of the Legislative Council largely concerns the members thereof.

The Minister for Housing: Nothing of the kind. It concerns and affects every person in Western Australia.

Hon. A. V. R. ABBOTT: That may be so, but it largely concerns the members of another place.

Mr. SPEAKER: Will the hon. member kindly speak up; it is difficult to hear him.

Hon. A. V. R. ABBOTT: I am sorry, Mr. Speaker, but I fear I was interrupted. The hon. member who introduced the Bill in this House explained it quite clearly. It has two objectives: One is to enable a person who has been naturalised, and who has the qualifications to vote for the Upper House to do so immediately without waiting for one year as is at present provided. That provision is a somewhat old one and it related to the days when even an Australian citizen, from another State, could not vote in Western Australia without having been resident here for at least one year. I entirely agree that it is high time that was amended.

The other purpose of the Bill is to enable those Australians who are born here but belong to the aboriginal race and who have served with Her Majesty's forces overseas for six months and have a clean discharge, to vote for the Legislative Council.

Mr. Ross Hutchinson: Would the hon. member kindly speak up.

Hon. A. V. R. ABBOTT: They would have a right to vote in this House. I see no objection to that.

Several members: Speak up! We cannot hear you.

Hon. A. V. R. ABBOTT: I am sorry. I shall speak a little louder. An Australian who is native-born and has served overseas for six months in the armed forces of Australia and has obtained a clean discharge, qualifies for citizenship rights. At the present moment he is not qualified to vote for the Legislative Council, and I see no reason why he should not be permitted to do so. I support the Bill.

Question put.

Mr. SPEAKER: I have counted the House and assured myself that there is an absolute majority of members present and voting. There being no dissentient voice, I declare the question duly passed.

Question thus passed.

Bill read a second time.

In Committee.

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

Third Reading.

Mr. JAMIESON: I move—

That the Bill be now read a third time.

Question put.

Mr. SPEAKER: I have counted the House and assured myself that there is an absolute majority of members present and voting. There being no dissentient voice, I declare the question duly passed.

Question thus passed.

Bill read a third time and passed.

BILL—MARINE STORES ACT AMENDMENT.

In Committee.

Resumed from the 26th October. Mr. J. Hegney in the Chair; Mr. Johnson in charge of the Bill.

The CHAIRMAN: Progress was reported after Clause 1 had been agreed to.

Clause 2—Section 2 amended:

The MINISTER FOR AGRICULTURE: I move an amendment—

That after the word "corporation" in line 10, page 2, the following word be added:—", but does not include bottle which contains, or is intended to contain or has contained, milk defined by the Milk Act, 1946-54."

If the clause is passed as printed, it will have the effect of permitting milk bottles that are branded to be part of the bottle collection by marine dealers, and I do not think that was intended by the mover of the Bill. Milk bottles are delivered daily and it is merely an exchange of a full bottle for an empty one. No one is responsible for paying for the bottles.

There are something like a million bottles a day involved and this would mean a considerable impost on the industry because the treatment plants own the bottles, and if they had to purchase them from the marine dealers they would pass the price on and it would even be added to the price structure of milk which house-holders would have to pay. Apart from that, clerical staff would be necessary and there would be other difficulties involved.

Mr. JOHNSON: I have no objection to the amendment. As pointed out before in relation to the col drink industry, there is no necessity for a similar amendment because the existing practice will not be altered by the provisions in the Bill. However, the Bill has disclosed that the method by which cool drink bottles, milk bottles and beer bottles are handled, is not contrary to the Act, nor is it completely covered by the existing provisions. The Bill is capable of legal challenge. At present, there is nothing to prevent marine dealers from collecting milk bottles and passing them through the bottle yards. The factor which prevents them doing this is the absence of any arrangement under which marine dealers will be paid for collecting milk bottles.

Hon. L. TAYLOR: Milk retailers are responsible to the milk depots for bottles supplied. I know a retailer who recently got an account from a depot for £60 for bottle shortages.

Mr. JOHNSON: There is a degree of responsibility on the retailer, but whether it is capable of challenge under the Act I do not know. If he chose to challenge the Act, he might find that he has legal protection, but he might also find himself without a supplier.

I have been given an assurance that the difficulties which first caused me to introduce this Bill are in process of settlement by negotiation. I am prepared to accept that assurance that there will be an attempt to prevent the type of expenditure which I mentioned in my second reading speech. Because of the numerous difficulties concerning other types of bottles, if I can get an assurance from the Minister that he will use his influence to direct Government officers to look into the industry and the Act to see if the latter cannot be modernised in the near future so that it will cover the existing situation, I am prepared to withdraw the Bill. I ask for this assurance because the Act is over 50 years old; it was designed for the horse and buggy days; and it was designed before the days when branded bottles were made. I have made it clear to all concerned in the bottle industry that what is needed is an up-to-date Act.

Hon. A. V. R. ABBOTT: I agree with the member for Leederville. This matter requires careful consideration. I do not think the Bill covers the industry fully, therefore I suggest that progress be reported.

Progress reported.

BILL—JURY ACT AMENDMENT (No. 2).

Order Discharged.

On motion by Hon. A. V. R. Abbott, Order discharged from the notice paper.

MOTION—CHAMBERLAIN INDUSTRIES PTY. LTD.

To Inquire by Select Committee.

Debate resumed from the 2nd November.

THE PREMIER (Hon. A. R. G. Hawke—Northam) [5.57]: In moving this motion, the member for Stirling indicated that he desired a select committee of inquiry into the affairs of Chamberlain Industries Pty. Ltd. because he thought all was not well with it. He dealt with the financial side of that firm and made some statements which were well based, but unfortunately some other statements which were not well based at all.

The newspaper report of his speech, as appearing in "The West Australian" of the 3rd November, rather concentrated on the detrimental things which he said regarding that company. As a consequence, that publicity was not helpful to this organisation and would, I think, have some bad effect on it. The publicity would certainly create doubts, to say the least of it, in the minds of many of the people in this State who read that report.

The history of this industry is not a very long one in terms of years. If I remember rightly, it was in 1946 that Mr. Fernie, the then Director of Industrial Development, ascertained that there was a possibility of an industry being established in Australia by an Australian firm for the manufacture of agricultural tractors. Up to that time, no agricultural tractors had been made in Australia.

It was thought by the Director of Industrial Development, and by myself as Minister for Industrial Development at that time, that it would be a great thing for Western Australia if we could prevail upon the people concerned to establish their industry in this State. We made personal representations to the members of the firm concerned in Melbourne. To make a long story short, they became interested in the possibility of establishing their proposed industry in Western Australia.

As a result of consultations between the Government of this State and the Commonwealth Government, and between representatives of the Government of this State and representatives of the firm, together with representatives of the English, Scottish and Australian Bank, a decision was finally made to establish the industry in Western Australia. So active steps were taken to bring about the establishment of a tractor-making factory at Welshpool, and the main steps in connection with the establishment of the industry were taken in 1947.

Fortunately, the Welshpool small arms ammunition factory was available as a building. It was a very modern factory, containing modern machines that were

suitable for the purpose for which they were required. The Commonwealth Government of the time agreed to make available some other suitable and modern machines, and they were brought from Eastern Australia and placed in the factory at Welshpool. Ultimately, the industry began production of agricultural tractors.

It is true that the industry ran up against a lot of difficulties in the early stages. The process of tooling up the factory was a rather long and involved one, and consequently a more costly one than was first anticipated. The supply of electric power for industry in Western Australia at that time was not reliable, as members will recall. As a result, even when the tooling up processes were completed, and the industry went into production, severe delays and losses were occasioned in production because of breakdowns in the electric power system.

Then, of course, the first severe period of inflation came, which caused the cost of production to rise rapidly. It might be thought that all firms handling tractors in Australia were similarly affected by that period of inflation, but that was not actually so. Chamberlain Industries Ltd. was manufacturing in Australia a fair percentage of the total tractor machines; whereas all the other tractor people in Australia were importing their machines from overseas, very few of the machines being manufactured in Australia.

In any event, even if the relative position of manufacture as between all the firms had been the same, Chamberlain Industries Ltd. would have been hit much harder because it was a new firm in the process of establishing itself, and consequently could not afford to suffer difficulties brought about by severe inflation to the same extent as they could be borne by old-established firms that were importing tractor machines from other countries.

Then, of course, there came the time when tractors were allowed to roll into Australia, or flood Australia, in great numbers from overseas countries. Anyone who followed the situation at that time would know that, whereas there had been a severe shortage of tractors in Australia for many years, suddenly—almost overnight—there were tractors to burn, so to speak. Every firm in Australia handling tractors found that it had a great many more on its hands than it could sell.

So there developed in Australia a very big glut of tractors, with the result that Chamberlain Industries Ltd., and all the importers of overseas tractors, found that the supply all of a sudden greatly exceeded the demand. That situation continued for a long time. For all I know, it might still exist, though certainly not in the severe form in which it existed two years ago. In those circumstances, it was only natural that tractors produced at Welshpool could not be sold at the same

rate as before the occurrence of the glut, and so the industry sustained a very severe blow.

It is true, as the member for Stirling indicated, that a considerable sum of Government money has been used for the development and the carrying on of this industry. I think we can fairly say that everybody was anxious to see the industry established here, because a secondary industry of that sort represented an important step forward industrially for us. Not only did the industry provide a considerable amount of employment of a semi-skilled and skilled character; it also provided a great deal of trade for local engineering workshops and other business concerns. Furthermore, it was producing a machine of good quality for our farmers, and thus was assisting them to maintain primary production, and wherever possible, to increase it.

Once the industry became established, everyone was anxious that it should be continued in operation. I have already mentioned the inflationary period that struck this industry very hard not so long after it was first established on an operating basis, and as everyone was anxious to see the industry continue in operation, those charged with the authority of governing the State continued to make money available to assist it.

This applied particularly to the member for Stirling, who became Minister for Industrial Development early in 1947. If the hon. member casts his mind back, he will recall that the amount of indebtedness to the Government then was not very great. He will also recall, as his mind is clear about the situation, that he was able to prevail upon his colleagues in the Cabinet to make further large sums of money available to the industry in order that it might continue in operation. I am sure that the hon. member did this out of an anxiety to see the industry continue and sooner or later become successful. I am sure that he hoped the day would come when it would be self-supporting and would be able to repay, at least gradually, to the Government the money that had been advanced from year to year to assist it.

Mr. Ackland: The firm spent a lot of time seeking some protection.

The PREMIER: In February, 1947, the indebtedness of the company to the Government was £150,000. I think it will be agreed that, as the industry was then well established, this was not a very large sum. This amount, however, was not the total of the company's indebtedness; it was indebted also to a substantial extent in the early stages to the E.S. & A. Bank. When the member for Stirling became Minister for Industrial Development in February, 1947, the indebtedness of the company to the Government, £150,000, was quite a small sum comparatively to the

size of the industry and its capital value at that stage. I think it could be described as chicken-feed.

Hon. D. Brand: Have you any idea of the company's indebtedness to the E.S. & A. Bank?

The PREMIER: I shall come to that presently. In October, 1950, some 3½ years later, the Rural & Industries Bank took over the whole of the indebtedness of the industry at that date. In other words, the Rural & Industries Bank took over the company's indebtedness to the Government plus the indebtedness to the E.S. & A. Bank, and the total amount then owing to creditors was £940,000. Presumably the member for Stirling, as Minister for Industrial Development and with the approval of his colleagues in the Ministry, agreed that the Government, through the Rural & Industries Bank, should take over that £940,000 of the company's indebtedness.

In February, 1953, which was about the time of the general elections for the Assembly, the company's total indebtedness to the Government was £1,840,000. Thus it will be clearly seen that, during the time the member for Stirling was Minister for Industrial Development, the company's indebtedness to the Government increased from £150,000 to £1,840,000.

Hon. A. F. Watts: Those are the figures I gave, except for £40,000.

Sitting suspended from 6.15 to 7.30 p.m.

The PREMIER: I was pointing out that between February, 1947, and February, 1953, the total indebtedness of the industry to the Government had increased from £150,000 to £1,840,000, and since February, 1953, the indebtedness has increased by a further £850,000. Clearly this industry has been financed on the basis of money made available by the Government and not on the basis of money made available by shareholders. Therefore the industry has been under the necessity of paying interest on the money provided by the Government to establish it and to enable it to carry on.

The interest paid by the industry since 1947 totals £445,000, and of this amount £302,000 was paid during the three-year period which ended on the 30th June last. The loss incurred by the industry during that three-year period was £167,000. There was, therefore, a surplus in interest payments over losses incurred by the industry of £135,000 in the period. In addition, the bank overdraft was reduced by £28,700 during 1954-55; the sundry creditors accounts were reduced £42,000; and the interest paid amounted to £124,500.

I would quite agree with anyone who would say, "How much longer is the industry likely to require additional capital from the Government?" I think that

would be a pertinent question. As I have pointed out during the last moment or two, the industry during the year 1954-55 reduced the bank overdraft and the sundry creditors accounts and, in addition, paid a large amount of interest to the Government. Therefore, I think it could be argued legitimately that the year 1954-55 was one in which the industry did stabilise to a considerable extent on the financial side.

Later on I shall quote some extracts from a report by Mr. Bosisto, the chairman of the commissioners of the Rural & Industries Bank, on the point as to whether the outlook for the industry at this stage is as good as or better or worse than at any other stage during its existence. Before doing that, however, I point out that the industry paid £540,000 in the year 1954-55 in purchasing its requirements. Most of that money was expended in Western Australia to engineering shops and other firms that supply the requirements of the industry from week to week.

Mr. Nalder: Wundowie for pig iron.

The PREMIER: Yes; and the firm of Metters does some work for the industry, and so do Tough's, the instrument people, as well as other firms.

Hon. A. F. Watts: The Melbourne Steamship Co.

The PREMIER: Yes. The industry paid £580,000 in direct wages and salaries to nearly 800 men employed by it at Welshpool. I mentioned earlier that the products of the industry were highly regarded by farmers in this State and I understand, by farmers in the other States of Australia. Quite recently a cash order to the value of £88,000 for tractors was received from a firm in Queensland, which is the agent in that State for Chamberlain tractors. I think the extent of that order is an indication that the agents in Queensland, a reputable firm, have faith in the industry's products, and as a result are prepared to place orders for them.

It is true that the establishment and the carrying on of the industry has cost the Government a lot of money, but so far the money advanced by the Government is an investment. It is a debt due by the industry to the Government; and it is a debt upon which the industry has, over the years, paid a large sum of interest. So, if we look at the industry from that point of view—a purely financial point of view—it is returning to the Government, on the money invested, a great deal more than is being returned from many other parts of the State where the Government has invested large sums of money to assist industry.

For instance, we could take Kwinana if we wished to do so. A great amount of the Government's loan moneys spent at

Kwinana not only does not represent a debt owing to the Government, but it does not carry interest payable to the Government.

Hon. D. Brand: Quite a good investment, nevertheless, do you not think?

The PREMIER: The indirect returns are, of course, amazingly good. I would suggest that the indirect returns from Chamberlain Industries Ltd. at Welshpool are very good, too. But the point I am making is that the capital advanced by the present Government and the previous Government has been advanced in the form of a debt to the industry. The industry has a responsibility to repay the whole of the indebtedness in due time and in the meantime it has an obligation, which it has met, of paying interest on the money so advanced. I quite agree that the total amount advanced by the Government in connection with this industry is substantial and I admit that if the industry had not come into existence that money could have been advanced for other purposes, which might have returned better financial results to the Government. That would, of course, have depended entirely upon the ways adopted by successive Governments to expend the same total amount of money.

Some of that money, if Chamberlain Industries Ltd. had not existed, might have been expended in such a way that there would have been no return to the State, except an indirect return. Again, some of it might have been invested reproductively on a purely financial basis, but that is all a matter of speculation and does not, I think, help us at all in our assessment of the position as between this industry and the Government. This financial year the industry is aiming to produce a far greater number of tractors than it has ever produced in any one year previously.

To enable that to be done, the organisation is concentrating largely on the production of tractors which means that the production of farm implements is being cut down considerably at Welshpool. I understand that the only implements to be manufactured at Welshpool this financial year will be those which it is thought can all be sold in Western Australia, and therefore there will be no production of surplus farm implements above the State's requirements.

There will be no expenditure on sending surplus machines to other States, no sea freight to be paid, no agency charges, and so on. An arrangement, however, has been entered into between Chamberlain Industries Ltd. and a manufacturing firm at Murray Bridge, in South Australia, under the terms of which the firm in South Australia will manufacture under licence or agreement with Chamberlains, farm implements of the Chamberlain type in

that State, for sale in South Australia and presumably for sale in some of the other Eastern States.

Mr. Yates: Is it likely that Chamberlains will repay its commitment to the Government in the next 10 years?

The PREMIER: I think the member for South Perth will realise that I could not answer that question with any degree of certainty.

Mr. Yates: I thought you might have had an idea, on the basis of their present trading.

The PREMIER: On the basis of what they did last year, I think it would take longer than that, but, as I have said, the industry is now concentrating on the production of tractors and it is believed that, as a result, the additional tractors to be manufactured this year will return the industry a far greater income, in total, and allow it to make a reasonable profit upon all the tractors produced.

The member for Stirling when moving his motion for a select committee, referred to the new diesel tractor which is to be produced by the industry. Unfortunately, he did not make any investigation regarding this machine but simply said that he understood that the industry was going to put upon the market a diesel tractor for which there would be little demand. I think he described it as a high speed, many-speed tractor and he said he thought the industry would have been well advised to keep that machine off the production line.

All the advice I have received in regard to this machine is that it is essential for the industry to produce a machine of this type to meet the competition that has developed in the diesel tractor field. This diesel tractor has been subjected to very severe tests—tests on a comparative basis with similar machines imported from other countries of the world—and I am given to understand that the local machine has come through these tests exceptionally well.

Hon. D. Brand: Is the demand for this tractor up to expectations?

The PREMIER: The machine is not yet in actual production although it will be in production in the reasonably near future. A proto-type has been produced and on display and has gone through all these tests of which I spoke a moment ago. I think we ought to be reasonable enough to believe that this machine, which has been specially designed, will be of a quality and performance such as to enable it to sell in competition with similar machines imported from other countries.

Hon. A. V. R. Abbott: Has it an English engine?

The PREMIER: I understand so. I think it is generally agreed among farmers—although, of course, there would be some

exceptions to this—that the Chamberlain tractors have proved themselves to be very good machines in carrying out the work which they have been manufactured to do. I know there are farmers in my district who swear by the Chamberlain tractor. I have in mind particularly some of the farmers at Cunderdin and the Lund family is one that comes to mind. Anyone who knows Mr. Steve Lund and his sons will know that they are first-class farmers who are very highly regarded and who operate big farming properties at Cunderdin.

Mr. Lund, Senior, is a very loyal Western Australian citizen and when the Chamberlain tractors came on the market he was prepared to take the risk—if a risk was involved—and give that tractor a trial. He purchased one and tried it out under severe practical conditions and was so satisfied with the results that he purchased an additional Chamberlain tractor and, later on, still another. I think we can agree that if the industry has been capable of producing good quality tractors in the past, it is capable of producing a good new tractor at this time.

Hon. Sir Ross McLarty: It is not only a matter of quality; the price must be competitive.

The PREMIER: I agree that the question of price comes into it and that question is one with which the men in control of the industry are naturally much concerned.

Hon. D. Brand: What is the position about the subsidy?

The PREMIER: If the hon. member allows me to continue on the point of price for a moment, I will come to the question of subsidy. I repeat, that the men in charge of the industry have decided to concentrate upon the production of tractors, the idea being to produce a considerable number of these machines over and above the number produced in previous years. The reasoning is that the factory is thoroughly equipped with machines, skilled personnel and so on to produce a large number of tractors and that they should be produced to the greatest possible number, because in that way it will be possible to produce each one at a lower price than would be the case if a considerably reduced number were to be produced.

On the question raised by the member for Greenough, I was given to understand recently that although a bounty had been paid on the machines produced at Welshpool over a period, the payment of subsidy ceased fairly recently and that no bounty payments are now being made to the industry. I know that the Tariff Board heard an application from a number of firms in Australia in connection with protection for tractors made in this country. I understand that the report of the Tariff

Board has been presented to the Commonwealth Government but that it is not to be made available until after the 10th December. I have not the slightest idea what the Tariff Board has recommended, or whether it has suggested that the bounty system be continued or discontinued. It might have made any one of a number of recommendations.

Hon. A. F. Watts: The report of the Tariff Board for the year ended the 30th June, 1955, shows a sum of £64,000.

The PREMIER: Until some weeks ago, the amount of bounty paid was fairly substantial; I am not sure whether the total sum the hon. member mentioned was all paid to Chamberlains.

Hon. A. F. Watts: That was in the report. The amount paid to Chamberlains was £64,000.

The PREMIER: I would accept the information which the hon. member has offered in that regard. However, I am informed that bounty payments ceased some few weeks ago—

Hon. A. F. Watts: That may be so.

The PREMIER: —and that no such payments are being made at present, nor are any likely to be made for some time to come. I undertook earlier to quote some extracts from a report presented by the chairman of commissioners of the Rural & Industries Bank. Mr. Bosisto states—

The decision always has been whether to close down this industry with the great impact that would have upon the economy of the State and to take the loss involved, or whether by carrying it on, the Government might give the industry a chance of eventually putting itself upon a profitable basis and recovering some of the lost ground.

It will be noticed from that extract that Mr. Bosisto emphasises that the decision always has been as to whether the industry should be closed down or as to whether the Government should continue to keep it in operation.

Hon. Sir Ross McLarty: By “close it down”, does he mean to sell it at the best possible price?

The PREMIER: He does not go into any details.

Hon. Sir Ross McLarty: I should not think he would mean to just close it down.

The PREMIER: I am quoting the exact words used by Mr. Bosisto in the report he prepared. He goes on—

That position seems nearer today than ever before.

That is the position of the industry eventually putting itself upon a profitable basis and recovering some of the lost ground. Mr. Bosisto states, as his opinion, that that

position is nearer now than at any stage since the industry first started operations. That seems to be a very important feature in the situation. He went on—

In this particular year—

that is, the year 1955-56—

—the committee would be quite satisfied to break even or even show a little loss because of the high hopes held in the new Champion tractor.

That is the machine I was discussing a few moments ago. Mr. Bosisto then goes on to say—

This company's future cannot be decided upon by merely weighing the f.s.d. Decisions must be made against the broader backdrop of our State's economy and its industrialisation.

The following are a few of the considerations involved:—

- (a) The training of our manpower in skills and trades.
- (b) The production of tractors and implements of proven worth, reliability and efficiency.
- (c) A ready and adequate pile of locally-made spare parts which is a most attractive consideration to any tractor user.
- (d) The defence potential of the industry.
- (e) The company's implement production forces competitors to bring their implements to Western Australia which previously was starved till Eastern States requirements were filled.
- (f) The sale value of production today totals £6,250,000. Spare parts and outside contracts would account for a further £500,000.
- (g) Purchases for 12 months to 30/6/55 were as follows:—

| | £ |
|-------------------|---------------|
| Western Australia | 540,838 |
| Eastern States | 151,985 |
| Overseas | 8,802 |
| | <hr/> 701,625 |

- (h) S.E.C. was paid £33,164 for power and light for 1955.
- (i) Therefore over 78 per cent. spent in Western Australia on goods and services.
- (j) Number at present directly employed—785. Salaries for 12 months to 30/6/55—£579,188.

- (k) Outside contracts (work farmed out) with major local firms now current, £67,000.
- (l) A continuous flow of work to smaller contractors goes out at a present rate of £60/70,000 per annum.
- (m) With a considerable tractor force now in the field, a lucrative trade in spare parts is about to begin. We are told this is exceedingly profitable.

So, the difficulty in connection with the industry is the same today as it was in 1953 and in each of the subsequent years. No one, I think, would advocate that the Government should cease to assist to whatever small extent might now be necessary and reasonable to continue to keep this industry in operation. It is, in our field of secondary industry, a very important activity; there can be no doubt whatever about that.

The majority of members on the board of directors of this industry are Government nominees. There is also an advisory committee which works in co-operation with the directors and that also consists of officers who naturally and necessarily have a considerable financial interest in this undertaking. The ex-Under Treasurer, Mr. Reid, is one of the directors; the present Government arranged for him to become a director, representing the Government. Mr. Fernie, the ex-Director of Industrial Development, is another director. He also represents the Government, and Mr. Bosisto, as I have already pointed out, is chairman of the advisory committee. So the Government and the public, as taxpayers, are well represented.

Every one of us in this Chamber would have great confidence in Mr. Reid and Mr. Bosisto on the financial side; and I think every one of us has a considerable amount of confidence in Mr. Fernie on the technical side. However, Mr. Fernie is not, by any means, the only man associated with the industry with technical knowledge, skill and experience. In fact, Mr. Chamberlain, who spends all his time in this State, is the real originator of the tractor plan. He is one of the two sons of Mr. Chamberlain, Senior. This industry started off on a family basis, with the father and the two sons providing the know-how, as it were, and putting in all their savings which, admittedly, were not very much, but were all they had.

Mr. Chamberlain, Junior, who is in this State and who gives the whole of his time to the industry at Welshpool, spent some time in America during the war where he picked up a considerable amount of knowledge, advice and information about tractor manufacture. So on the technical side of manufacturing tractors I think we can say that the degree of technical skill, experience and ability is

quite substantial and requisite to the requirements of the industry. On the financial side, as I have said, we have some excellent men giving a great deal of their time and attention to that aspect.

There is, I think, some degree of weakness in the actual full-time continuous business management of the concern. We have tried very hard to strengthen that side, but it is extremely difficult to get the right men. In the right quarters we have made it known that we would be prepared to pay a very considerable salary to the right man for the job. We have contacted some of the leading experts in Eastern Australia in the hope that they might be able to recruit someone for us.

When I was last in the Eastern States I had a discussion with the general manager of General Motors Holdens in Melbourne. I had a frank talk with him about the situation and asked him to do whatever he could to recommend someone to us. He said that he really could not hold out a great deal of hope because if there were anyone available of the weight, type, experience and skill which we had described to him, General Motors Holdens would be in the market for that man and would be prepared to make him a very much greater offer than we could make.

However, the general manager of that firm wrote to me some weeks afterwards. He advised me that he had some inquiries made over a very wide field, but unfortunately had not succeeded in recruiting anyone who might be prepared to come to Western Australia to take a position in relation to the business management of Chamberlain Industries.

Mr. Court: Have they thought of bringing in a firm like Scott and Associates?

The PREMIER: Some consideration has been given to that, but I rather doubt whether that would meet the situation. What the industry needs is a businessman who is thoroughly skilled in business management, but at the same time a man thoroughly skilled in such management in relation to this industry must have some technical knowledge. It would not be sufficient for him to be merely an expert in business management.

Mr. Court: It would be part of his function, of course, to find a staff to equip the system they installed.

The PREMIER: I would be interested to have a talk to the member for Nedlands to see whether there might be a possibility along the lines which his interjection appears to suggest. In conclusion, I have no objection to the member for Stirling making whatever inquiry he wished to make in regard to the industry.

However, I think we should not proceed along the lines of a select committee inquiry. After all is said and done, this is, in the financial sense at any rate, almost

an overwhelmingly Government industry. It is financed to the extent of approximately 95 per cent. of Government money. The majority of the directors are Government nominees and men well known to all members of this Parliament. The chairman of the advisory committee is, as I have mentioned, Mr. Bosisto, who is also well and favourably known to all of us.

What I would be prepared and quite happy to do would be to say to the member for Stirling that I would be willing to act with him on a committee to carry out whatever inquiry and investigation he might wish to have carried out. If he wished to have, say, two other members of the House upon such committee, the Government will agree that one could be drawn from the Opposition side of the House and one from this side. I could assure the member for Stirling that there would not be any limitation upon the inquiry. It could be as wide and comprehensive as he would wish to make it.

If he cared to be chairman of such a committee I would be quite happy to agree with him on that point so that he, in fact, would be able to decide the terms of the inquiry and investigation and there would be no restriction whatsoever. It would be a complete, thorough and exhaustive inquiry along the lines which he or any other member might wish. In the circumstances, I think that would be much more appropriate than appointing a select committee with certain legal procedures, and all the rest of it.

I am quite satisfied in my own mind that the type of inquiry which I offer on behalf of the Government to the member for Stirling and to all members of the House, would be quite as satisfactory in achieving results as would the proposed select committee. However, the type of inquiry that I suggest would, I think, be on a more friendly basis. We could call before us such people as we wished to call before us. They would meet us around a table. We could discuss with them in a heart-to-heart and frank way anything we wished to discuss.

We could obtain from them all the information we desired and I am sure, on their part, there would be no holding back of any kind. Therefore, I suggest to the hon. member that this offer is available. Naturally, I would like to be on the committee because it was in my time as Minister for Industrial Development, just after the second world war ended, that contact with the Chamberlain family was made and the arrangement subsequently agreed upon for them to establish the industry in this State. So I would have a very keen personal interest in the industry and in any inquiry which might be made into it.

I think, in addition to the member for Stirling and myself, there could be a member appointed from the Opposition side and one from this side of the House. I am not suggesting a second Minister from

this side of the House nor am I suggesting a second ex-Minister from the other. However, I hope the member for Stirling will agree with my suggestion. It seems to me to meet all the requirements of the situation, and I am sure it will achieve a great deal more and provide a better basis as between the members of the inquiring committee and those associated with the industry as may be desired by the member for Stirling or any other member of the committee.

MR. WILD (Dale) [8.11]: I wish to support the member for Stirling in his request to have an inquiry into this industry. I do so for quite a number of reasons. Firstly, I feel that this House and the people of Western Australia—at least the taxpayers who are providing, and have provided, as the Premier has told us, 95 per cent. of the finance for this organisation—are very keen to see this industry put on a sound basis if that is possible. Secondly, I feel that many of the good employees who work at Chamberlains would welcome an inquiry because they are far from happy with the position as they find it today.

During his speech, the Premier mentioned that at the change of Government in 1947 the overdraft had risen, I think he said, to the tune of £170,000. I would point out to the Premier—and I think I am right in saying so but I would have to refresh my memory—that during that period, and prior to it, Chamberlain Industries was at the tooling-up stage. I think members will recall that we attended the opening of the industry late in 1949. We were given this Kathleen Mavourneen promise that some day we were going to get a tractor, and when our colleagues from the country asked about it they were constantly told that they would get this tractor next month, or the month after, or in a very short time.

Members will recall that there was then an opening ceremony and we were invited to attend, so I think I am right in saying that that was late in 1949. There are many men in my electorate who work in this industry. I have not had just one or two, but dozens of them coming to me in the past two, three or four years, saying that they were really frightened about their jobs at Chamberlains because there was so much inefficiency that they felt it could not last.

Many of these men on discharge from the Forces, joined the firm of Chamberlain Industries. They were good family men who realised their responsibilities, and who had no doubt accepted the obligation of buying homes and furnishing them; they looked on this industry as being the one with which they would probably remain for many years, and so ensure for themselves permanency of employment. When so many of these men

approach one and say they are really frightened, and that this sort of thing cannot go on, it makes one realise that there must be something wrong somewhere.

I have heard many rumours though I will not tell the House what they are, because I feel that would be for a select committee to investigate; that would be the place for these grievances to be ventilated. I have heard genuine rumours from these men who say they are frightened.

Mr. Lawrence: Did you say the industry was not on a firm basis?

Mr. WILD: It apparently does not appear to be.

Mr. Lawrence: Did you say it or not?

Mr. WILD: If we can believe the figures given to the House we find that there is an overdraft of £3,000,000 owing to the Rural & Industries Bank. Apart from this we find that Chamberlain Industries has turned from the production of a good tractor to something new which is not required in this State—but this again is only rumour. When we consider those things, I would say that the industry is not on a stable footing at the present moment.

However, the point I want to make is that there is so much uncertainty about this industry; there is so much uncertainty from the standpoint of the interests of the State and the taxpayers who provide this money, and a great deal of uncertainty for the many hundreds of men who have made employment at Chamberlain Industries their postwar life. These men come to me not in ones and twos but in their dozens. They are good citizens and from what they tell me they are afraid of the wasteful extravagance. They say it cannot go on and that they are frightened of their future. Many of the people living around Cannington, Kenwick and adjacent areas have come to me and said the same thing.

So, as one who has no knowledge of the industry, but who has thought about the matter a great deal, I would say that where there is smoke there is fire. We all want to see this factory established on a firm foundation and I am not satisfied that that is the position we would find today. I am entirely in accord with the member for Stirling, therefore, that there should be some inquiry. Let us get the facts and see whether this industry can be made to pay or whether we should cut our losses and get out.

In the course of his speech, the Premier made two points to which I would like to refer. One was that we have a very competent board of directors. I do not doubt that for one moment. Mr. Alec Reid is personally known to me, and I would say that he is a gentleman of the highest integrity. But if we had a board of directors

each of whom had a financial interest in the show, then their interest would be considerably keener. I do not suggest that they are dilatory or that they are not doing their work, but we are all human.

One could get a board of four or five men who if asked to give of their best would no doubt do so. That is different, however, from a board the members of which had a financial interest in the undertaking, because they would be looking after themselves and their own pockets. I often think—and I feel I am not far out—that many of their deliberations would be different if they had these financial interests, which the gentleman on the board today have not.

The Minister for Health: Mr. Reid is very keen.

Mr. WILD: I have no doubt he is, and I am sure he gives of his best. Indeed, if I was in industry and I wanted somebody to advise me, I know of nobody better than Mr. Alec Reid. But any company with four or five directors on it each of whom had £3,000 or £4,000 invested in the concern, would probably look at the matter differently than if they had no financial interest whatever.

The other point is, are we being fair to the Rural & Industries Bank of Western Australia in hamstringing that bank by means of the money that we have loaned to this industry? That matter must also be considered. I know of a number of business organisations that have approached the Rural & Industries Bank in recent months only to be told that they could not be given any help because it had no money available for the purpose; most of it had been loaned to Chamberlain Industries. The bank was quite open about it.

In fact, in answer to a question the other evening, the Premier told us that of the last £1,000,000 that was loaned to the Rural & Industries Bank from loan money, £700,000 went to Chamberlains. I submit that the Rural & Industries Bank is not being permitted to function for the purpose for which it was originally constituted. However, those are all facts that this committee—whether it be a select committee as moved by the member for Stirling or an inquiry as suggested by the Premier—can investigate. Whichever way it is, it is now high time that we had a look to see whether Chamberlain Industries Pty. Ltd. can or cannot carry on. I support the motion.

MR. PERKINS (Roe) [8.20]: Every member knows that Chamberlain Industries Pty. Ltd. is very important to Western Australia on many counts. It is one of the largest industrial concerns here, and manufactures an extensive range of farming implements. The remarks of the Premier about the high standard of its

implements are well justified. Some of the work done by this firm was of an experimental nature and encountered difficulties, but it has produced improved agricultural implements in Western Australia. Great credit is due to the technical advances made by that firm in certain directions.

We, as members of Parliament, have great responsibilities. We are responsible to the electors for the safeguarding of public funds and ensuring that they are put to the best possible use. We have also to see that the economy of the State is kept in proper balance. It is quite obvious that if we are to spend a very large amount of loan funds in helping one particular industrial concern, such as Chamberlain Industries, then with the limitation of loan funds available to the State it will be impossible to help other industrial concerns in a similar way, or to carry out the other projects for which the Government primarily borrows loan funds. The idea of helping industry has become a side function of government. The primary responsibility of the Government is in other directions.

The reason why I, and I suppose other members, speak on this particular question is because of the great volume of public works contemplated by the Government which is held up at present because of the shortage of loan funds. As a result, the situation is having a disastrous effect on the proper development of the State. I do not think members need allow their imagination to run riot in order to comprehend the full significance of what I have just said.

I would remind the Premier that recently I introduced a deputation to him from settlers who were asking for some assistance through the agency section of the Rural & Industries Bank. I have already said in this House that the Premier gave a very sympathetic hearing to that deputation and promised that if he could find some loan funds he would make them available to the agency section of the bank. That money is needed to enable these settlers to change over from purely grain growing to stock raising. The additional requirements are fencing, water supplies and improvements to holdings. I do not wish to go into that matter again. I have already discussed it at some length in this House and some publicity has been given to it in the Press.

There are other vital works, such as country water supplies, which are required. Only recently the Minister for Works told representatives from Lake Grace, which I have the honour to represent here, that although the water supply project for that town had top priority, he was unable to find any funds to proceed with it during this financial year. Most members will be fair enough to agree that wherever possible the people living in country towns

of Western Australia should be given similar facilities to those that are accepted as a right by people living in the suburban districts.

Under the redistribution of seats, the new Roe electorate, includes the townships of Newdegate, Lake Grace, Kukerin, Dumbleyung, Wickepin, Yealering and Corrigin. These townships do not have a reticulated water supply, and unless the Treasurer can get loan funds to enable the Minister for Works to go on with those projects, the present unsatisfactory water position in those towns must remain. The point I am getting at is that if the Government is to use large sums of money to finance industrial concerns, then the other vital responsibilities of the Government cannot be provided for properly.

The Minister for Housing: Would you place the £5,500,000 lent to Kwinana in the same category?

Mr. PERKINS: I think the Kwinana oil refinery comes within a slightly different category.

The Minister for Housing: The oil refinery employs fewer people than Chamberlains.

Mr. PERKINS: The reason for lending so large a sum to that concern was not only because it was to be used to establish an oil refinery. Some members might not have been so keen to support that project had it not meant the opening of Cockburn Sound.

Mr. SPEAKER: I do not think that matter comes within the ambit of this motion.

Mr. PERKINS: I wanted to make passing reference to that industry. It is very important indeed that the Treasurer should pay very careful attention to the expenditure of loan funds. I agree that the money already put into Chamberlains cannot be recovered easily. If that concern were to close up, it would mean that much of the expenditure incurred could not be turned back into ready cash. I consider that some inquiry should be made as to the future of the company because with the way its affairs have been going, further expenditure can be expected to be incurred from year to year. Some of us would like to know exactly where we are heading and whether it would be necessary to allot further loan moneys to the Rural & Industries Bank, to be lent in turn to Chamberlains in order to keep that concern functioning, or to get it on to a firm basis.

That is a matter on which I would not like to express an opinion; all I say is that some inquiry is necessary. It may be that the member for Stirling is better equipped than I to express an opinion as to whether the inquiry suggested by the Premier is suitable. The member for Stirling has been Minister for Industrial Development and knows the ramifications

of that department; in addition, he has broad knowledge of what has been done to establish Chamberlains.

The Minister for Health: You would not like to see the industry close down?

Mr. PERKINS: I think I should have made that point clear. Obviously, it would be undesirable from my point of view, because the firm is producing very good tractors and implements. But unless some further inquiry is made, we cannot be sure that the picture which the Premier has given us of the position at Chamberlains is accurate.

I am not suggesting that the Premier is attempting to mislead us. But to determine what is the actual balance sheet position at Chamberlains requires a certain amount of expert investigation; and perhaps the most important calculation which has to be made concerns the actual worth of the company's stocks. There must be some arbitrary assessment of the value of stocks in a concern of that kind; and if some independent inquiry were made—while the position that the Premier has outlined may be absolutely correct—such an inquiry would tend to reassure all of us.

It is obvious, particularly to those engaged in primary production, that agriculture is not nearly so prosperous as it was, and there is likely to be very much greater competition in the selling of tractors and other farm implements in the immediate future than there has been in the past. Chamberlain Industries has been somewhat unfortunate in that the concern was not able to get into the market at an earlier stage, when it was much easier to sell tractors and other farm implements than appears likely to be the case in the immediate future.

I support the idea of some inquiry being made. I would not like to express an opinion on the suitability or otherwise of the Premier's suggestion for meeting the position; but if the member for Stirling thinks it is adequate, I will be quite satisfied on that score.

HON. D. BRAND (Greenough) [8.32]: I support the motion for the reason outlined by the member for Roe—that, in respect of the financial situation, we want some advice as to just where we are going. There has been a heavy recurring expenditure on the part of the Government on behalf of this industry in order to enable it to carry on, and for that reason an inquiry should be made. Whether it is along the lines suggested by the Premier, or by means of an official select committee or a commission of some sort, does not really matter.

The machinery that has been produced by Chamberlains has been most satisfactory. It has built up quite a good reputation in Western Australia. It is

a matter of interest that the first tractor that went out from that firm was sent to my electorate to a man named Williams; and when I visited his property recently, he proudly displayed the machine and had only the highest commendation to offer with respect to its performance. The tractor recently produced, and referred to by the Leader of the Country Party, has yet to be proved; but I do not think that there is any other machinery from Chamberlains—whether it be plough, scarifier, or tractor—that has not been satisfactory.

As all members would know, when the tractors came off the assembly line in 1949 there was an urgent demand for them; and the money that the Government had expended to that date might very well have been justified, even though the expenditure was heavy in comparison with the output. The Premier quoted the figure for 1950, when the McLarty-Watts Government was in office, as £940,000; and the amount owed by the firm in February, 1953, at the change of Government, was £840,000.

I would point out that during that time machinery was being produced, and it was necessary in many instances to retool what was really inadequate and inefficient machinery, bearing in mind that a lot of the equipment was used during the war—and that was a long time ago—and it was found that if tractors were to be produced in numbers and at a cost somewhere within reason, more modern machinery must be installed in order to cut down expenditure. A great deal of the £900,000 by which the debt was increased over those three years went into the re-equipment and the retooling of the factory in order to produce ploughs, scarifiers and other equipment previously not manufactured.

For my part, I am not surprised that there are inquiries from other States about the tractors produced at Chamberlains, as they are very efficient and satisfactory. Because of that, I believe some inquiry should be made into the matter. The machines have been sold throughout the length and breadth of Australia; and if there were a possibility of the State being unable to continue giving the company support, with the result that the industry had to close down, it can be readily understood that the problem with regard to spare parts and maintenance would become very urgent.

The Minister for Mines: It would create a bigger problem for the farmers.

Hon. D. BRAND: Of course! Year after year greater demands are being made upon the Government for the expenditure of loan funds and other money to carry on the industry; and for that reason, we should know where we are going, and how long we can maintain the industry. The production of spare parts will represent a huge outlay in the future, particularly

as the industry evidently intends to produce a number of classes of tractors—diesel and light tractors, etc. In the circumstances, I consider that the Leader of the Country Party was justified in moving for an inquiry of some sort, and in drawing the attention of the people of Western Australia to the situation in which the industry finds itself.

When the matter is referred to the farmers, they say, "This is a Western Australian industry. We are very satisfied with the tractors, and it would be a pity to see the industry close down." Of course it would! But every year loan money—money very hard to extract from the market at present, and so urgently required for public works—has to go into this industry in order to enable it to be carried on.

That was the reason the McLarty-Watts Government decided to have an inquiry by a competent accountant, Sir Edwin Nixon. The inquiry was made and the report was presented. As a result of the report, just before the change of Government, an advisory committee was set up, as mentioned by the Premier, which was to report to Cabinet every six months on the financial situation. There was no thought at any time of closing the factory or of stopping production, but there was doubt whether the Government was justified in carrying the industry on, or whether it should be passed over to some private firm which could carry it on and so retain a very important secondary industry in this State, one of which we are proud.

I remind members that this industry is becoming more and more competitive, because the firms producing tractors overseas are not worried about shortage of capital and they are able to install the most modern equipment, engage in mass production and secure the best technical advice; and unless Chamberlain Industries can do the same, they will be priced out of the market. The bounty of £240 per tractor has ceased. Are we able to make up that amount, or is the State going to bear the loss of some £200 or more on each tractor produced? If we are going to make up that amount, more modern devices will have to be installed.

The Minister for Agriculture: A major company is producing 3,000 tractors a year and has found that it requires a bounty up to £150 or £200 a tractor by way of assistance.

Hon. D. BRAND: The factory must become competitive and secure the turnover by producing the number of tractors to enable the price to consumers to be cut.

The Minister for Agriculture: You favour handing it over to private enterprise completely without any further Government interest in the industry?

Hon. D. BRAND: I do. If we could have this industry conducted by private enterprise without the Government's appearing in it, it would be better. The Government has plenty to do with its loan money in the way of providing services such as water supplies, electricity supplies and so forth, and I consider that the Government would be well advised to expend its money along those lines. If, for the time being, it could help a firm, whether it be the Cockburn Cement Co. or Chamberlain Industries, along the road to establishment and the firm begins to repay some of the money advanced, or even the interest, that would be satisfactory, but we cannot at this stage see any indication that this money will ever be repaid. There is a doubt in the minds of so many people who are interested in this industry and I believe it calls for an inquiry.

The Minister for Agriculture: Is it not meeting its full interest obligations?

Hon. D. BRAND: If it is not, it should be.

The Minister for Agriculture: Is it not doing so today?

Hon. D. BRAND: The Premier stated that some £350,000 has been paid in interest, but the amount owing to the bank is increasing year by year. We cannot escape that fact. When is the industry going to pay its way and balance the ledger? Only a competent inquiry can tell us that.

The Minister for Justice: As a going concern, it is sound business.

Hon. D. BRAND: The Minister would know as much about that as I do. The factory appears to be producing a very satisfactory type of machine. What the actual cost of production is, I do not know, but unless it is competitive, it is not very sound. That is what we want to know. Therefore, I support the Leader of the Country Party in his move to have an inquiry. I am prepared to support him in any amendment he may have to his original idea, but I do urge members to support the holding of an investigation.

Some reference has been made to other large industries that involve Government expenditure and the commitments in those directions. The country and the city have had to make sacrifices to permit of the establishment of certain industries in this State. Sacrifices have been made in order that the Chamberlain industry might be established, and is time it began to paddle its own canoe. At this stage, I cannot see that the industry is capable of doing that financially.

The Minister for Agriculture: Just when we can see daylight, you are going to knock it back. That is what this will mean.

Hon. D. BRAND: Not at all. There has been no criticism of the machinery produced at the factory and no indication of any wish to close the factory.

The Minister for Agriculture: But what is likely to be in the minds of prospective buyers as a result of this motion?

HON. A. F. WATTS (Stirling—in reply) [8.47]: I am indebted to the several speakers for the excellent contributions they have made to the debate on my motion. The Premier, at the beginning of his remarks, said he understood I desired a select committee because I thought that all was not well with the company. I am in agreement with him on that point. Because I thought that all was not well with the company, I felt impelled to move the motion. Still, there were other reasons for tabling the motion, and one was my inability to obtain any information from responsible Ministers by way of questions in this House.

The Minister for Industrial Development: You had an opportunity to inspect the file.

Hon. A. F. WATTS: An opportunity to inspect a file under secrecy is not very satisfactory, because it places the member under an obligation not to make use of the information. When there is a concern, as there is in this case, that is indebted to a State institution to the extent of something like 30 per cent. of the gross capital of that institution, then I think it is time that Parliament, and particularly the Legislative Assembly, which is responsible for the finances of the State, had some information as to what has transpired in the last three years, because there has been no reference to the operations of the company. I asked the Minister, not what the total indebtedness of the company was, but by how much it had been increased or decreased since a certain date, and I received a laconic reply, "Increased." When I subsequently asked what the amount of the increase was, I was informed that it was considered inadvisable to make the matter public.

In those circumstances, members will readily understand that it appeared to me to be desirable to obtain some information. Then, of course, there was the report of the Auditor General. A few weeks ago, I asked when the Auditor General's report for the year ended June last would be available. That was a little earlier than usual, but I understood it was to be available at the end of October. However, it did not come to hand then, and so my only alternative was to move for a select committee before the session was too far advanced and private members' business was likely to come to an end.

Since that time we have received the report of the Auditor General for the year ended the 30th June, 1955. Having perused the document, I am quite unable to

understand the references made by the Premier to the reduction of the overdraft by £48,000. Of course, at the time I made my opening speech I did not have any report beyond the 30th June, 1954, and I had failed to get any information in answer to my questions, except of the sort I referred to a few moments ago. Consequently, I was not able to say what had been the financial result during the year ended the 30th June, 1955. The Premier has said that the overdraft was reduced by £48,000.

According to the Auditor General's report, whereas the indebtedness to the Rural & Industries Bank on the 30th June, 1954, was £2,335,403, on the 30th June, 1955, it was £2,377,418. That indicates an increase in indebtedness of £42,015 for the 12 months; and it is as well to mention here that the liability disclosed with respect to machinery and equipment is virtually unchanged at approximately £283,000. So it is difficult for me to comprehend how the liability on overdraft can have been reduced if the Auditor General—I presume he quotes the position accurately as at the 30th June, 1955—gives figures which indicate that, compared with his previous year's report, there has been an increase of £42,000 in the liability.

However, it is not of particular moment at this stage because the indebtedness is so considerable that £42,000 is but a small fraction of the total. So, I do not propose to dwell upon it further. I must, however, express my agreement with the member for Roe in regard to the additional accommodation which was provided through the Rural & Industries Bank of something over £500,000 for the year ended the 30th June, 1954. It is quite obvious that about 40 per cent. of the advance of £1,350,000 made to the bank for increased capital during that year was absorbed by this one advance.

There are two inferences to draw from that: If the advance had not been made it is to be assumed that the bank could have done with less capital so that the extra money from the loan funds could have been put into public works at a time when it was desirable for that to be done; or, alternatively, if the Rural & Industries Bank had been given the full amount and it had not made these advances in the one year, then it could have carried on in other directions, by giving relief to many persons engaged in industry, what I would say would be its more normal function of developing industry over a considerable number of persons rather than over one institution.

Particularly is that so when, as I indicated in my earlier remarks a fortnight or so ago, the advance followed the report from an eminent public accountant brought in especially for the purpose of making recommendations, the report being

to the effect that the amount of the advances to the company should not be increased because, in his opinion, the position had apparently been reached when it was necessary to be very cautious in making further advances.

So, as has been clearly expressed by other members, there is ample justification for the complaint about the advance of that sum of money in one period of 12 months following on the report; and, I suggest, there is ample justification for the complaint that it was advanced for that purpose at a time when the finances of the State, as we have been advised on every possible occasion, were so difficult that every penny counted. So, I do not withdraw, in regard to that aspect of the matter, anything that I have previously said on the subject.

I merely feel that it was unwise, and, at the least, it should not have been done unless the matter had been clearly explained to the House and the opinion of the House obtained on it. I think that in all the circumstances as they existed, that was a reasonable course to pursue. However, it was not, and then, when information was asked for, it was not provided. I do not, for the reasons I have given, want to get the information privately.

It is perfectly true, as the Premier said, that during the 5½ or six years from April, 1947, till February, 1953, when I filled the position of Minister for Industrial Development, the advances to the company did substantially increase. They increased from the figure he mentioned of £150,000 to £1,800,000. Most of that was inescapable in carrying out the understandings that had been arrived at with the company before the change of Government in 1947, having regard to the increased costs of development and the difficulties which the Premier referred to which beset the company in its endeavours.

I did note—whether it was a slip of the tongue I do not know—that the Premier said that in February, 1947, the business was under way. That is not so because, for example, the workshop—if that is the word to use—where all these tools and machines are, was certainly, by July, 1947, not in a state to do anything. I remember, as Minister for Industrial Development, going there and being accompanied by the then director. Very few of the machines were fully assembled, and the concern was not in a position to start business for many months thereafter. So, the greater part of the expenditure took place at a time when the business of the company was being developed.

As I say, we were endeavouring to carry out, subject to the changed conditions, the understanding which had been arrived at between the promoters of the company and the previous Government. But when we

got to the stage that the indebtedness with the Rural & Industries Bank reached £1,840,000, we decided in the interests of everybody, and without the slightest desire to prevent the operations of the company—rather on the contrary, to ensure that it would have some prospect for the future—to limit the company severely. It is the abandonment of that limitation, following upon the subsequent change of Government in 1953, that has gravely concerned me.

There is no one, I think, who is anxious to stop the manufacture of the articles that are being produced in the premises of the company—either the tractors that are suitable for agriculture in Australia, or the farming implements that are being produced there. In fact, I recollect very well that I did suggest to one of the members of the Chamberlain family, in discussion, that they should give consideration to the manufacture of some type of farming implement which subsequently was developed by them. But it is no use allowing a company of this nature to get into a position where its future is bedevilled by such a tremendous liability for interest and other payments, that its prospects of getting out of the trouble become more remote every day; and that is what I think has been done in the last two years. The position of the company must have been made more difficult by the increased obligation that it had to assume in respect of the greatly increased indebtedness to which I have referred.

I do not want to labour this question but would like to say, before concluding, that I think there is little or no evidence that the products of the company have been available to the consumer at a price much, if any, lower than that of similar machines available from elsewhere, and that apparently it would only have been possible for the company to carry on as well as it has by virtue of the fact that it has received, according to questions answered by the Minister for Industrial Development and the last report of the Tariff Board, in four years something over £250,000 by way of bounty on the production of tractors.

Surely the aim of an industry such as this should be to ensure that not only is it an employer of labour and a purchaser of materials—two very desirable things—but also a producer of articles which the persons who desire to buy them—the consumers, in short—can advantageously purchase, not only in respect of the service they will give but also in regard to the price level, and there is a growing risk, in my opinion, that either the company, if it is not going to have this bounty any longer, will, in order to make even the headway that the Premier is hopeful of, have to put up the price or, alternatively, that it will not make headway at all but will get into financial difficulties again.

There is, therefore, ample scope, not for a critical inquiry which seeks to demonstrate the desirability of blowing this concern up and destroying it, but for one which will try to find ways and means of putting the business on a better basis so that the State will not be further involved financially at a time when its loan funds are so desperately short, apparently, that never a week passes but we are told about it. I want to see that sort of inquiry held so that we may do something to help the State as well as the people actually concerned in this industry. I informed the Premier, a little time ago, that I did not propose to press for the acceptance of the motion for the appointment of a select committee by this House. There are a variety of reasons for that.

The time is not a very convenient one, bearing in mind what the Constitution Act provides as to the end of this Assembly on the 31st January next and also bearing in mind other factors which might occur to you, Mr. Speaker, if you thought for a moment. I would therefore be glad to discuss with the Premier, after this motion has been disposed of, the proposition which he made in regard to another form of inquiry, and I think that by that discussion we should be able to come to some agreement which will be satisfactory to all parties. I propose to leave it at that.

Question put and negatived.

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

- 1, Pensions Supplementation Act Amendment.
- 2, Local Authorities University of Western Australia Medical School Appeal Fund Contributions Authorisation.
- 3, Junior Farmers' Movement.
- 4, Coal Mine Workers' Pensions Act Amendment.
- 5, Marketing of Barley Act Amendment.
- 6, Soil Fertility Research Act Amendment.

BILL—RETAILING OF MOTOR SPIRITS.

In Committee.

Resumed from the 2nd November. Mr. J. Hegney in the Chair; Mr. Oldfield in charge of the Bill.

The CHAIRMAN: Progress was reported on Clause 5 to which Mr. Lapham had moved an amendment to insert after the word "if" in line 13, page 3, the figure and brackets thus "(1)".

Mr. LAPHAM: When I moved the amendment I intimated my intention, if it were agreed to, to move a further amendment, which I outlined. In the discussion which

followed the amendment seemed to be completely forgotten and members attacked the proposed further amendment. As the opposition to that proposed amendment appears likely to prejudice the passage of the Bill I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Mr. ROSS HUTCHINSON: I move an amendment—

That after the word "if" in line 13, page 3, the words "after the coming into operation of this Act" be inserted.

The principal objective of the amendment is to remove from this clause in the Bill that element of retrospectivity which makes the measure an unjust one. It appears to me to be unjust that an action which has already been taken can be made an indictable offence following the passing of a measure such as this. That is foreign to our way of thought. I hope the member for Maylands will agree to the amendment because, although there is merit in having retrospectivity in some parts of certain measures, there is no justification for it in a Bill of this kind.

Mr. OLDFIELD: I do not think the member for Cottesloe need have any worries if the Bill is passed as it stands. The Criminal Code clearly lays down that a person cannot be charged for doing something if, at the time, such action was lawful. The amendment is really redundant but it cannot do the measure any harm.

Amendment put and passed.

Mr. ROSS HUTCHINSON: The next amendment appearing in my name on the notice paper is slightly incorrect and the word "or" should not be included in the words to be struck out. I move an amendment—

That after the word "or" in line 17, page 3, the words "has not dealt or will not" be struck out.

I have given these words a great deal of thought and I believe that they contain an element of retrospectivity. If one looks at the clause one can see that there is no necessity for the words "has not dealt or will not," and surely the member for Maylands will be satisfied if they are struck out. If the clause is passed in its present form, it will include actions that have happened in the past and there will be a possibility of a wholesaler being charged in respect of something that he did in the past.

Mr. OLDFIELD: I must say that from time to time I have seen some methods adopted in order to make a Bill inoperative; but the method just adopted by the member for Cottesloe is really childish, especially coming from a member of six or seven years' standing. He claims that

the words contain an element of retrospectivity. I ask members to look at the clause and see how it will appear if the words are taken out. It is not a question of retrospectivity; this amendment, if agreed to, will leave the Bill wide open for a wholesaler to escape the obligation of supplying a retailer with fuel. The paragraph contains three distinct reasons and I have already agreed to an amendment moved by the member for Cottesloe in regard to his fears of retrospectivity.

It is laid down, irrevocably in the Criminal Code and under the terms of common law that no offence can be committed against an Act that has yet to be proclaimed. If the amendment is agreed to, it will be found that two years after the proclamation of the Act an offence could be declared to be retrospective. Certainly it deals with some time in the future, but it can only refer to an offence that has been committed since the date of proclamation of the Act.

In two years' time any offence would be retrospective to the date of proclamation. For example, "A", a retailer, is dealing with "X", a wholesaler. "A" has never dealt with "X", but he installs a bowser at his own expense and requests "X", the wholesaler, to supply him with motor spirit. "X" could not refuse to supply him because that would constitute an offence. He could not say, I will not supply you because you will not deal with me exclusively", but what he could say is: "I will not supply you because you have not dealt with me exclusively."

Those words were inserted by a skilled draftsman for a purpose. Since this amendment appeared on the notice paper it has been thoroughly examined by leading members of the legal fraternity. If the amendment is agreed to, it will leave the clause wide open. The whole purpose of the Bill is designed against a wholesaler who might say, "I will not supply a retailer because he does not deal, has not dealt with, or will not deal with me."

Mr. Ross Hutchinson: The position is fully covered by the words, "does not deal", or "or undertakes to deal".

Mr. OLDFIELD: It is not fully covered at all. One cannot commit an offence against an Act that is not law. I oppose the amendment.

Mr. ROSS HUTCHINSON: The member for Maylands went to extreme lengths trying to explain how the deletion of these words would kill the Bill.

Mr. Molr: He seemed to know what he was talking about, too.

Mr. ROSS HUTCHINSON: I do not believe that is so. If these words are deleted, the wholesaler will commit an offence if he does not deal or undertakes to deal. What does "undertake" mean? It means, "binds oneself to perform; makes oneself

responsible for; accept an obligation." Surely that is comprehensive enough for anybody. Why insert words with a retrospective flavour? The member for Maylands ranted about there being no possibility of an action being brought against anyone until the Act was proclaimed. Therefore, why have these words in the Bill? The hon. member is expressing fears for which there is no foundation. I hope the Committee will agree to the amendment.

Mr. HEARMAN: After listening to the member for Maylands, I am wondering what is the purpose of going on with the Bill. If we accept his argument that a wholesaler, under this legislation, can lawfully refuse to supply petrol or oils to any retailer for any other purpose than he has stated, the legislation is of no value. For instance, it is an offence if he does not exclusively, or if he will not deal with exclusively, or if he does not deal with exclusively. Therefore, there seems to be no purpose in the legislation. The wholesaler merely has to say, "I will not supply that garage because I think the proprietor keeps his premises in a bad state of repair."

Mr. Johnson: What are you dealing with?

Mr. HEARMAN: The clause under discussion.

Mr. Johnson: You are talking a lot of rot.

Mr. HEARMAN: If the wholesaler can deal with the retailer in any sort of manner I do not see how the member for Maylands is going to get very far with his Bill. To me, the clause seems to be futile.

Hon. A. F. WATTS: I think the clause is properly drawn in its present form. As the member for Maylands pointed out a few moments ago, the position is that one cannot be charged with an offence of doing something which was not an offence at the time he committed it. If it were not an offence until after the coming into operation of the Act, there would be no retrospectivity. The question does arise, however, that there may be no need to make a charge for an offence under the Act until some years afterwards.

If we only have the words the member for Cottesloe wishes to leave in, we shall be in the position of saying, "You cannot prosecute in January, 1958, for what was done in October, 1957, because this clause refers only to the present and to the future." If we are to pass the Bill at all, we might as well do so to enable it to deal with an offence after the passing of the Act. We should not make it hard for prosecuting authorities who have to deal with the offence months after the passing of the Act, because it could lead to quibbling on the lines I have suggested.

There is no retrospectivity about the clause although I think it was properly

drafted. Apart from that, we have the Criminal Code which would deprive this clause of any retrospective effect. That is not my opinion alone but the opinion of people who are well informed on the matter.

Amendment put and negatived.

Mr. ROSS HUTCHINSON: I move an amendment—

That the words "or does not intend to act" in line 20, page 3, be struck out.

I think members will have a hard time to suggest that those words are entirely fair because they seem to indicate to me some indefinite future time when a wholesaler might commit some offence and be charged for it. There is no element of retrospectivity here but there seems to be a blind dive into the future. I would like to hear the member for Maylands on this.

Mr. OLDFIELD: The amendment goes from one extreme to the other. As I explained in moving the second reading when drafting the Bill we wanted it to be fair to all sections of the industry. If the words are struck out, it means that the wholesaler must act immediately. This indefinite term as suggested by the member for Cottesloe is a small protection for the wholesaler. There may be something preventing him from acting immediately.

A retailer may ask for so many thousands and gallons of motor spirit to be delivered and the wholesaler may not be able to deliver it until the next day or the day after. He commits an offence because he does not act. The words enable him to deliver it the next day, or the day after. He may be confronted with financial or other difficulties. Some of the amendments on the notice paper seem to me to be in the nature of delaying tactics. If that proves to be the case, as we get further down the notice paper, we may have to take other action.

Mr. YATES: What other action can you take?

Mr. OLDFIELD: I can take any action I wish.

Hon. A. F. WATTS: Under Standing Orders.

Mr. OLDFIELD: That is so. I must oppose this amendment because it will be too harsh on the oil companies.

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

Clauses 6 and 7—agreed to.

Clause 8—Consent of Attorney General to prosecution:

Mr. ROSS HUTCHINSON: I move an amendment—

That after the word "or" in line 32, page 3, the words "a person thereto authorised in writing by the Attorney

General" be struck out with a view to inserting the words "Minister for Justice".

If members read the clause, they will find that the powers of delegation are very wide. The Attorney General can delegate to anybody. I do not suggest he would do so to anyone who is not responsible. But in cases that would arise from legislation of this nature, I feel it is of prime importance that no prosecution for an offence should be instituted without the consent of the Attorney General or the Minister for Justice.

Hon. J. B. SLEEMAN: There is no difference.

Mr. ROSS HUTCHINSON: Sometimes there is no Attorney General sitting on the Government benches. It would be unwise to include such wide delegation of powers, and I move for the deletion of the words and for the insertion of "Minister for Justice" to cater for the eventuality when there is no Attorney General in Cabinet.

Mr. OLDFIELD: If the amendment is agreed to, this will be the first piece of legislation to include both the Attorney General and the Minister for Justice as the authorities for instituting proceedings. It has been decided by the Supreme Court that the Minister for Justice is the Attorney General. The amendment seems to interfere with normal drafting practice. During this session a similar clause was agreed to in another Bill moved by a private member.

This clause was inserted to safeguard the wholesalers, and to prevent people from causing mischief by going to the court unnecessarily. It was decided to permit only genuine cases to be proceeded with. We all know the workings of Governments. When a person makes an application requesting the Minister for Justice or the Attorney General to take action, in most instances the matter is passed on to the Solicitor General. The Attorney General or the Minister acts on the advice given to him. The person thereto in writing delegated is usually the Solicitor General or a highly placed legal officer.

I was advised by the draftsman that in times past Governments have been formed without an Attorney General or a Minister for Justice, and that could occur again. In that event the Solicitor General is usually delegated such powers of prosecution. I oppose the amendment.

Mr. COURT: Whilst I see the merit of opposing part of the amendment, I must support the move for the deletion of words after the words "Attorney General." If this Bill becomes law it will be necessary for the Attorney General personally to direct litigation for offences against the Act.

Mr. Lawrence: Would this not be the duty of the Minister for Justice?

Mr. COURT: I am not interested as to whether or not the words "Minister for Justice" are inserted. To leave the clause as it stands after the words "Attorney General" would be sufficient to meet the objection of the member for Cottlesloe. The words to which I take objection in the clause are "or the person thereto authorised in writing by the Attorney General." As the responsible Minister, the Attorney General should personally decide whether proceedings should be instituted, and under no circumstances should this power be delegated to the Solicitor General or some other officer. I support the amendment for the deletion of the words.

Amendment (to delete words) put and negatived.

Clause put and passed.

Clause 9—agreed to.

New clause:

Mr. ROSS HUTCHINSON: I move—

That the following be inserted to stand as Clause 6:—

Nothing in this Act shall apply to any sale or dealing in motor spirits made or refused pursuant to any agreement or covenant made or entered into between a retailer and wholesaler before the commencement of this Act, but save as aforesaid the provisions of this Act shall have effect notwithstanding any agreement to the contrary.

The purpose is to preserve agreements or covenants entered into before this Bill becomes law. In essence the new clause seeks to preserve the sanctity of contracts entered into under British law. I feel there can be no objection to the new provision. It ensures that what has been made lawful in the past shall not be made ineffective by subsequent legislation. The latter part of the proposed new clause is taken from a portion of Clause 6.

Mr. OLDFIELD: In answer to a question during my second reading speech, as to whether there was any repudiation in the Bill, I said that there was no repudiation of any existing contracts. Any agreement in existence today, even if it had to last for another four years, would have to run its course. We do not want to interfere with agreements already made. By accepting this new clause the Committee will only be accepting a lot of redundant words.

Mr. YATES: I think the hon. member should accept the new clause. A person owning a service station, and not knowing the law to the same extent as

the member for Maylands, might not be aware of the intentions of the hon. member, and might go to unnecessary expense in employing a solicitor to take action against a company. If the clause were in the measure, such a man would know full well what the position was, and would be spared unnecessary expense. Although this may be redundant to the hon. member, to people outside it would not be so.

Mr. Oldfield: I will not oppose the new clause.

New clause put and passed.

New clause:

Mr. COURT: I move—

That the following be inserted to stand as Clause 10:—

In any prosecution under this Act the complaint shall be dismissed unless the complainant shall prove that the Act or omission complained of was to the detriment of the public and was not conducive to the efficient and economic marketing of motor spirits.

This is not inconsistent with a clause on the notice paper the other day in connection with another Bill that specifically dealt with this problem. In all investigations and litigation in other parts of the world where they have had much more experience of restrictive trade practices than we have had, it has been considered desirable to exempt practices that are not contrary to the public interest. That is what this clause seeks to do. It proposes to remove from within the bounds of an offence any complaint not considered to be against the public interest. In other words, the responsibility is on the complainant to prove that what has been done and is complained of does, in fact, act to the detriment of the public and is not conducive to the efficient and economic marketing of motor spirits.

Mr. Lawrence: That is usual in everyday life, is it not?

Mr. COURT: One would think so. But under the provisions of the Bill as it stands it might not be so. Even if the wholesaler were acting in the public interest, or in a manner the court would consider to be in the public interest, he would still have committed an offence if he violated any of the provisions of the Bill.

Mr. Lawrence: How would he be doing that by selling petrol?

Mr. COURT: I do not think I have to explain the measure in detail for the hon. member, because a lot has been said in this Chamber on the subject. The Bill sets out what are the offences; and I submit that the new clause is reasonable—particularly as at some stage or other, the

Attorney General will be called upon to make a decision as to whether a prosecution should be instituted or not. This is one of the clauses that would give him a guide from Parliament as to the grounds on which a prosecution should not be proceeded with.

Hon. A. F. WATTS: I supported new Clause 9 because I thought it was a proper provision to insert in the Bill. But I think this proposed clause is an anachronism; and if it is to be inserted, I do not quite know what the position will be. The member for Nedlands appears to have lost sight of the distinction between this measure and the one he referred to. As I understand this Bill, it deals mainly with the relationship between two sets of individuals—the wholesaler and retailer of petrol—and the offences, if any, will be in respect of the activities of the one towards the other. Those activities can at no time have any great effect upon the public.

On the other hand, the Bill which we dealt with the other night, and which embodied a similar clause—for which there was ample justification in that instance—dealt with the activities of persons combining together towards the remainder of the citizens—to wit, the general public, as affected by the price maintenance of a combine. That could affect the whole of the community, and unquestionably would do so from time to time. Therefore, there is a considerable difference between the two measures. I do not think we can justify this clause being inserted in this Bill, although there was ample justification for the previous clause.

Mr. OLDFIELD: I support everything the member for Stirling has said. If the Committee agreed to the clause, who would decide whether the matter was in the public interest or not?

Mr. Court: The court.

Mr. OLDFIELD: Which court? The Privy Council? If we accept this proposal, the Bill will be rendered inoperative.

Mr. COURT: I feel that I should make some reply to the member for Stirling who referred to a Bill we discussed the other night as being more of a public nature. I submit that the case now being considered is no different because, while the complaint will be between the wholesaler and the reseller, the people finally affected will be the consumers of petrol. The court would probably consider that the matter was one of vital interest to the public.

It has been estimated that if, under this legislation, every reseller in the metropolitan area demanded an extra single-unit pump, the increased capital cost would be approximately £500,000, and the increased cost to service the pumps would represent ½d. a gallon. If a reseller asked for a pump, one cannot imagine his putting in a pump for one grade only in

these days of two grades. Therefore, dual pumps would be needed, representing an additional cost of £700,000, and the cost of servicing them in the metropolitan area would affect the price of petrol by ½d. to 1d. a gallon.

New clause put and negatived.

New clause:

Mr. COURT: I move—

That the following be inserted to stand as Clause 10:—

Any petrol pump used or to be used for the sale of motor spirits shall be clearly marked in the usual distinguishing colours with the name of the motor spirits to be sold or offered for sale through such pump, and no person shall sell or offer for sale through such pump any motor spirit other than that of the brand so named thereon.

I cannot imagine any line of argument on which the member for Maylands could oppose the new clause because people are entitled to know what they are buying. When petrol or any other commodity is sold as a given product, it should be supplied with a clear responsibility on the part of the reseller and wholesaler to that effect. People buying a certain product are more concerned about the manufacturer or the wholesaler than about the retailer, and it is only reasonable that any pump used for the sale of petrol should bear the name of the spirit to be sold through that pump.

Mr. OLDFIELD: This is one of the most cleverly-worded clauses I have ever seen. The implications are clear and obviously it will render the measure inoperative. The distinguishing colours are registered under the Trade Descriptions Act. If a reseller installed his own pump in order to satisfy a demand for a certain brand of petrol, he would have to get the permission of the company before he could paint the name on the pump, and the company could refuse him permission and decline to supply petrol to be put through that pump. If the new clause is accepted, we might as well reject the Bill. I strongly oppose the new clause.

Hon. A. F. WATTS: I move—

That the new clause be amended by striking out the words "in the usual distinguishing colours".

I cannot see any objection to the name of the petrol to be sold being marked in such lettering as is deemed fit. If the reference to the distinguishing colours be deleted, the provisions of the new clause would be effective.

Mr. COURT: I have no objection to the amendment. The member for Maylands got himself worked up into a frenzy over

something that does not exist. He rather let the cat out of the bag over something that I had not thought was in Bill. I wanted to ensure that if people went to a pump to buy brand "A" or "B" petrol, and there was any argument they would know the company they could attack.

Mr. HEARMAN: In view of the fact that we have multi-grade spirits, it is fair to expect that the grade of petrol sold through a particular pump will be clearly shown. In due course I would like to move a further amendment to provide that the name and grade of the spirit is shown. If we do not say just what kind of petrol is being sold, it will be possible to have a mixture of petrols in a pump.

Mr. OLDFIELD: It is obvious that if a retailer installs a pump at his own expense and he wishes to mark it, it will be in his own interests to have it painted in the colours of the wholesaler. The wholesaler may be anxious to give him permission to paint it; or possibly the wholesaler will undertake the painting at his own expense. I am still not convinced by the amendment on the amendment; I still feel that the wholesaler could refuse the retailer the right to use his trade name. I would like to hear the opinion of the member for Stirling on this point.

Hon. A. F. Watts: I have already expressed the opinion that it is as clear as day to me.

Mr. JAMIESON: I am not keen on the amendment. If the petrol pump has to be marked and the reseller wants to change from one brand to another, he may have trouble in getting permission from the various companies to change the name on the pump. It might be sufficient if the retailer clearly indicates the brand of petrol being sold without marking the pump. I do not think that to mark the pump will achieve anything but confusion on the part of the person selling the petrol.

Mr. BOVELL: Something has been said about the wholesalers and the retailers but, in my opinion, the amendment on the amendment protects the consumer; and he is entitled to some protection. This provision will guarantee to the user of petrol that he will get what he thinks he is buying. In the interests of the general public, I think it should be agreed to.

Mr. JOHNSON: I oppose the amendment, and the whole clause. I am surprised that the member for Nedlands, who normally deals with the subject of freedom of trade, should introduce it. The amendment will prevent a practice that is common in many trades, namely, that of the proprietor of a business selling goods under his own name. The clause will restrict the situation so that the reseller will be able to sell petrol only under the

trade name of the supplier. There is no reason why a particular garage, say, Smith's garage, should not install its own pump and sell as "Smith's" petrol the spirit that it recommends to its customers. The responsibility to the customers would then lie with Smith. That is a normal trade practice to which I can see nothing objectionable, yet the member for Nedlands would do his utmost to prevent it. The Bill is in good form as it stands now, and I trust it will pass in that way.

Mr. COURT: I can see what the member for Canning was aiming at and I suggest that he give thought to this point: If the name of the product is not printed on the petrol pump, the position is left open to abuse. Later, in litigation, all sorts or arguments could be put forward by people to say that the notice was there on a certain day, but not on the day complained of. There is an obligation to put the name of the product on the pump to ensure that on a given day that was the name of the product being sold.

Mr. BRADY: Have we any guarantee that more than one brand is not going through a single reseller now? I am informed that most of the petrol sold in the metropolitan area comes from the one refinery, so why talk about different brands? We must read this proposed clause together with the following one and, in view of its effect, I oppose it.

Mr. JAMIESON: I think the proposed amendment with regard to the octane rating would be more important than the provision relating to the name. It seems common knowledge that all wholesalers now draw their supplies from one source and obviously it would not pay them to bring petrol from other refineries to this State. I agree with the member for Blackwood who said provision should be made to specify the octane rating of petrol sold—

The CHAIRMAN: I must remind the hon. member that the proposed new clause with which we are dealing has to do with the distinguishing colours of petrol.

Mr. JAMIESON: I am opposed to the proposed new clause and I believe the quality is more important than the name or colour of the product.

Amendment put and passed.

Mr. HEARMAN: I move—

That the new clause be amended by inserting after the word "name" the words "and grade".

If a garage proprietor put up his own brand of motor spirit, it might contain a proportion of power kerosene, for instance, and I think we should make provision for the grade of petrol sold to be specified. Otherwise, all sorts of things could happen.

The Minister for Works: What, for example?

Mr. HEARMAN: The member for Maylands is willing to accept the amendment. The average garage proprietor, selling his own proprietary brand, would have no means of determining its grade or octane rating and would have to rely on the wholesaler, as he does at present.

Mr. Oldfield: The pumps are marked with the grade, now.

Mr. HEARMAN: That is so. I repeat that a garage proprietor could not ascertain the octane rating.

Amendment put and passed.

New clause, as amended, put and passed.

New clause:

Mr. COURT: I move—

That the following be inserted to stand as Clause 11:—

Nothing in this Act contained shall be deemed to require any wholesaler to deliver motor spirits into a petrol pump the property of any other wholesaler.

I think this is reasonable as any one of us would object if told to deliver our products into a container the property of an opponent, and I would remind members that the petrol pump includes the underground tanks and pipes.

Mr. OLDFIELD: I have no objection to the proposed new clause as it is an offence at present, under the law, for anyone to sell "X" petrol through a "Y" pump.

Mr. BRADY: As I said earlier, I oppose a provision such as this because I think it is only playing into the wholesalers' hands, and the aim of the Bill is to take it out of their hands. It would appear that all the wholesalers would have to do would be to put their heads together to squeeze a retailer out of business. I do not think that is the desire of the sponsors of the Bill or of the members of this Chamber. After all, we know that these companies are supposed to be in competition with each other. But that applies only to certain matters; it certainly does not apply to price because in that regard there is no competition at all. The companies sell their products at the same price and the consumers are forced to pay it. If that can be done with one matter, it can be done with another. So I oppose this new clause.

New clause put and a division taken with the following result:—

| | | |
|--------------|-------|----|
| Ayes | | 30 |
| Noes | | 10 |
| Majority for | | 20 |

Ayes.

| | |
|------------------|--------------|
| Mr. Ackland | Mr. Nalder |
| Mr. Bovell | Mr. North |
| Mr. Brand | Mr. Norton |
| Mr. Court | Mr. Nulsen |
| Mr. Doney | Mr. Oldfield |
| Mr. Hawke | Mr. Owen |
| Mr. Hearman | Mr. Perkins |
| Mr. Hill | Mr. Roberts |
| Mr. Hoar | Mr. Sewell |
| Mr. Hutchinson | Mr. Thorn |
| Mr. Kelly | Mr. Tonkin |
| Mr. Mann | Mr. Watts |
| Mr. Manning | Mr. Wild |
| Mr. McCulloch | Mr. Yates |
| Mr. Ross McLarty | Mr. Graham |

(Teller.)

Noes.

| | |
|--------------|--------------|
| Mr. Andrew | Mr. Moir |
| Mr. Brady | Mr. O'Brien |
| Mr. Jamieson | Mr. Rhatigan |
| Mr. Johnson | Mr. Sleeman |
| Mr. Lapham | Mr. Heat |

(Teller.)

New clause thus passed.

New clause:

Hon. D. BRAND: I move—

That the following be inserted to stand as Clause 12:—

Nothing contained in this Act shall be deemed to require any wholesaler to deliver motor spirits into a petrol pump which is unsafe or does not conform to the safety requirements of the relevant local authority or of the Fire Underwriters Association of Western Australia.

Whilst I appreciate that under the weights and measures regulations we have an assurance that the pumps and equipment shall be kept in order, this new clause will provide that no wholesaler will be asked or forced to deliver spirits into a pump which is unsafe or does not conform to certain safety requirements. It has been moved in the interests of the public and I think the Committee could support it because it is an extra safeguard.

Mr. ACKLAND: I move—

That the new clause be amended by striking out the words "is unsafe or."

Hon. D. Brand: I am quite willing to agree to the amendment.

Amendment put and passed.

Hon. J. B. SLEEMAN: It seems to me that a few more words require to be struck out.

The CHAIRMAN: Before the hon. member proceeds, I would explain that the words contained in the new clause moved by the member for Greenough do not conform with the wording in the new clause appearing in the notice paper. The words, "in the opinion of the wholesaler is unsafe or" have been struck out.

Hon. J. B. Sleeman: I did not quite follow what had happened, Mr. Chairman.

New clause, as amended, agreed to.

New clause:

Hon. D. BRAND: I move—

That the following be inserted to stand as Clause 13:—

Before delivering motor spirits into any petrol pump of which he is not the owner, the wholesaler may carry out thereon at the expense of the retailer such inspections and tests as the wholesaler may consider necessary, and the retailer shall give to the wholesaler all facilities for such purpose. The retailer shall at his own expense carry out such modifications to the petrol pump as the wholesaler shall reasonably require.

This clause aims at the preservation of certain safety standards and allows the wholesaler, where the retailer is not the owner of the pump, to make recommendations in regard to any adjustments to the pump which are required and that these shall be carried out at the expense of the retailer. It could be that an old-fashioned pump might be installed which would not be up to standard and the retailer could prove to be difficult. Therefore, this new clause will ensure that a good standard of bowser is installed.

Mr. OLDFIELD: This is one amendment that I cannot possibly tolerate. The principle, as contained in the new clause just agreed to, has been accepted. Who is going to say whether a pump is up to standard? The local authority, the Fire Underwriters' Association or the Weights and Measures Branch? Officers of the Fire Brigades Board inspect these pumps from time to time and if their inspection is not satisfactory, I do not know what inspection would be. The proposed new clause is double-barrelled. I do not think any member can, with justification, accept it.

New clause put and negatived.

New clause:

Hon. D. BRAND: Anyone who has listened to this debate, read of the proceedings in the Press or has spoken of them behind the scenes, would know that the provisions of this legislation are highly controversial. On the say-so of the member for Maylands, who is responsible for the introduction of the Bill, it is an experiment. Nothing in it is retrospective; it is all new. In fact, it is something that is new to Australia and, further, it is something that would be new to other countries as far as I can ascertain.

It is legislation that has been introduced in this Chamber by a private member under a political situation which allows, perhaps, for greater emphasis to be placed on it. Therefore, whilst I supported the second reading, I think the life of the Act should be limited, and if it is going to be the success that is alleged or, on the other hand, if it is to create any problems as I have envisaged,

I think we should provide that the legislation should be reviewed after a period of 12 months. Therefore, I move—

That the following be inserted to stand as Clause 13:—

The provisions of this Act shall continue in operation until the thirty-first day of December, one thousand nine hundred and fifty-six.

Mr. OLDFIELD: I am afraid I must oppose this new clause. A similar clause has been inserted in other pieces of legislation, but in this instance the words proposed to be added could ensure that the legislation would not be successful. For example, if a wholesaler did not want to install a pump at a garage, the retailer would have to install one at his own expense. By the time he made arrangements to purchase a bowser, 12 months would have practically elapsed and the end of this legislation would be in sight. Therefore, what retailer is going to take the risk of spending £700 or £800 on the purchase of dual or multiple pumps? No retailer could afford to take such a risk if the legislation is to be limited to only 12 months.

Hon. A. F. Watts: What do you think would be a fair period?

Mr. OLDFIELD: Five years. If any member wishes to move along those lines I would be quite agreeable.

The Minister for Housing: Why state a period at all?

Mr. OLDFIELD: The legislation could always be repealed and I do not mind giving it a fair trial, but I cannot accept the proposed new clause.

Hon. D. BRAND: Perhaps the argument of the member for Maylands is justified on the grounds of capital expenditure that would be incurred by the retailers. I would think that three years is a fair period. When the Bill for the establishment of betting shops was introduced the Premier suggested a period of three years, and there was great expenditure incurred by the proprietors of these betting shops. The Premier knows how controversial the issue is, and it does not contain the advantages we are led to believe.

Hon. A. F. WATTS: I move—

That the new clause be amended by striking out the word "fifty-six" and inserting the word "fifty-eight" in lieu.

Mr. OLDFIELD: I did indicate that five years was a fair period. I would rather not see the clause in at all than accept this amendment. I must oppose the amendment.

Amendment put and negatived.

New clause put and negatived.

Title—agreed to.

Bill reported with amendments.

Recommittal.

On motion by Mr. Oldfield, Bill recommended for the further consideration of Clause 6.

In Committee.

Mr. J. Hegney in the Chair; Mr. Oldfield in charge of the Bill.

Clause 6—No Contracting Out:

Mr. OLDFIELD: I do not think this clause is necessary and I suggest the Committee vote against it.

Clause put and negatived.

Bill again reported with a further amendment and the reports adopted.

ADJOURNMENT.

THE PREMIER (Hon. A. R. G. Hawke—Northam): Before moving the adjournment of the House, I would mention that it is intended to sit after tea tomorrow. I move—

That the House do now adjourn.

Question put and passed.

House adjourned at 10.55 p.m.

Legislative Council

Thursday, 17th November, 1955.

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

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

- 1, Pensions Supplementation Act Amendment.
- 2, Local Authorities, University of Western Australia Medical School Appeal Fund Contributions Authorisation.
- 3, Junior Farmers' Movement.
- 4, Coal Mine Workers (Pensions) Act Amendment.
- 5, Marketing of Barley Act Amendment.
- 6, Soil Fertility Research Act Amendment.

QUESTIONS.**KALGOORLIE-BOULDER.**

Market Gardens and Water Supply.

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

(1) How many market gardens are operating in the Kalgoorlie-Boulder area?

(2) What is the total acreage under cultivation?

(3) How many registered gardeners are there in the Kalgoorlie-Boulder area?

(4) What are their respective holdings?

(5) What was the total water consumption for market gardens in this area for the years ended the 30th June, 1953, 1954, 1955?

(6) What was their individual consumption over the same periods?

(7) What new acreage was cultivated during the same periods?

(8) What acreage under cultivation has been closed since 1952, if any; and why was it closed?

(9) Was the department directly or indirectly responsible for the closure—e.g., due to the denial of water?

(10) Who were the holders of these gardens?

(11) What is the maximum quantity of water permitted per acre for market gardening purposes?

(12) What is the department's policy in granting further acreage for market gardening purposes in this area?

(13) Has the area under cultivation in any market garden in this area been extended since 1953?

(14) Who authorises these extensions, and on what grounds are such extensions permitted?

The **CHIEF SECRETARY** replied:

(1) There are 32 separate places growing vegetables on a commercial basis.

(2) No information is available of the area under cultivation.