

Legislative Council

Tuesday, the 7th November, 1972

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS (6): ON NOTICE

1. HOSPITAL

Esperance

The Hon. D. J. WORDSWORTH, to the Leader of the House:

- (1) Is it correct that the bed occupancy for the Esperance Hospital during 1968 was 25.6, and the adjusted June, 1972 figure was 40.8?
- (2) Were 171 babies born at the hospital during 1968, and have 156 been born this year to the 30th September?
- (3) Have there been 13 babies accommodated in a ward built for six?
- (4) (a) Are patients bedded down in the sunroom and other non-wards; and
(b) are they charged the same fees?
- (5) Are there occasions when patients are sent home from the hospital sooner than is desirable because their beds are required for incoming patients?

The Hon. W. F. WILLESEE replied:

- (1) Yes.
- (2) Yes.
- (3) There has been one occasion on which 13 babies were accommodated in Nursery facilities designed to hold 8.
- (4) (a) Yes. Day room facilities in the maternity wing are being used for patient accommodation.
(b) They are charged the minimum ward fee applicable to public hospitals.
- (5) I am confident that the doctors have not discharged patients unless they were satisfied that hospital treatment is no longer essential.

2. *This question was withdrawn.*

3. BOOKMAKERS' TURNOVER TAX

Highest Assessments

The Hon. N. E. BAXTER, to the Minister for Police:

Further to question 2 on Tuesday, the 31st October, 1972, what amounts of Bookmakers Betting

Tax were paid by the six bookmakers who paid the greatest amounts?

The Hon. J. DOLAN replied:

- (1) \$44,648.58.
- (2) \$33,607.02.
- (3) \$30,950.42.
- (4) \$27,092.47.
- (5) \$24,315.80.
- (6) \$24,082.05.

4. ORD RIVER SCHEME

Commonwealth Financial Assistance

The Hon. W. R. WITHERS, to the Leader of the House:

In view of the Government views in the Political Notes column on page 39 in the city edition of *The West Australian* dated the 2nd November, 1972, in which the Premier complains about the Commonwealth Government not giving financial support to a State project, and on page 14 of the same issue, where it is reported that the Federal Government has agreed to an expenditure of 1.3 million dollars on the expansion of the Ord scheme, and the Premier is reported as having said "The Commonwealth deserved praise for its generosity and foresight in providing financial help for the project", will the Minister advise—

- (a) on what date did the Federal Treasurer agree to the expenditure;
- (b) did the State Government immediately issue a Press release advising of the Federal Government's allocation of 1.3 million dollars;
- (c) if the Premier disagrees with the statement on page 14 of *The West Australian* referred to; and
- (d) if the Premier does not disagree, will he confirm his views that the Federal Government has been generous, has foresight, and deserves praise?

The Hon. W. F. WILLESEE replied:

- (a) It is not known when the Federal Treasurer agreed to the expenditure of \$1.3 million. A letter was received from the Minister for National Development dated 5th October in which the Hon. Minister said he was pleased to advise that there was no objection to my Government's proposal.
- (b) No.
- (c) and (d) The statement referred to related to a specific project and is re-affirmed by the Premier.

5. TERMINATION OF PREGNANCY BILL

W.A.I.T. Student Guild: Support

The Hon. W. R. WITHERS, to the Leader of the House:

- (1) Is the Minister aware of a letter circulated by the Student Guild from the Western Australian Institute of Technology that refers to the Termination of Pregnancy Bill?
- (2) If so—
 - (a) does he consider the contents to be factual; and
 - (b) would he please investigate the inference that the 7,000 members of the Guild supported the Termination of Pregnancy Bill?
- (3) Did any Members of the Parliamentary Australian Labor Party disregard Labor Party policy by voting against this Bill as inferred by the Student Guild?

The Hon. W. F. WILLESEE replied:

- (1) Yes.
- (2) (a) and (b). I have noted the contents of the letter and do not propose any action in connection with it.
- (3) No.

6. DRAINAGE

North-West: Linking

The Hon. W. R. WITHERS, to the Leader of the House:

- (1) Is it planned to inter-connect Government drainage channels from King Locations 383, 384, 385, 386 and 387, on the Packsaddle plain?
- (2) If so, where will the combined drainage waters be channelled to?
- (3) If not, where will the water be channelled to from each of the drains numbered D.P. 10, D.P. 8, D.P. 3, and D.P. 1?

The Hon. W. F. WILLESEE replied:

- (1) No.
- (2) Answered by (1).
- (3) Drain number D.P. 10 into Lake Kununurra. Drains number D.P. 8, D.P. 3 and D.P. 1 into Packsaddle Creek.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [4.37 p.m.]: I move—

That the House at its rising adjourn until Wednesday, the 8th November, at 2.30 p.m.

Question put and passed.

RESERVES (UNIVERSITY LANDS) BILL

Third Reading

THE HON. J. DOLAN: (South-East Metropolitan—Minister for Police) [4.38 p.m.]: I move—

That the Bill be now read a third time.

I promised the Leader of the Opposition that at the third reading stage of this Bill I would procure, if possible, a map of the site of the Murdoch University and also a copy of the agreement between the University of Western Australia and the Conservator of Forests in relation to the proceeds from the sale of pine. I have procured a copy of the map and the agreement and, with your permission, Mr. President, I will table them for the benefit of the honourable member.

THE HON. A. F. GRIFFITH (North Metropolitan—Leader of the Opposition) [4.39 p.m.]: I appreciate very much the action of the Minister in procuring a copy of the plan which was made available in the Legislative Assembly. The Minister also tabled a copy of the agreement which apparently exists between the university and the Conservator of Forests.

The Minister will appreciate that should I have any objection to the third reading of the Bill following the sighting of the plan or the agreement, I would have no opportunity whatever to express myself to that extent. I am faced with a *fait accompli* as far as the tabling of the papers is concerned. I do not think it will make any difference—

The Hon. J. Dolan: To be quite honest, I could not understand the agreement. It is a mass of formulae.

The Hon. A. F. GRIFFITH: Be that as it may, in order to keep the records straight the Government Whip should adjourn this debate to a later stage of the sitting, following which I cannot speak again. During the adjournment I will have a look at the plan and the agreement. Whether or not I understand them is beside the point; it is more important to know what is the correct thing to do. I am sure the Minister will realise the predicament in which I find myself. The documents have been tabled and I have had no opportunity at all to look at them.

Debate adjourned until a later stage of the sitting, on motion by The Hon. R. Thompson.

(Continued on p. 4778)

GUARDIANSHIP OF CHILDREN BILL

Assembly's Amendments

Amendments made by the Assembly now considered.

In Committee

The Deputy Chairman of Committees (The Hon. F. D. Willmott) in the Chair; The Hon. W. F. Willesee (Leader of the House) in charge of the Bill.

The DEPUTY CHAIRMAN (The Hon. F. D. Willmott): The amendments made by the Assembly are as follows:—

No. 1.

Clause 4.

Page 3, lines 22 and 23—Delete the words "Child Welfare Department" and substitute the words "Department for Community Welfare".

No. 2.

Clause 5.

Page 4, line 7—After the word "reside" insert the words "with the child".

No. 3.

Clause 5.

Page 4, line 10—After the word "together" insert the words "with the child".

No. 4.

Clause 22.

Page 11, line 4—After the word "notice" insert the words "in writing".

No. 5.

Clause 25.

Page 12, lines 27 and 28—Delete the passage "The Director of the Child Welfare Department appointed under the Child Welfare Act, 1947" and substitute the passage "The Director of the Department for Community Welfare appointed under the Community Welfare Act, 1972".

No. 6.

Clause 25.

Page 13, lines 1 and 2—Delete the words "Child Welfare Department" and substitute the words "Department for Community Welfare".

No. 7.

Clause 25.

Page 13, lines 29 and 30—Delete the words "Child Welfare Department" and substitute the words "Department for Community Welfare".

No. 8.

Clause 25.

Page 13, line 35—Delete the words "Child Welfare Department" and substitute the words "Department for Community Welfare".

No. 9.

Add a new clause to stand as clause 26, as follows:—

Applicant to give notice of intending application to Director of Department for Community Welfare.

26. Where a person intends to make an application under the provisions of this Act he shall, at least thirty days before the application is filed in the Supreme Court, notify in writing the Director of the Department for Community Welfare of his intention and shall give to the Director or other responsible officer of that Department such information as he may require.

The Hon. W. F. WILLESEE: This series of consequential amendments was brought about as a result of the passing of the Community Welfare Act. The legislation has been in another place for some considerable time, so when the community welfare legislation was proclaimed it was decided to take advantage of the fact that the Bill was still before Parliament to make the consequential amendments. I move—

That amendment No. 1 made by the Assembly be agreed to.

Question put and passed; the Assembly's amendment agreed to.

The Hon. W. F. WILLESEE: Amendment No. 2 is semi-consequential. It was submitted in the Assembly by a private member (Mr. R. L. Young). It was agreed to after being examined. I move—

That amendment No. 2 made by the Assembly be agreed to.

Question put and passed; the Assembly's amendment agreed to.

The Hon. W. F. WILLESEE: Amendments Nos. 3 and 4 are consequential upon amendment No. 2. I move—

That amendments Nos. 3 and 4 made by the Assembly be agreed to.

Question put and passed; the Assembly's amendments agreed to.

The Hon. W. F. WILLESEE: Amendment No. 5 brings the Bill into line with the changing of the title from "Director of Child Welfare" to "Director of Community Welfare," and is consequential upon the passing of the Community Welfare Act. I move—

That amendment No. 5 made by the Assembly be agreed to.

Question put and passed; the Assembly's amendment agreed to.

The Hon. W. F. WILLESEE: Amendments Nos. 6, 7, and 8 are further consequential amendments following the passing of the Community Welfare Act. I move—

That amendments Nos. 6 to 8 made by the Assembly be agreed to.

Question put and passed; the Assembly's amendments agreed to.

The Hon. W. F. WILLESEE: Amendment No. 9 relates to a new provision which it is proposed to add to give the department an opportunity to be present when a person makes an application under the provisions of the Bill. I understand a similar provision has been in existence for some considerable time but it has not been availed of. The proposed new clause will make it obligatory to notify the director to enable him to cause inquiries to be made beforehand and to be represented in court when it is considered necessary. I move—

That amendment No. 9 made by the Assembly be agreed to.

Question put and passed; the Assembly's amendment agreed to.

Report

Resolutions reported, the report adopted, and a message accordingly returned to the Assembly.

LIQUOR ACT AMENDMENT BILL

Assembly's Message

Message from the Assembly notifying that it had agreed to amendments Nos. 1 to 14 and 16 made by the Council, and had agreed to No. 15, subject to further amendments, now considered.

Assembly's Further Amendments: In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. W. F. Willesee (Leader of the House) in charge of the Bill.

The CHAIRMAN: Amendment No. 15 made by the Council is as follows:—

Page 5—Add after clause 7 a new clause as follows—

Section 23A added.
Special provisions where New Year's Eve falls on Sunday.

8. The principal Act is amended by adding after section 23 the following section—

23A. (1) Subject to subsection (2) of this section, where—

(a) the thirty-first day of December in a year falls on a Sunday; and

(b) the holder of a hotel licence, a tavern licence, a limited hotel licence, a wine-house licence, a restaurant licence or a club licence is authorised, apart from this section, to sell and supply liquor during a continuous period of hours which commences after noon on that day

and ends prior to midnight on that day,

the licensee is authorised by virtue of this section to sell and supply liquor from the expiration of that period of hours on that day until half-past twelve in the morning of the following day, if he has not later than the fifteenth day of December in that year given notice in writing to the clerk and the Commissioner of Police that he intends to sell and supply liquor under the authority of this section.

(2) Nothing in subsection (1) of this section authorises—

(a) the holder of any licence to sell and supply liquor other than in accordance with the same terms conditions, restrictions and limitations as are ordinarily applicable under this Act to the sale and supply of liquor by him on Sundays;

(b) the sale and supply of liquor for consumption off the licensed premises.

The further amendments made by the Assembly are as follows:—

Further amendment No. 1.

Delete the subsection designation "(2)" and substitute in lieu the subsection designation "(3)" in line two of proposed new section 23A.

Further amendment No. 2.

Insert in proposed new section 23A a subsection to stand as subsection (2)—

(2) Subject to subsection (3) of this section where the thirty-first day of December in a year falls on a day other than a Sunday the holder of a hotel licence, a tavern licence, a limited hotel licence, a wine house licence, a restaurant licence or a club licence is authorised by virtue of this section to sell and supply liquor from the expiration of ordinary trading hours on that day until half past twelve in the morning of the following day if he has not later than the fifteenth day of December in that year given notice in writing

to the clerk and the Commissioner of Police that he intends to sell and supply liquor under the authority of this section.

Further amendment No. 3.

Delete from subsection (2) of new section 23A proposed in Legislative Council's amendment No. 15 the passage "subsection (1) of" in lines 1 and 2.

Further amendment No. 4.

Delete the words "on Sundays" being the last two words in paragraph (a) of subsection (2) of new section 23A proposed in Legislative Council's amendment No. 15.

The Hon. W. F. WILLESEE: I move—

That further amendments Nos. 1 and 2 made by the Assembly be agreed to.

I think the whole purpose of the Assembly's further amendments is to extend the provision made in this Chamber in relation to New Year's Eve falling on a Sunday, so that it will apply when New Year's Eve falls on any other day.

The Hon. F. D. WILLMOTT: I have no objection to the further amendments. I think it is only fair that what we proposed when New Year's Eve falls on a Sunday should also apply to any other day of the week upon which New Year's Eve falls.

Question put and passed; the Assembly's further amendments to the amendment made by the Council agreed to.

The Hon. W. F. WILLESEE: I move—

That further amendments Nos. 3 and 4 made by the Assembly be agreed to.

Question put and passed; the Assembly's further amendments to the amendment made by the Council agreed to.

Report

Resolutions reported, the report adopted, and a message accordingly returned to the Assembly.

PARLIAMENTARY SALARIES AND ALLOWANCES ACT AMENDMENT BILL

Second Reading

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [4.59 p.m.]: I move—

That the Bill be now read a second time.

The purpose of the Bill is to make provision for additional offices in both Houses of this Parliament for Whips of minor parties of at least seven members in their respective Houses, other than a party whose leader is the Premier or the Leader of the Opposition, and to provide for the re-

muneration of the holders of such offices pending the next determination by the Parliamentary Salaries Tribunal in 1974.

The Members of Parliament, Reimbursement of Expenses, Act, 1953, was amended in 1959 to provide, initially, for reimbursement of expenses to the Government Whip and the Opposition Whip in the Legislative Assembly, the annual amount thereby provided being \$400 and \$300, respectively.

In their report of 1965 the members of the committee on allowances and reimbursements to members of the State Parliament of Western Australia recorded their thought that—

It could be said that these officers are servants of the respective parties and that there is no warrant for charging their allowances to Consolidated Revenue.

However, there are precedents in other States and, of course, the Act of 1959 gave them recognition here. The work of these officers involves a close study of the progress of parliamentary business, "intelligence" so far as political moves are concerned, rounding up members, generally within the House, but, on rare occasions, outside the House.

After listening to the two Whips, the committee formed the opinion that these allowances are really for services rendered and should, therefore, be part of the remuneration. The committee consequently recommended that composite allowances of equal amount be paid to each Whip, being also of the opinion that there was no good reason why the allowances of the two Whips should differ.

The recommendations of the committee were adopted by Parliament—the Members of Parliament, Reimbursement of Expenses Act Amendment Act, 1965, deleting the provisions in the principal Act relating to the Government Whip and the Opposition Whip in the Legislative Assembly, and the Parliamentary Allowances Act Amendment Act (No. 2), 1965, making provision for the composite allowances, together with composite allowances to the Government Whip and the Opposition Whip in the Legislative Council.

The Parliamentary Salaries and Allowances Act, 1967, repealed the Members of Parliament, Reimbursement of Expenses Act, 1953-1965, and the Parliamentary Allowances Act, 1911-1965, and provided for the Parliamentary Salaries Tribunal, established under the 1967 Act, to conduct an inquiry and to determine what remuneration should be paid to Ministers of the Crown and to officers and members of Parliament.

The tribunal conducted its inaugural inquiry in 1968, and by its determination fixed the annual salaries, additional to the basic salaries, payable to the Government

Whip and the Opposition Whip in the Legislative Assembly at \$850 each, and to the Government Whip and Opposition Whip in the Legislative Council at \$600 each.

The tribunal met again in 1971 and in its determination raised these annual salaries to \$1,150 each for the Government and Opposition Whips in the Legislative Assembly and to \$800 each for the Government and Opposition Whips in the Legislative Council. It was during this 1971 inquiry that submissions were made by the Leader of the Country Party for recognition of and remuneration for his party's Whips in both Houses of this Parliament, and he agreed, after discussion with the tribunal, that legislation would be needed to provide for this since these Whips could not be regarded as Opposition Whips.

It is as a result of subsequent approaches by the Leader of the Country Party that this legislation is now introduced for the consideration of Parliament, to make provision for the payment of an additional annual salary to the Whip of any minor party in either House consisting of at least seven members in the respective Houses.

The main purpose of the 1967 Act was to remove from Parliament the unsatisfactory system of members fixing their own salaries and allowances, and this function was vested in the tribunal. However, under the provisions of the Act the tribunal is only required to meet once every three years, and it is not due to again meet to inquire into existing salaries and allowances until June, 1974. Therefore, in order to provide some remuneration for these Whips in the interim period, provision has been included in this Bill to allow the tribunal on the passing of this amendment to determine the annual amounts payable to the respective Whips as described in clause 2 of the amending Bill.

When this Bill was introduced in another place provision was made for Parliament to fix an interim figure of \$200 each per annum. Shortly after the measure was introduced the Premier was informed that the members of the tribunal were concerned inasmuch as the provisions in the Bill cut across the basic principle of the tribunal, as in this particular case Parliament would be setting the emolument and not leaving it to the tribunal as it is charged to do under the legislation.

As soon as this was brought to his notice the Premier readily appreciated the point raised, and as he had no intention of cutting across the functions of the tribunal or creating difficulties in any way for the tribunal or upsetting its members, it was consequently felt that a reasonable way to deal with the matter was to adhere to the spirit and principle of the existing legislation and make it possible for the tribunal

to fix whatever figure it thought fit. But this does not necessarily mean that nothing will be done until the next meeting of the tribunal, whose members may contact one another at any time to arrive at its determination in the matter.

Debate adjourned, on motion by The Hon. L. A. Logan.

FIRE BRIGADES ACT AMENDMENT BILL

Second Reading

THE HON. R. H. C. STUBBS (South-East—Chief Secretary) [5.05 p.m.]: I move—

That the Bill be now read a second time.

This Bill proposes the repeal of section 32 of the Fire Brigades Act. It is designed to facilitate the reorganisation of the top operational officer command structure of the fire brigade. This will provide for shorter and more effective lines of day-to-day communication, direction and command.

It will facilitate members' appreciation of the objectives of this re-enactment if I outline some appropriate aspects of the fire brigades administration.

Prior to 1970 the fire brigades in Western Australia as constituted under the principal Act were—as expressed in operational and technical terms—administered by a chief officer assisted by a deputy chief officer.

By 1970 the expansion in public demands on fire brigade services necessitated a substantial degree of specialisation. This was met by the establishment of a number of self-contained departments. The command and direction of these was entrusted, under the chief officer, to three assistant chief officers created by the board under the provisions of section 29.

Those departments were—

Fire prevention—specialising in techniques of preventing fires;

General staff and training—specialising in logistics and training; and

Country department—specialising in fire protection outside the metropolitan boundary and overall development and supervision of volunteer fire brigades.

The experience gained since the establishment of this administrative set-up has clearly indicated the practicability of the chief officer undertaking the personal supervision and direction of the three departments. As a consequence the deputy chief officer's post has become superfluous.

However, there has emerged a need for an operational officer to command directly the four shifts and to co-ordinate overall brigade resources.

To fill this gap, the board proposes to create a fourth post of assistant chief officer, believing that a one-over-four command structure will eventuate in circumstances under which the post of chief officer will become a more competitive one—a factor which retention of the post of deputy chief officer would render impracticable.

As the present chief officer retires early in January, 1973—making the post of deputy chief officer vacant on the same date—the board proposes to inaugurate the change in uniform command structure to coincide.

The Bill also proposes the amendment of section 37, which deals with the contribution towards expenditure. The cost of the board's operations is presently shared between the fire insurance companies 64 per cent., local authorities 20 per cent., and the State Government 16 per cent.

In requesting the Government to reduce the local government contribution below 20 per cent., Mr. A. E. White, Secretary of the Local Government Association of Western Australia (Inc.), had this to say on the 27th September, 1971—

The association decided to ask that, in view of the parlous condition of local government finances the role of contributions by councils be reduced below the present 20 per cent. The association is not prepared to decide whether the reduction should be at the expense of the Government or of the insurers, although the latter have the most to gain from the activity of fire brigades, but leaves that entirely to the discretion of the Government.

As a result of these and other representations the Government decided to completely review the contributions and after extensive research by Treasury officials it was decided that legislation be introduced to amend the rate of contribution of insurance companies to 75 per cent., local government to 12½ per cent. and Government to 12½ per cent.

This was done because of a number of reasons, but chiefly because the Government felt that the local governments had put up a strong case to support their request and, secondly, after having decided that local government should have its contribution reduced the Government agreed with Mr. White's remark that the insurers have the most to gain from the activities of fire brigades and, therefore, decided that they should be the ones to bear any adjustment.

As to why the Government should reduce its contribution, the answer is simply that the review revealed that two of the major States of Australia have Government contributions of 12½ per cent. and a third 11.01 per cent., and it was decided therefore that some parity be established.

It does not seem reasonable that this Government should be required to contribute a percentage in excess of the Government contribution in three other States of Australia. An endeavour has been made to afford relief to local government and to establish percentages of contributions which have been accepted in other States.

Debate adjourned, on motion by The Hon. R. J. L. Williams.

RESERVES (UNIVERSITY LANDS) BILL

Third Reading

Debate resumed from an earlier stage of the sitting.

THE HON. G. C. MacKINNON (Lower West) (5.12 p.m.): My leader, Mr. Arthur Griffith, is not in a position to speak to the documents which the Minister has kindly tabled, and he has asked me to look into these. The map that has been provided to us clearly identifies the area in question, and it makes it easier for us to understand the situation.

Many members who have travelled along North Lake Road will recall the two lakes—North Lake and Bibra Lake—between which runs a road leading to the Jandakot Airport. The area in question—and this is slightly to the north of that road—is bounded by a nonexistent road known as Ellis Road and by a continuation of a road which has not been built. This is either South Street or South Road. On the western side is Windelya Road which is only partially built, and on the eastern side is Bateman Road, which is not marked on the map before us.

This is an ideal area on which to establish a university. It is not entirely covered by pine trees. The western end near the two lakes is well covered by these trees, but the eastern end is not.

I have had close association with this area, because originally a major hospital was to be built at Bull Creek but when that area was cut off, Professor Stephenson, Dr. Davidson, and I looked into the matter and came up with a proposal to establish these facilities in another area in the vicinity. From those negotiations the determination on the site of the Murdoch University and a major hospital was arrived at, if the plans laid down several years ago are to be proceeded with.

I suppose that the central laundry, the establishment of which was refused by Parliament, will be built somewhere in this area. It is not marked on the map, and there is no mention of that. However, I suppose it will be in one of the pockets closer to the Jandakot Airport end, towards the river. That would be at the north-eastern corner, and in reasonable proximity to the proposed new hospital, but I am not sure.

As I understand the position the site for the hospital was moved because one of the flight paths from Jandakot Airport went over the original site—which is at the bottom right-hand corner of the area on the map—which it was proposed to set aside for the university and the associated hospital. I do not know whether the Minister can tell us where the laundry is to be built. It will certainly be a matter of interest to know where the Government proposes to build the laundry. Under the heading of management we find the following on page 4 of the agreement:—

After the expiration of 30 years from the date of this agreement areas denuded of the planted crop may be discharged from the operation of this agreement as mutually agreed but except in respect of such areas the University will not during the currency of this agreement alienate by transfer lease (except subject to Clause 8) or otherwise the said location or any portion thereof.

The agreement was signed on the 5th December, 1933, and as 30 years have expired those areas which will need to be denuded of the planted crop will not be subject to the agreement.

It has not been considered necessary to write a new agreement and accordingly the old agreement remains. Since this contains the clause I have just read no problems will arise in regard to any buildings which may be constructed in that area. I am not sure, but I think the area is in the Minister's own province.

The Hon. J. Dolan: I think it is.

The Hon. G. C. MacKINNON: I am sure he will be interested in having this money spent there, and the fact that its expenditure was authorised by the previous Government will not cause the Minister to go any greyer or to lose any more hair.

I am glad of the opportunity provided, however belated, to have a look at the agreement and plan, because these now clarify the position. I thank the Minister for making these available, albeit a little late.

THE HON. D. J. WORDSWORTH (South) [5.17 p.m.]: I wish to express disappointment that the second university is to be built in a suburb of Perth rather than in the country. I feel this was an excellent opportunity for the Government to grasp the nettle of decentralisation and act accordingly. The present Minister for Development had added to his portfolio the title of "Decentralisation". The Minister regretted having brought up the subject of the steel mill for Albany, and having failed to see that eventuate here was a chance for the present Government to perhaps do something about establishing a university in Albany.

I felt I ought to draw the attention of the House to the fact that the present Government could have changed the decision made by the previous Government and done something to help the cause of decentralisation. However the Government has not seen fit to act in this manner.

THE HON. J. DOLAN (South-East Metropolitan—Minister for Police) [5.19 p.m.]: I think the House is indebted to Mr. MacKinnon for his careful study of the map and for the matters he raised.

As a member who contemplates retirement I am not over-concerned about the fact that money is to be spent in my province and not elsewhere.

The Hon. A. F. Griffith: You should be concerned in the interests of the community.

The Hon. J. DOLAN: I am always concerned in the interests of the community, more particularly when something like the Murdoch University is to be built. It does not matter where it is built as long as it is established. With those few remarks I commend the third reading of the Bill.

Question put and passed.

Bill read a third time and passed.

MARRIED PERSONS AND CHILDREN (SUMMARY RELIEF) ACT AMENDMENT BILL

Second Reading

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [5.20 p.m.]: I move—

That the Bill be now read a second time.

The Bill was introduced in the Assembly during the autumn sitting and allowed to stand over until the present sittings. During the interim period the provisions of the Bill were studied by interested organisations and conferences were held between officers of the court and Crown Law, and representatives of the Law Society. As a result of these discussions, certain amendments were agreed to and have been incorporated in the Bill before the House. Each of the parties involved in the discussions has a different role in the working of the legislation.

The court adjudicates between the parties according to the laws approved by Parliament.

The Law Society, with the experience of its members who practise in the jurisdiction, is in a position of dealing with both complainants and defendants and is, therefore, in a position to put forward views necessary to safeguard the interests of both sides. The Crown Law has an obligation to ensure that the interests of the community are not jeopardised by legislation.

Under these circumstances members should be prepared to accept that the

proposals in the Bill have been subject to satisfactory review by organisations with different responsibilities.

Changes in social and economic conditions require the law in this field to be subject to regular review. Whilst there may be some call for a more comprehensive review, at this stage it seems reasonable to deal only with those items needing early attention.

Currently, a Senate Committee of the Federal Parliament is examining the need for revision of the matrimonial laws of the Commonwealth. There is little doubt that such examination will deal with the question of establishment of family courts and will of necessity consider some aspects of matters dealt with under summary jurisdiction. Under these circumstances it is prudent to await the opportunity to examine the Senate's report before making any substantial changes in the present State laws.

As with most legislation, some sections of the community will not be satisfied with the amendments. However, a study of the proposals will show that a fair and reasonable balance between all parties has been maintained.

It is proposed to outline the major changes in the legislation, as many of the clauses deal with minor machinery amendments and others consequential on the alterations proposed in this Bill.

Clause 6 (a) proposes that all payment of amounts of maintenance are to be paid to an officer of the court for disbursement to a person named in the order.

The responsibility which falls on the court and the clerk in enforcing orders makes it essential that accurate records of payments be kept. The court's experience in cases where parties make and receive payment directly to one another is that there is frequent disagreement as to amounts and periods, particularly where automatic variation of liability occurs as in the case of children attaining 16 years of age, or where there has been imprisonment.

Whilst the court agrees direct payment is simpler, it is satisfied that more confusion and misunderstanding arise and, therefore, the proposed amendment is justified; furthermore, when the clerk is required to give a certificate of payments to determine arrears, the Act recognises only payments made through the court.

It is interesting to note that in other States, there is an increasing tendency for courts exercising jurisdiction under the Matrimonial Causes Act to direct that payments be made directly to a specified clerk of courts. The confusion and misunderstandings which arise as a result of direct dealings between the parties will be avoided under the proposed amendment.

The matters which the court is empowered to take into account when fixing the amount of maintenance have been extended by clause 6(b). Such extensions are justified having regard to presentday conditions and will provide the court with power to make orders appropriate to the circumstances and needs of each party.

Clause 7 provides protection against annoying molestation. Whilst the court has power to require any party to enter into a recognisance to keep the peace, this has been found to be completely ineffectual in dealing with insults or aggressive behaviour causing fear to other parties. Such undesirable practices should not be tolerated in our system of democracy and the proposed amendment will obviate this situation.

Having regard to changing social attitudes, provision is being made in clause 9 for the parents of illegitimate children to obtain custody and access to such children. This decision is in keeping with the amendments made in recent legislation enacted by the Government to provide succession rights to illegitimate persons. Common justice seems to warrant a person having custody access to a child which he is required to maintain.

In recent months complaints have been received about the failure of persons having custody of children to comply with the order of the court for access to a child.

Consideration has been given to the best means of overcoming this problem and, therefore, clause 21 proposes that the court should have power to vary or suspend any order containing a provision for the maintenance of that person who disobeys an order for custody or access to a child. It is not reasonable that a person who disobeys an order of a court should continue to benefit personally under another order of the same court.

Presently there is no provision for plural births in applications for preliminary expenses concerning an illegitimate child. Clause 12 is intended to correct the position.

An obligation to be placed on the court to satisfy itself that a child over the age of 16 is dependent before making an order, is provided in clause 13.

Under the existing legislation a party to a marriage may apply for discharge of an order. There is no power for other persons, for example the director for community welfare or grand-parents, to make such applications. This is to be remedied by the amendment contained in clause 14.

Clause 10 dealing with the power of the court in respect of interim orders is to clarify the matter of the limits and extension of such power.

Power is to be given to the court to make rules dealing with the disclosure of assets and liabilities of parties to proceedings under the Act.

It will be realised that such information is essential for the proper assessment of the amount of an order for maintenance. Clause 17 deals with this proposal.

It has been decided to accept the Law Society's proposal that the Act should provide for the registration, and enforcement and variation of deeds of separation and maintenance agreements. Legislation on this line has been operating satisfactorily in New Zealand for many years. Accordingly, clause 19 has been drafted to provide a new part dealing with the registration of such agreements.

The need for power to deal with offences in respect of custody orders made in other States has been recognised. Clause 22 sets out the proposed provisions.

The most significant change proposed is the procedure in respect of the enforcement of orders for payment of maintenance.

At the present time when an order is made the default is fixed and the defendant can be imprisoned without further reference to the court when the terms of the order are not fulfilled. This can cause hardship when the defendant's means have altered making it impossible for him to meet the obligation or the amount of arrears is beyond his financial resources.

A defendant may apply to the court for suspension of the warrant but not all persons would be aware of this right. Experience shows in most cases where such a step is taken that a change of the defendant's circumstances warranted relief and the court has exercised its discretion in this regard.

Enforcement of maintenance orders is taken under procedures provided in the Justices Act. Warrants are executed without any inquiry into a defendant's means as is the case in regard to warrants issued under the provisions of the Local Courts Act. When it is recognised that the amount due under a maintenance order is a civil debt, it seems appropriate that similar procedures should be followed. This is to be the practice under the proposed amendment where the defendant is to be required to appear before the court to show cause why a warrant of commitment should not issue. In the practical situation the court will find the defendant either able to pay, to pay a reduced amount, or to require time to meet his obligations.

The new procedure, having regard to the experience in other States where it has operated for many years, will not cause any greater delays than at present and would further—

- (a) Eliminate wrongful arrests;
- (b) The return date of the summons would be known to the party at whose instance or on whose be-

half it was issued and enable the party to be represented at the hearing.

At present applications for suspension of warrants are dealt with *ex parte* as it is not certain when such warrants will be executed and there is no time available to inform the other party.

- (c) Hearings for enforcement would not take precedence in time over other proceedings as presently occurs when the court is required to deal with applications for suspension immediately following execution of the warrant.

The amendments are set out in new sections 30B, and 31A to 31M in clause 23.

The court is to be empowered to deal with failure to comply with recognisances entered into pursuant to the Act. Presently enforcement is taken under the provisions of the Justices Act which requires defaulters to be dealt with in courts of petty sessions. There is good reason for this action to be taken in the Summary Relief Court. Clause 22 inserts a new section 29B to provide the Summary Relief Court with power to deal with these matters.

Applications to set aside decisions of the court are now dealt with under the provisions of the Justices Act. The present section 89 is to be repealed and re-enacted to provide specific procedures under the Married Persons and Children (Summary Relief) Act. Clauses 32 and 33, set out the amended procedures.

Clause 34 adds four new subsections dealing with the procedures required for making applications and complaints, enabling the court to proceed in the absence of the defendant and remand persons apprehended under warrants. Amendments to the Justices Act in recent years make the provisions of that Act inapplicable to proceedings in the Summary Relief Court.

Other amendments not specifically referred to relate to procedural matters and are considered necessary to clarify existing provisions.

The amendments contained in this measure will be sufficient to deal with matters requiring early attention. The Law Society believes some of these proposals will tend to give the court powers of an inquisitorial nature. It is its understanding that proceedings in this jurisdiction were envisaged as being of an adversary nature and, therefore, consideration should be given to determining the manner in which proceedings are to be conducted. Earlier, reference was made to the establishment of the Senate Committee on Matrimonial Matters, and the decision to await the committee's report before any substantial changes are made to the present legislation. This question can receive attention at that time.

The Bill is submitted for favourable consideration by members.

Debate adjourned, on motion by The Hon. I. G. Medcalf.

COAL MINE WORKERS (PENSIONS) ACT AMENDMENT BILL

Second Reading

Debate resumed from the 2nd November.

THE HON. T. O. PERRY (Lower Central) [5.33 p.m.]: Mr. President, I rise to support the amending legislation, but I am not very enthusiastic about it. As you, Sir, know, when I rise to support any matters concerning Collie I usually become extremely enthusiastic and this has got me into trouble. I gave the present Premier a bit of a nudge regarding the taking of more deep-mined coal and this got me into trouble. I supported the proposal that inland fisheries licenses for mine workers pensioners should be free, and this got me into trouble. Perhaps I should now talk about the Bill before you, Sir, call me to order. Otherwise, I will be in trouble again.

The Minister, in his second reading speech, outlined the intentions of the measure. The main object is to amend the definition of "mine worker" to include consultants. These men—or employees—are usually engaged by the companies for a short period of time for the specific purpose of ironing out particular matters or problems in the coal industry after which they move on.

If the legislation is passed, consultants will be obliged to contribute to the mine workers pensions fund after they have been employed for a period of two months. Rarely will these men derive any benefit from this fund. It is for this reason I cannot raise any great enthusiasm for the legislation.

During the time I have represented Collie I can think of only two consultants who have been employed in the coal industry. One was employed by the Griffin Coal Mining Company and, after a period of a few years, he was employed by Western Collieries. That gentleman is well known to many members in this House and, in fact, he is the brother of a Minister in another place. He has left the industry now and would not gain any benefits from a scheme of this nature. The other consultant was employed for only a few months before he moved on.

In view of the fact that consultants are usually employed for short periods, I cannot see that these men would gain any great benefit. Of course, the companies will be called upon to contribute an equal amount to the mine workers pension fund and possibly this will benefit others who stay in the industry.

The Bill also proposes to amend section 9 of the parent Act by making child allowances exempt from any calculations for pension and social service benefits. I consider this is a good feature of the legislation and I am quite sure no member will be opposed to it. With those few brief comments, I support the legislation.

THE HON. V. J. FERRY (South-West) [5.35 p.m.]: I, also, support the legislation but, together with Mr. Perry, I am only lukewarm in my attitude to one of the provisions in the Bill. I am well aware that several provisions in the measure will advantage dependants of mine workers and I certainly concur with these provisions. They are quite reasonable and, in fact, it is only a matter of tidying up the legislation to meet the current situation.

I feel it is perhaps splitting straws a little to amend the definition of "mine worker" to include consultants. I can see the purpose of bringing this forward for consideration, but apparently consultants have been rarely used in the mining industry. It is not unusual for consultants to be called in, but it is unusual for them to be employed for any length of time. I think it is carrying things a little too far to make them contribute to the coal mine workers pension fund. I realise it will tend to encourage better relationships between employers and employees on the coalfield. Nevertheless, it seems a little odd that a consultant should be obliged to contribute to the fund if he is employed in the mining industry for only a few months. Of course, his employer will also be obliged to contribute to the fund.

Under the provisions of this legislation, I would be surprised indeed if any consultants were to benefit. Of course, it is possible that should a consultant have the misfortune to be killed while on the job in a mining situation his dependants could benefit.

Usually a consultant is employed in a temporary capacity for a matter of a few months or a few years, at the most. After this, he leaves the area and the industry. He will certainly receive back some of his contribution, but as I read the legislation, he would only get back 75 per cent. of the amount he has contributed. Perhaps this would amount to only a small sum but the principle does seem peculiar.

Although I support the Bill, I have raised this question because, in my opinion, it could have been left unsaid by way of legislation. If the coal mining industry is so sensitive to a consultant coming in, it seems to be stretching the long bow to include this provision to help the industry. However, if it is the wish of the industry, I will not vote against the provision but, if I may use the expression, it is rather a fiddling one. In other respects, I support the measure.

THE HON. R. H. C. STUBBS (South-East—Minister for Local Government) [5.40 p.m.]: I thank both Mr. Perry and Mr. Ferry for their contributions to the debate. Apparently the only provision they query is the one which proposes to include consultants under the definition of "mine worker". I understand this is a sore point in the coal mining industry. This is because some consultants have been employed for long periods. In saying this, I acknowledge that the numbers so employed may not have been many, but some have been employed for long periods of time. The industry has requested the amendment for this reason, and in the interests of peace in the industry it seems reasonable.

Mr. Perry made the point that a consultant may gain nothing from his contributions to the fund. However, if he were killed, his wife and children would certainly receive something from the legislation. Therefore, from their point of view it would be good insurance. I commend the Bill to members.

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.

Third Reading

Bill read a third time, on motion by The Hon. R. H. C. Stubbs (Minister for Local Government), and passed.

PREVENTION OF EXCESSIVE PRICES BILL

Second Reading

Debate resumed from the 31st October.

THE HON. A. F. GRIFFITH (North Metropolitan—Leader of the Opposition) [5.43 p.m.]: Mr. President, this is probably one of the most difficult pieces of legislation with which we, the members of the Legislative Council, have had to deal for a long time.

It has been put forward by its sponsors as an answer to increasing costs. It has also been put forward on the basis of a political and economic ideology that the problems of rising costs and living expenses will be overcome with the passing of the legislation and by the powers contained in its many provisions. Apparently it is thought to be a simple process of fixing the prices of certain commodities and services. Furthermore, the Bill has been put forward as a fulfilment of the Labor Party's undertaking at the last election. I would like to quote, only in part, from the policy speech of the Labor Party when the present Government outlined what it would do prior to the last election in

February, 1971. Portion of the speech reads as follows:—

Labor is of the opinion that some form of price control is necessary but it is desirable to have it on a Commonwealth basis. Accordingly, we support the holding of a referendum of the Australian people to ascertain their wishes.

Selective price control is at present operating in New South Wales in relation to rents and in South Australia on petrol and quite a number of other items.

Failing action being taken to enable price control to operate on a Commonwealth basis, we propose to institute a system of selective price control similar to that in operation in South Australia.

It is on that basis that the Bill is introduced. When stating the case in his second reading speech, the Leader of the House said—

This Bill, introduced for the prevention of excessive prices being charged for commodities, is a policy Bill prepared by the Government and presented to Parliament as a result of the previously declared election policy to legislate for the control of excessive prices.

On the other hand, the Minister in charge of the Bill in another place in his second reading speech said—

This legislation has been prepared by the Government and presented to Parliament as a result of the previously declared election policy of the Government to legislate for the control of excessive prices. It is, in effect, a companion Bill to the consumer protection legislation which was passed previously.

Apart from the fact that the two speeches are somewhat different in approach, to my way of thinking the comments in them bear little resemblance to the measure which is before us.

The Prevention of Excessive Prices Bill was first introduced in the Legislative Assembly on the motion of the Minister for Labour on the 27th April, 1972. The Minister made his second reading speech on the same day. I believe that early in this debate one may ask what importance the Government attaches to this particular piece of legislation. How important does the Government consider it to be? It appeared to be important to place it on the notice paper, but Parliament had met on no less than three occasions—I am open to correction if I am wrong—before the Bill was introduced and over a year had elapsed since the present Premier told the electors of the State the intention of the Labor Party in relation to prices.

I wonder what this portion of the policy speech meant to the average citizen at the time. I wonder what the average citizen

thought of the promise that the Government would introduce a system of selective price control. I have not yet found anybody who can tell me what he thought the Government may have meant, except that the system of price control to be introduced into Western Australia would be similar to the system existing in South Australia. However, beyond those few words, the Government has not told us what it meant and it has not told us what it thought John Citizen's reaction was to the expression "a system of selective price control".

Following the introduction of the Bill in the Legislative Assembly the debate was adjourned for a week—until the 4th May, 1972. The legislation was finally passed in another place at the end of October, and it is now introduced in this Chamber by the Leader of the House. By arrangement the debate in this House was adjourned for one week. I believe it is appropriate to now ask the Leader of the House to tell us why the Government allowed a period of 14 months to elapse between its notice of intention to the people and the introduction of the legislation. I also ask him why the Government allowed such a long period of time to elapse—from the 27th April to the end of October—before the Bill was passed by the Legislative Assembly.

This legislation reminds me to some extent of legislation presented to Parliament in 1956 by the previous Labor Government of this State. When I look around the Chamber, I see a few members still here who will remember that occasion. You will, Mr. President. The Government of the day introduced legislation to prevent what it called undue profit-taking, unfair methods of trading, and unfair trade competition. The short title of the Bill was Profit-eering and Unfair Trading Prevention Bill. You will recollect, Mr. President, that that legislation was probably one of the most contentious measures ever brought before this House. I believe not only was it a very contentious piece of legislation, and not only did it have a very serious and stultifying effect on the economy of the State, but it was one of the main reasons for the defeat of the Government when it went to the polls in 1959.

You will recall, Sir, at that time the Premier of the State (Mr. A. R. G. Hawke) was busy attempting to get this legislation through Parliament, and the present Premier was equally busy overseas attempting to attract much needed industry to Western Australia. Members will recollect that there was a very obvious clash between the two issues, the Government could not accomplish both things and considerable conflict arose. Naturally industry was extremely careful about coming to Western Australia to invest its money in the knowledge that a very repressive piece of legislation was going through the Western Australian Parliament. The legislation was so repressive that a trader who was unfortunate

enough to be convicted of an offence under the Act was required to hang a notice inside or outside his shop or business premises at the court's direction to say he had been convicted under the Profit-eering and Unfair Trading Prevention Act. This notice had to be displayed for the public to see in every place in which the trader carried on business for a period of not less than three months.

I well remember those years. I was a relatively young member of Parliament—I suppose I am still relatively young, but I was thinking in terms of parliamentary experience. The legislation was debated very hotly. Despite the fact that the Government knew that the legislation was so unpopular, it was tenacious, to say the least, in its effort to get the Bill through Parliament.

Even before the measure left the Legislative Assembly, wiser counsel must have prevailed, because by the time it came to this Chamber the reference to the penalty of hanging a notice on the premises was deleted. As I said a few moments ago, a number of people in this House will remember the legislation and also the great efforts which the Government made to get the Bill through this Chamber. I am sure that the Government of the day believed—and I will give it credit for having the belief—that was the way to go about things. I could not agree it was the correct way, but the Government thought it would cure the evils which it believed existed within the economy at that time. I am sure the members who believed in the Bill thought it was the correct course to pursue to protect the situation which existed.

You know, Sir, that within industry and amongst many people in the State, very grave doubts were expressed about the merit of that Bill. Whilst it is interesting to note that the present legislation does not contain the same type of penalty clauses—the penalties are bad enough but not quite as vicious as the earlier ones—nevertheless the same type of thinking which was behind the 1956 Bill has been projected into the present measure.

That is all I intend to say on the previous legislation, except to again stress that the measure introduced in 1956 was repugnant to private enterprise, to industry, and to those who would have suffered as a result of the penalty provisions contained in it. In fact, it proved to be unacceptable to the majority of the public and, as I have already said, I believe it was one of the main reasons for the defeat of the then Labor Government.

As I have mentioned, this Bill is before us because the Government obviously believes, in the best interests of the community, Parliament should be given the authority to fix maximum prices for some commodities and services, and obviously not for others, but at the same time it

should do nothing about the contingency which helps to bring about this situation—namely, wages.

I would like to quote from an article in *The West Australian* of the 12th June, 1972, which reads—

MELBOURNE, Sunday.—The answer to inflation was not to peg wages but to do something about the elements that provoked it, the Labor Party's spokesman on finance, Mr. Frank Crean, said today.

A justification tribunal should be established to control the prices of basic commodities that were important or affected the structure of prices and costs, he said.

Cars were more significant than carrots and steel more significant than sticks, so that the prices of carrots and sticks need not be justified, but the prices of cars and steel perhaps should be.

"Not every price increase is unjustified, because costs can increase for a variety of reasons—higher raw material prices, higher interest rates and higher taxes can increase costs just as much as higher wages," he said.

"Nor is every wage increase an example of the greedy treading down the needy.

"One person's costs may be another person's income and unless incomes rise as much in aggregate and almost as fast as prices, then some goods are going to be hard to sell and investment will tend to decline.

"This is in fact what is happening in the economy today, without price justification.

DECLINING

"Total employment relative to total population is declining and investment in real terms is declining when, in terms of real needs, it ought to be expanding."

Mr. Crean, speaking at the annual conference of the Victorian Chambers of Commerce and Industry, said that the Labor Party intended the justification mechanism to be flexible.

Some firms were able by their market power to anticipate inflation and mark up their prices.

I will return to the contents of that article as I proceed, but for the moment I wish to say that this is entirely different from the view expressed in the *Industrial News*, dated the 1st May, 1972, in which the following appears:—

More outrageous legislation than the State Government's Prevention of Excessive Prices Bill now before Parliament is difficult to imagine.

It makes a mockery of the Government's election statement that it would bring in "selective price control" like that in South Australia.

Not only does it go much further than the S.A. system, which in any case has failed as does price control always, but it puts forward a totally extremist form of control.

Its only "selectivity" is to exclude Government-supplied services and statutory marketing boards from coverage.

Yet Government charges have been largely responsible for the past two years' rises in consumer price indexes. The W.A. index has risen 10.8%. Food prices have risen 8.9%, fares, rates, postal, licensing, health charges etc. by 14.2%.

But award wages have risen 21.3%. Industry has maintained a highly creditable degree of price restraint in such circumstances.

CONTRARY

The Bill is not one that lends itself to reasonable amendment.

Amendments would mean a rewrite of its basic principles. The only answer completely in the public interest is to reject the Bill as a whole.

An analysis quickly indicates the extreme form of control that is contemplated.

The Bill would cover all consumer products sold and all services employed.

A Prices Commissioner is proposed on a seven years appointment, with a main advisory committee of trade and "consumer" representatives (meaning mainly the trade unions) to investigate for him and recommend.

There are no qualifications stated for the Commissioner, he can be anybody. He can have further committees in operation as he pleases for various kinds of products and services.

The prices advisory committees would have police powers of investigation. They are loaded politically.

Their members would be paid. They may fix and declare maximum prices for any goods or services including terms payments.

But the Prices Commissioner would have power to ignore his committees, should he wish, and fix prices directly.

Penalties for infringement of the Act would be an arbitrary \$500, on traders and the public alike.

BUREAUCRATIC

In effect the Bill would create a powerful bureaucratic control of a person's shopping and industry's supply of the commodities sold in shops.

The Commissioner would be a commissar, the committees his NKVD.

Industry's flexibility to meet the vagaries of economic change and the effects of arbitrary wage increases on production and marketing costs would disappear in these circumstances. Government influence on retail standards would become absolute.

Applications for price increases would have to seek the maximum and, in the long run, would have to be granted.

Price control in this form only helps inflation and never helps consumers, industry or employment.

The Bill is not in the public interest, though it is claimed to be. It plays politics. The Government has no mandate to introduce it in the form that has been taken.

Indeed, being a cliffhanging government, it is very open to question whether it has the public behind this measure at all.

As I have said I quote this article merely to give a view contrary to the one I quoted previously.

Sitting suspended from 6.07 to 7.30 p.m.

The Hon. A. F. GRIFFITH: Prior to the tea suspension I had read to the House an article from *The West Australian* and another from the *Industrial News*. I merely quoted the articles to show the conflict of ideas on price control, between the person who is the Labor Party spokesman on finance in the Federal sphere, and the *Industrial News*, which apparently reflects the attitude of private enterprise. The latter article quoted some increases in various commodities and gave, by comparison, the increases in wages over a specified period. It is interesting to note that for the period 1969 to 1971 the consumer price index rose by 11.3 per cent., while for the same period wages rose by 27.5 per cent. Before the tea suspension I think I mentioned that I had in my possession a dodger compiled by the Retail Grocers and Storekeepers Association. I have no reason to doubt the authenticity of the figures it contains, but they could be corrected if they are wrong. The dodger reads—

Groceries are a Bargain

December 1963-June 1971.

Average weekly earnings UP 66 per cent.

Over same period . . . Consumer Price Index shows . . .

Newspapers and Magazines . . . plus 68 per cent.

Local Government Rates and Charges plus 66 per cent.

Motoring Services and Charges, plus 61 per cent.

Fares—Public Transport, plus 58 per cent.

Postal and Telephone charges, plus 48 per cent.

Groceries only, plus 18 per cent.

Yes, Groceries ARE a bargain!

I am inclined to agree. If the Government intends to fix the price of the important commodity of groceries—which price, between 1963 and 1971, had risen by only 18 per cent, in comparison with the higher increases of a whole host of other commodities—then to me it is difficult for the Government to justify its proposal.

Members are aware that the consumer price index has been greatly aggravated by the steep increases the Government itself has made in a number of taxes and charges, not as a result of Bills introduced into Parliament so much, but as a result of administrative action by the Government. The Government cannot have it both ways. It cannot now say that because of the present situation it will cure all the evils by fixing the prices of some commodities.

I had almost forgotten another interesting aspect concerning prices. I have the permission of the recipient of a letter to use it in this House. I propose to relate a short story concerning the reason it was written and then quote one or two of its paragraphs.

The letter, signed by J. Dolan, Minister for Transport, is addressed to the President of the Clay Brick Manufacturers Association of Western Australia, and is dated the 26th April, 1971. I was prompted to ask permission to use the letter because of the recent controversy in which the Government has apparently found itself involved concerning wages being claimed by bricklayers. I am not entering into a discussion of the fairness or otherwise of any award in relation to bricklayers because that is a matter for the Industrial Commission and for arrangement between the persons concerned.

Apparently the Clay Brick Manufacturers Association of Western Australia submitted to the Government a proposition that bricks could be transported from Kalgoorlie to Perth by rail, and the Minister wrote to the President of the association explaining the situation as he saw it in relation to the transport of bricks by railway rather than by road. In one paragraph of the letter the Minister said—

On the score of transit time and over-all cost, our inquiries do not substantiate the claim that delivery can be obtained in shorter time and at less cost by ordering supplies from South Australia. On the contrary,

transit time from Adelaide to Parkes-ton is of the order of 2½ days, whereas a daily over-night service is available from Kewdale to Kalgoorlie.

Inquiries directed to South Australia indicate that bricks cost \$63.50 per 1,000 for the average type. Specials are dearer. The gazetted freight from Adelaide to Parkes-ton is \$27.10 per ton, but for volume movements a rate of say \$20.00 per ton may be available.

Basing the cost of local bricks on Hawker Siddeley's price of \$55.00 + \$3.00 strapping per 1,000 the following comparison emerges based on say 4 tons per 1,000 and the assumption that terminal costs would be identical.

Then the Minister gave the comparison as follows:—

	ex Perth	ex Adelaide
Cost per 1,000	\$58.00	\$63.50
Freight	\$30.40 (4 x \$7.00)	\$30.00 (4 x \$20.00)
Total	\$88.40	\$143.50

Difference in favour of supply from Western Australia —\$55.10 per 1,000

The letter continues—

After reviewing all the information available, I am satisfied that the W.A.G.R. can not only handle brick traffic to Kalgoorlie efficiently and expeditiously, but at a cost considerably less than if supplies were obtained from South Australia.

The only reason I quoted from that letter is because, as the Minister has told us, South Australia has a system of what is referred to by the Government as selective price control. It is interesting therefore to note that chocolate manganese bricks in Perth are \$68 a thousand while in Adelaide they were, until July, this year, \$81.50. In July the Prices Commissioner authorised an extra \$3 and consequently the price in South Australia is now \$84.50.

For chestnut bricks the Perth price is \$65, while in Adelaide, with the addition of the extra \$3, the price is \$74.50. All future prices of bricks in Adelaide, to which I will refer, include the extra \$3 authorised by the Prices Commissioner.

The cost of cream bricks in Perth is \$60, as against \$66.50 in Adelaide; for red bricks the price in Perth is \$55, while in Adelaide it is \$60.50. The price in Perth of what is called the common brick or internal brick is \$43, and in Adelaide it is \$47.50.

The average price of those bricks—and this is how the Minister arrived at his Adelaide figure of \$63.50—is approximately \$58.20 in Perth. I received the information about the increase in price only today, and I have added the \$3 to each of the prices, but have not struck an average. However the figure now is obviously a great deal more than \$63.70. I have merely given these figures to indicate that apparently

the Western Australian brick manufacturers can, without price control, produce bricks at a price not only competitive with, but lower than, the price charged in South Australia where price control obtains. This information gives us a small appreciation of the situation concerning that one commodity.

I desire to address myself to this matter from four angles. First of all I wish to talk about price control. Secondly I want to deal with the Minister's second reading speech, a speech which naturally followed very closely the speech made by the Minister in another place who will, of course, be the Minister in charge of the legislation. Thirdly, I wish to comment on the Bill itself; and finally I intend to submit a certain number of questions to the Minister in charge of the Bill in this House, and request him, when he replies to the second reading debate, to let me have the information on the matters I will raise as I proceed.

On the first point, the Minister outlined for us, in his speech, the history of price control in Australia. He said that price control existed from the outbreak of war, in September, 1939, until September, 1948. The Minister told us that during this period price control was under the jurisdiction of the Commonwealth defence powers. He also told us that the States had administered the regulations, and that rigorous control was exercised, within the framework which had been set up, which sought to check inflation and prevent profiteering without unduly destroying essential production and opportunity.

Although the Minister did not say so, I think I could read into his remarks an indication that price control worked during the war and, therefore, price control should work just as satisfactorily in times of peace. If the Minister did not mean that then, of course, I apologise. However, in the light of his remarks I could not help but conclude that this was the case because, in fact, I could not visualise a Government introducing legislation of this nature unless it was satisfied, in its own mind, that it would work.

No doubt, the Minister's speech was meant as a build-up to the introduction of the legislation. He told us of the necessity to provide price control in Western Australia. However, what the Minister did not relate to us—perhaps for obvious reasons—is what the country experienced under price control during the war, and what it experienced immediately after the war when price control was still in existence. I can remember my own experiences and I am sure that people of my age, and those of a lesser age, perhaps, can also remember those experiences. However, I am quite sure that a very large percentage of the population of this State does not remember price control at all because they were not born, or were far too young at that time to remember what happened.

The Hon. J. Heitman: That is when they had Treasury valuations on price fixing.

The Hon. A. F. GRIFFITH: The honourable member is talking about Treasury valuations in relation to real estate. Well, that was part and parcel of the controls which existed in those days. Fixed Treasury prices on land and housing were carried on for some time, and if my memory serves me correctly the Treasury prices—if that is the right expression—disappeared when the McLarty-Watts Government took away the controls.

A great many of us do remember what went on during the war and after the war. We can remember the privations which price control brought upon us. We can remember the difficulties which were encountered by traders, retailers, customers, and by everybody else. We can also remember the black marketing which existed at that time. We also remember food rationing and clothes rationing, and the intense difficulty associated with obtaining any sort of service which we wanted at that time. We could not buy motorcars or build houses, or spend our money in the way we desired.

At that time we were recovering from a long and tedious war where not only this nation but all of the allied nations had been drawn into an era in which it was necessary to maintain the strictest controls of all kinds, even to the extent of controlling manpower. That was necessary because the nation was at war. However, in those times we were prepared to accept that sort of responsibility, and we accepted the disabilities which are produced by war. We accepted the situation in an economic atmosphere which, naturally, dictated the type of production which had to take place: the production of munitions rather than the production of other luxury goods.

We also remember how very glad we were when we were able to be free from those controls, and when price fixing was removed. We remember the long uphill battle we had on the road to recovery after the war. I, personally, can remember one simple incident: in those days I was a smoker and I asked my wife how we were going to get on for cigarettes. She said she had a ration at the local shop and I was allowed to buy so many cigarettes each week. If the man who served me was in a good frame of mind I would get the brand of cigarettes I wanted, but if he were not in a good frame of mind I would get some other brand. However, I must say in all fairness that he tried to look after me to the best extent possible.

However, that was all part of rationing. Food was rationed, meat was rationed, and almost everything else was rationed.

The Hon. R. Thompson: But that was for a special purpose.

The Hon. A. F. GRIFFITH: Unless the honourable member has been asleep, I would point out that I said it was in special circumstances.

The Hon. R. Thompson: I have been listening to everything which has been said.

The Hon. A. F. GRIFFITH: I am sure we would not have recovered as quickly as we did had we not been able to get out and return ourselves to a free-enterprise economy or, at least, be relatively free from those controls.

We must not forget that soon after the war—I have forgotten the exact year—a Federal Labor Government tried, by way of a referendum, to impose permanent price controls on the people of Australia, but the people of Australia turned down that referendum.

Finally, on the first point in my remarks, I want to say that during the war there was strict control over wages and strict control over manpower. Many people were told where they had to go and where they had to work. Of course, those in uniform were told where they had to go and what they had to do! In that context, I was referring to those others who make up a necessary part of the economy of a community.

The members of my party reject the socialist contention that because price control operated during the war it should apply with equal force in peace time. We specially reject the contention that, 30-odd years after the war, the problems of inflation and rising costs will be solved or overcome by what is referred to by the Government as "selective price control." We reject the necessity to hamstring the growth of a young community by controls which will return us to stagnation rather than lead us to continued progress.

We believe in free enterprise where incentive and opportunity go hand in hand in promoting a competitive atmosphere, and where an individual can prosper as a result of his own efforts. As long as a person does that honestly and energetically he should be free to do it.

The second point to which I refer is the Minister's speech. In the first paragraph of his speech he said—

This Bill, introduced for the prevention of excessive prices being charged for commodities, is a policy Bill prepared by the Government and presented to Parliament as a result of the previously declared election policy to legislate for the control of excessive prices.

The next four or five pages of the Minister's speech notes outlined the history of price control in Australia. When the

Minister was speaking I interjected, and I will now retrace the matter I referred to. The Minister said—

General control of prices in New South Wales was progressively modified after 1952 and suspended in 1955.

He appeared to relate to us that New South Wales had had price control ever since the war. However, I think the only price control which exists in New South Wales—to the best of my knowledge—relates to the question of rents. Whilst I am sure it would not be a deliberate action on the part of the Leader of the House, there is a suggestion in his speech notes that New South Wales has price control. I do not think New South Wales has price control now, or that it ever had price control of the type envisaged in this particular legislation.

The Hon. R. Thompson: The Minister said that price control was suspended in 1955.

The Hon. A. F. GRIFFITH: I am sure the honourable member is asleep because I read out the following:—

General control of prices in New South Wales was progressively modified after 1952 and suspended in 1955.

The Hon. R. Thompson: Yes.

The Hon. A. F. GRIFFITH: What is the point the honourable member makes?

The Hon. R. Thompson: That the Minister would not deliberately mislead.

The Hon. A. F. GRIFFITH: That is right.

The Hon. R. Thompson: He said, in straightout language, that price control was suspended in 1955.

The Hon. A. F. GRIFFITH: That is what I read out.

The Hon. R. Thompson: The Leader of the Opposition claimed that rent control could still exist.

The Hon. A. F. GRIFFITH: The honourable member obviously was not listening, or else he does not understand when he is listening.

The Hon. R. Thompson: That might be the difference; I am listening.

The Hon. A. F. GRIFFITH: That would be possible.

The Hon. R. Thompson: The Leader of the Opposition is a bit hard to comprehend.

The Hon. A. F. GRIFFITH: Does the honourable member think that?

The Hon. R. Thompson: Yes.

The Hon. A. F. GRIFFITH: Well, I am sorry for the honourable member, because I am trying to make my points with all the clarity which I can command. If it is hard for him to follow I do not think I need make any further comment.

As I said, I do not think the point was deliberately indicated by the Minister but there was the slightest suggestion in his notes that more than rent control was the order of the day in New South Wales. However, I do not think that is the situation, particularly since the Minister said that price control had been suspended in 1955.

At a later stage of his speech the Minister said—

The controls proposed to be available by this Bill are not intended to be used to apply an "across the board" or "blanket" price control policy, but rather as its title implies to provide ways and means by which consumers may be protected from apparently excessive rises in prices of goods and services.

The Bill does not empower the fixing of minimum prices but deals only with the fixing of maximum prices and rates, as it was considered that the object of fixing of minimum prices was unnecessary in the light of today's economic climate.

I would like some clarification of what is meant by "in the light of today's economic climate." Is today's economic climate any different from that which existed 14 months ago when the members of the present Government were appealing to the electors—in February of 1971—to elect them to the Treasury benches? If the economic climate is different—if it has slipped away—then surely it must be the fault of the Government that this set of circumstances has occurred.

However, from that point on the Minister gave quite a lengthy explanation of the Bill itself. Apart from the opening paragraph and the two paragraphs I have just read, the only other thing he said which might describe to us in any way the incidence of price control or what is intended under this legislation was this—

It is considered that the existence of this legislation could well have the effect of acting as a curb on price rises, in that manufacturers of goods and suppliers of services will be aware that they could well be called on to justify any rise in price.

No attempt has been made by the Government to justify the introduction of this legislation, and the words I have just read bring me back to the tenor of the 1956 legislation.

I think it behoves the Government to tell us how price fixing in Western Australia will work—not just to give us an explanation of what took place during the war and immediately after the war, and say, "This Bill contains these clauses." There is no suggestion of acquainting us with the mechanics of price control. We are given no indication that it will work this way, that way, or some other way if

the Bill becomes law. I think the members of this House and, for that matter, the members of another place are entitled to some explanation along those lines.

Certain statements were made in another place, but to my way of reckoning they indicate the thinking of the Government. One statement I read was, "They have nothing to fear if they play the game." To me, that is an objectionable sort of statement—"You play the game, you obey the law in this Bill, and you have nothing to fear. If you do not, woe betide you, because there are some rather stringent penalties in this legislation for not obeying the law."

I remind the House of what the Government said in its election policy speech. I read out a couple of sections of it earlier. Not only does this Bill go much further than the South Australian legislation but also its only selectivity is the exclusion of the supplies and services of the Government and statutory marketing boards. At the moment I have two Bills in my hand: one is the original Bill that was introduced in another place, and the other is the amended copy. The Government has added a few extra exemptions to the Bill since it was first introduced, and reference to the two Bills will quickly reveal what they are.

As I said before, I am a little intrigued by a paragraph of the Minister's second reading speech which is recorded on page 4544 of *Hansard* and which commences with these words—

The controls proposed to be available by this Bill are not intended to be used to apply an "across the board" or "blanket" price control policy—

If they are not intended to apply "across the board" or constitute "blanket" price control, what is the necessity for a Bill of this nature?

As for the rest of the Minister's speech, he concentrated on the salient features of the Bill, but his speech fails to point out any undesirable aspects of the proposed legislation. The Minister hopefully states—

It is considered that the existence of this legislation could well have the effect of acting as a curb on price rises, in that manufacturers of goods and suppliers of services will be aware that they could well be called on to justify any rise in price.

They will be well aware that they might be called upon to justify themselves in the eyes of a prices commissioner or one of the committees which it is proposed to set up under the Bill. I think the explanation by the Government should go much further than that. It should give us infinitely more detail. It should give us minute details about how the Government expects the machinery of the legislation to work. I will have more to say about that later.

I now come to my third point. I have already indicated that industry regards the Bill as being outrageous legislation. By "industry" I mean the people to whom legislation of this nature is directed. The Government proposes to summon an army of prices advisory committees and to appoint a commissioner and officers to investigate and determine maximum prices under a costly and cumbersome piece of "watchdog" legislation.

I have had a look at the Estimates for the coming year and I cannot find any provision for the payment of salaries, the cost of office space, and the like for the prices commissioner and his staff. I must admit I was able to have only a casual glance at the Estimates, but I want to know what figures have been provided for in them in connection with this legislation.

As I have already indicated, there are many question marks surrounding the justification for this legislation. The Government has left unanswered all the hard questions about what will happen after price control begins. In the interests of the continued prosperity of the community, I think we are entitled to know what the Government thinks about such a state of affairs.

I come now to the point of the Bill itself. I have changed my mind about examining the measure clause by clause at this particular time. I have now spoken for over an hour and I do not want to prolong the debate unnecessarily. I know that many of my colleagues will speak to the Bill and perhaps some of them or some other members will analyse the Bill. I will not endeavour to cover all its aspects.

However, I think I should give the Minister fair warning—and this is not a threat. If the Bill gets a second reading in this House, my colleagues and I will want to debate many of its clauses. We will want to know—and we will be entitled to know—the Government's attitude and its explanation of the machinery clauses in the Bill.

Having said I want to address myself to the Bill in four different ways, I come to my fourth point; that is, the questions I want to put to the Minister. I would like the Minister to state in simple terms just how price control and the price-fixing processes will work. I want him to tell us something about it and let us know how the Government expects the machinery of the legislation to operate.

I would like to know how the prices commissioner will ensure that quality is maintained in the goods and services for which he will fix the prices. How will the Government overcome the provisions of section 92 of the Australian Constitution? What staff will be required by the prices

commission? What figure is in the current Estimates for the maintenance of the office of the prices commissioner and his staff? What is the estimate for a full year's operation?

What goods manufactured in Western Australia will be subject to price control? Does the Government consider the legislation will effectively control the prices of goods manufactured in other Australian States and sold on the Western Australian market? Will the Government explain the processes that will be followed for effective control of the wholesale and retail prices of goods manufactured outside Western Australia and retailed on our market?

What retail prices charged in Perth today and what charges for goods and services does the Government say must be justified? Will the Minister specify those commodities and give the comparative prices in each of the other capital cities? If it happens that he names only a small number of items, will he then say why the legislation is designed to provide for a blanket control of all goods and services?

Let me put it another way: If the control proposed under the Bill is not intended to be applied across the board, or is not intended to constitute blanket price control, why does the legislation provide for a blanket form of price control?

Will the Government tell the House what percentage it considers to be a reasonable profit for a trader to make? Will the Government state the formula or criteria by which a fair and reasonable profit margin will be determined under this legislation? Why does the Bill not contain guidelines regarding the definition of a fair and reasonable profit, since this principle must underlie the total price control philosophy?

In the last price control era in Western Australia of which I have spoken, what was the time lag between an application for a price by a seller and the decision of the prices commissioner? I have a fair idea of what that time lag was, but I would like the Government to inform us. I would also like the Government to tell us what period of time will elapse between an application and an approval in this case.

Why has the Government foreshadowed the possibility of including petrol amongst the commodities to be controlled when already the price of petrol is set by a Labor Government in South Australia, and that price has been faithfully accepted by the industry as the datum for Western Australia and for all other States? Does the Government consider that the price of petrol, having been set by a prices commissioner under a Labor Government, is in fact fair and reasonable? I would like to

know that. If it is a fair and reasonable price, why is it necessary to control the price of petrol in Western Australia?

What is the philosophy of the Government regarding price competition? I think we are entitled to know this. The Government should inform the people who provide the goods and services so they will know what they must compete with, and what is the philosophy of the Government. It should also let the consumers know. Up to date we have not been told.

If to outsell his competitor a retailer wishes to cut the price of an article to the extent that he makes a small profit, loses money, or makes no profit at all, should he be forbidden to do that? Is that unfair competition, or should he and his competitors be made by the control of prices to charge the same price for the particular article they are selling?

Will there be a different price from retail store to retail store; for example, a big retailer and a small retailer? We all know that it is part of the economy of any country that a big retailer sells on a lower margin and has a larger turnover than a small retailer, who naturally charges a little more because his turnover is less. I am thinking of the small shopkeeper—and there are still many of them left—the delicatessen proprietor, and the weekend storekeeper who provide a service to the community on Saturday evenings and Sundays. When a purchaser enters a store I think he naturally expects to pay a little more because the proprietor is prepared, in a free-enterprise system and within the ambit of the law, to provide a service to the community as and when it is required.

Will the small retailer be put out of business as a result of a maximum price being set for the big retailers? I am sure the people in the community will want to know these things. Will a small retailer be put out of business because he will be unable to afford to retail particular goods at the prices set by the prices commissioner because those prices may have been determined on what a large retailer is able to do? What decision would be made if, say, a retailer sold an item at a price below cost to attract customers, and a deputation of other traders asked that he be made to sell that item at the controlled price, which was higher?

What would be the idea of the Government regarding the decision which should be made if some retailer asked that the trade price be brought down to his price? If three different retailers had a margin of profit of 10 per cent., 15 per cent., and 20 per cent. respectively at the present time, should the man who has a margin of 20 per cent. be returned to 10 per cent., or should the man on 10 per cent. lift his

margin to 20 per cent.? These are imponderables which have been left for us to imagine for ourselves.

Another point is that I understand market surveys have defined that more housewives than not rely upon supermarket specials to balance their housekeeping budgets, and that specials are quality items sold at below ruling prices. As you know, Sir, specials are articles which attract the housewife into the shop.

The Hon. R. F. Claughton: You have not been doing the household shopping lately.

The Hon. A. F. GRIFFITH: Well, it has taken one hour and 25 minutes for the honourable member to make that intelligent remark. Not only have I been shopping lately, but I do not go around with my eyes closed; and if the honourable member knows anything about the subject at all he will know that many of the large traders present attractive propositions to potential customers in the form of specials.

The Hon. R. F. Claughton: I am well aware of that. I am suggesting that if a housewife relies on that she will not really make much difference to her household budget.

The Hon. A. F. GRIFFITH: All I can say is that many housewives would not agree with the contention of Mr. Claughton; and I would back the judgment of housewives against the judgment of the honourable member.

The Hon. R. F. Claughton: I do not know what experience you have had.

The Hon. G. C. MacKinnon: As a housewife?

The Hon. A. F. GRIFFITH: I have had no experience as a housewife; I will leave that to the honourable member.

The Hon. R. F. Claughton: I have been doing the house—

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: There is no doubt that such specials assist the public to purchase higher priced brands at the lowest possible prices. I admit that one could call this a gimmick of the trade; but, of course, that applies to sales of any kind. Speaking about sales of any kind, with the introduction of price control I can see the end of sales of any kind, for the reason that it will be unlawful under the Bill before us to take the sort of action I have been speaking of.

Whilst the Bill does not fix minimum prices, as has been explained to us, a seller often sells at a price which is at cost, or even below cost, in order to attract customers into his shop; and he picks up that loss on some other commodity. I wonder whether that practice will cease? Will the Government say what will hap-

pen to supermarket specials when price control rules out competitive prices for each item? Of course, price control must rule out competition.

In this regard, will the Government state what it considers to be the advantage to the housewife of price control? We have been told nothing of that nature.

I have reached the end of the questions I could think of as I sat in my office studying the Bill. I will leave it at that. However, there are all sorts of imponderables in connection with price control, none of which have been explained to us. With the greatest respect to the Leader of the House, it is not sufficient for him to come into the Chamber and say, "This is what happened during the war; this is what happened immediately after the war; South Australia still has price control in a selective sort of fashion; Victoria, Queensland, and New South Wales have not got price control"; and then to say, "But we are going to do this."

I think we are entitled to more information from the Government than we have received to date. I cannot support the legislation; it is completely contrary to the political beliefs I hold, and is foreign to my recognition of what is required. I repeat that in the first place the Bill lacks satisfactory explanation. So many imponderables face the Government in its attempt to set up permanent machinery to influence the course of prices in Western Australia, as indicated by the questions I have posed to the Leader of the House.

Not only do the hard questions remain unanswered, but no suggestion has been proffered and no explanation has been made about how they will be tackled. Surely we are not expected to accept the fact that price control machinery may be put into operation with the wave of a wand; and that it will act in a manner in which the Government apparently thinks it will; that it will perform the miracles the Government evidently thinks it can perform.

I feel sure the people will want to know what will happen in Western Australia if this new era of price control begins. Unfortunately this is a difficult matter to explain. So many people imagine that the words, "we will fix prices" are glamorous words which will overcome their problems. They imagine that no longer will housewives have to pay so much for commodities; no longer will the cost of living rise; no longer will rents rise; and no longer will the disabilities which we find ourselves endeavouring to counter exist. They will all disappear overnight. That seems to be the contention of the Government.

Of course, we know that if wages rise and a manufacturer must meet a greater wages bill, obviously the first step he will

take—as has been done in South Australia—will be to go to the prices commissioner and justify an increase in price.

To suggest that all the evils will come to an end is, to my way of thinking, sheer nonsense; and I cannot accept the Government's proposition. I believe this legislation has been presented in the hope and the assumption that it will be defeated in this Chamber. It is expected that the Bill will be defeated here.

However, if it is passed I can only visualise great surprise on the faces of the Ministers, and I imagine panic will result. Personally I hope the Bill is not passed, because I have a sincere belief that to a young community such as ours price fixing is of no value; that we are better off with a free-enterprise system where competition and the law of supply and demand will produce to the consumers the type of goods at the sort of prices they could reasonably be expected to pay. I cannot support the second reading of the Bill.

THE HON. W. R. WITHERS (North) [8.32 p.m.]: Because of the wisdom of Mr. Arthur Griffith's contribution, and because of the great deal of thought he has given to the welfare of the consumers of this State, I am left with little to say in this debate. In fact, he has reduced the points which I intended to raise by about 80 per cent. However, there are still several I wish to bring to the attention of the House.

Earlier this year I attended a public meeting in Port Hedland which was called as a result of the concern expressed on the high cost of living in that part of the State. I was a guest speaker, as was Mr. Hunt. I am sure that if Mr. Hunt agrees with this legislation he will support it, provided he believes it will do some good for the people of the province we represent.

At that meeting a member of the executive committee of the Australian Workers' Union in Port Hedland asked me this question: Would I in the Legislative Council convince my Liberal colleagues of the worth of this Bill, and would I convince them that they should vote for it so that the people of the State might benefit?

My reply was that I certainly would if this Government could convince me that the legislation would be of benefit to the people of Western Australia; if it could show me the ways in which it could be implemented successfully, and if it could indicate that the legislation was democratic. I do not see how it can be implemented. However, I will await the contributions of Government members, and I hope they will be able to prove to me that this legislation will be of benefit to the people of Western Australia.

I raised another point at the meeting and said that I wanted some things explained to me, and I instanced three

canning factories. This is very similar to the situation mentioned by Mr. Arthur Griffith, although he dealt with the matter from the retailers' point of view, while I am mentioning it from the manufacturers' point of view.

Let us assume there are three canning factories established in Western Australia, and they all produce the same type of article. Let us assume that the first produces a can of peaches which sells at 50c., the second produces one which sells at 55c., and the third produces one which sells at 60c. The price on the article has been calculated on the cost of production, and this varies from point to point within the State.

If the Bill is passed—although I cannot imagine it would be—how will the Government adjust the price of the same type of article which is turned out under three different brand names? Would the Government accept the lowest price? Will the other two factories to reduce their prices to that level? If the Government did this it would possibly force the other two factories out of business, and thus bring about unemployment.

Will the Government accept the highest of the three prices, and allow the other two canneries to sell the article at that price? If it does then it is possible the other two factories will increase their profits a little, and they will see an opportunity being given them by the Government to increase their profits. However, in the overall picture, this will bring about an increase in the price.

The Hon. R. F. Cloughton: What would happen in a free market situation?

The Hon. W. R. WITHERS: We now have a free market situation. Under private enterprise competition is allowed to take place.

The Hon. R. F. Cloughton: The factory producing the article at the highest price would go out of business, because of competition.

The Hon. W. R. WITHERS: By advertising its goods it could remain in business. This factory might be able to convince people that it produced a sweeter brand of peaches; and furthermore quality is a factor. That is one aspect on the manufacturing side. Let me now turn to another aspect on the retail side.

The Hon. R. F. Cloughton: I hope you have a better argument than the one you have just used.

The Hon. W. R. WITHERS: Many factories are established in this large State of ours, in which there are retail outlets of varying distances up to 2,000 miles. There could be an article produced by these factories which would retail at the point of manufacture at, say, 50c. Because of the addition of freight on the article to a point 1,000 miles away, the price might

be increased to 55c. if it is sent by rail. However, at another point within the State 2,000 miles away from the point of manufacture there might be no rail system, and the article would have to be transported by ship. In that event the price could be 60c.

So far I have only used two methods of transport—by rail for 1,000 miles, and by ship for 2,000 miles. The freight component on the article has resulted in an increase of 5c. and 10c. respectively. However, there are other means of transport. The commodities which the people of the north buy might be transported by various means—by road and by rail; by road, by ship, then by road; by ship only; by air; or by road to Adelaide, then by rail to Alice Springs, and then by road back to the north again. The last-mentioned method has sometimes proved to be cheaper than transport by ship from the south to the north of the State.

Under this rather complex freight system tremendous differences in cost exist. An article might cost 30c. as a result of its being sent through parcel post; 35c. by being transported by ship; 45c. by being transported by ship and truck; and 80c. by being transported by air. This shows there could be a wide difference in the price of the same commodity, depending on the method of transport used.

Under those circumstances, when the article reaches a retail shop will one of the inspectors who will implement the legislation before us say, "You cannot sell that article for 55c. I have just checked on the price down the line where it is 40c., and it is sold in Perth for 30c. I will prosecute you"? That is not indicated in the Bill.

Let us assume that the retailer says to the inspector, "You do not know by what means of transport this article has been sent up here." In those circumstances would the inspector be entitled to say, "That does not matter" or "How did you transport the article?" Will the inspector be able to direct the retailer as to the method of transport he should utilise? If he will not, then how does the Government expect the Bill to be implemented with regard to the price being fixed? I say this Bill cannot be administered.

There is a further point, and it relates to democracy. If we take into account the councils or the committees which are to be appointed under this legislation to look into prices control, we find there is to be an equal number of representatives of the consumers and of the producers. Up to this point it is all fine and democratic. However, if the chairman is elected by the Government in all probability he will have a political bias, because he will be elected by the Government of the day.

What happens when a council or a committee is divided equally on a question? According to the Minister's second

reading speech where a vote is taken on any matter before a committee meeting, and all the trade representatives present vote in a certain way and all of the consumer representatives present vote the other way, the voting shall be considered equal. That, too, sounds democratic; but the chairman who is elected by the Government of the day, and who probably has a political bias, will have a casting vote. In other words, the question will be decided in exactly the way the Government wishes it to be decided. That being the case, why appoint any committee at all? Why should not the Minister say, "I want this and that done"?

The Hon. N. E. Baxter: The committee has a right to nominate its own chairman.

The Hon. W. R. WITHERS: It is all very well if the chairman is nominated, but in the situation I have outlined the Government appoints him.

The Hon. D. K. Dans: If that argument is sound I do not think we should have ever appointed a High Court or a Supreme Court judge, because he might have a political bias.

The Hon. W. R. WITHERS: There is a slight difference. If the honourable member likes to discuss this point I will discuss it with him outside the Chamber.

The Hon. G. C. MacKinnon: All judges forget within a month of their appointment who appointed them.

The PRESIDENT: Order! Will the honourable member address the Chair?

The Hon. W. R. WITHERS: Mr. Arthur Griffith has raised this query: Is it fair even to attempt to peg retail prices which must be related to manufacturing costs? When we bear in mind the fact that manufacturing costs are dependent on labour costs, is it right to bring in price fixing without the fixing of wages?

I cannot believe that the majority of the people who support the Australian Labor Party go along with this legislation. I am sure they would not like to hear their members of Parliament say that wages should be pegged. However, without the pegging of wages, can the price of goods be fixed?

I think I have said enough on this point, and Mr. Arthur Griffith has covered all the other points. It is my belief the Government has no desire at all to see this legislation passed. I am convinced the Government does not want the Bill to go through for the simple reason that it knows the legislation cannot be administered. There is no way at all in which it is possible to administer the legislation.

The Government will, however, use this Bill as a political tool which will enable it to say to the housewife and the man in

the street, "We have tried to decrease your cost of living but look what the Opposition in the Legislative Council has done to you; just see what those nasty inconsiderate members of the Opposition in the Legislative Council have done." There is little doubt that the Government intends to use this Bill as a political tool.

I do not know of anybody in the ranks of the Government who has had sufficient business experience to appreciate all the ramifications and difficulties which this Bill presents.

The Hon. D. K. Dans: You would be surprised.

The Hon. W. R. WITHERS: As I have said, I am sure the Government does not want the Bill to go through; it wants the Legislative Council to reject the measure so that the Government will be able to use this rejection as a political tool. In the interests of the people of the State, however, I am convinced that the Bill should be defeated.

THE HON. G. C. MacKINNON (Lower West) [8.46 p.m.]: I feel I must make some contribution to the debate on this measure. Knowing my philosophy I am sure members will be aware as to how I will vote—I will vote against the Bill. However I do feel I have an obligation to explain why, and I will do so.

I have been concerned, as have my political opponents, about the benefits of economic planning and the efficacy of price control and similar measures, though I am prepared to agree that the biggest single problem facing western communities today is that of inflation, not only as it affects our standard of living but, indeed, as it affects our entire moral fibre.

In this connection I have here a very interesting article under an editorial headed, "Inflation must be stopped" which is contained in the July-September issue of the IPA Review, volume 26, No. 3.

This speaks of the effects of inflation and the tremendous difficulties facing our way-of life if such inflation is not controlled and stopped. The article points out that with an increase of even 3 per cent.—which is accepted as a fairly tolerable rate of inflation—prices will in fact increase eight times in our lifetime. The article indicates the changing effect that this will have on our moral standards. For instance a few years ago if an old person were advising a younger person about buying a house he would probably say, "Be careful; do not bite off more than you can chew." In times of inflation what the younger people think is that they should borrow as much as they can and repay in depreciating currency. This is what a great number of people do and it attacks the very roots of our moral fibre.

I would now like to quote the article which states—

Democratic governments have so far lamentably failed to produce a solution to inflation in the conditions of the modern economy. The political compulsion of full employment has not yet proved to be compatible with a reasonably stable price level. This is not necessarily to say that it cannot be made compatible; it is to raise doubts whether it can be made compatible through the conventional instruments for dealing with inflation. The purely economic remedies confront the difficulty that the ultimate causes of inflation lie outside immediate economic phenomena. This has yet to be clearly recognised. The roots of inflation are imbedded in the soil of human greed and acquisitiveness, qualities which have become greatly magnified in our materialistic-oriented contemporary society with its tendency to reject traditional moral values and disciplines.

A community incapable of self-restraint, more concerned with so-called rights than with duties, begins to reveal ominous cracks in the foundations of its everyday life. (Inflation, along with violence, crime, drugs, pornography, is one of these cracks).

The interesting point here is that the article, which is considered to be authoritative, points out that the usual economic measures which have been tried—particularly those part-remedies represented by this Bill—were foredoomed to failure. This is so because the only purpose of the Bill is to try to make some attempt to stop inflation.

We have the peculiar situation of having a system accepted by the Government which sets a minimum wage with no control of overaward payments, bonuses, or the like which must add to costs. On the other hand we have the Government bringing down a measure such as this which is aimed at fixing a maximum price.

One would automatically feel that anybody who believes in any system other than socialism must reject this legislation automatically. I was surprised, therefore, when I saw in another place that Mr. Stephens and Mr. David Reid had both voted for the Bill. It surprised me because I believe that nobody other than those who have been brought up wholeheartedly in a socialistic atmosphere could possibly believe the legislation would work.

Let us have a look at the effects of fixed prices. We must appreciate that this is a selective piece of price-fixing legislation. Clause 5 of the Bill lists certain of the Acts involved. It states—

Nothing in this Act shall be construed to affect the exercise by any

person or body of any power to fix prices, charges or rates in accordance with any of the following Acts—

Dairy Products Marketing Regulation Act, 1934;
Electricity Act, 1945;
Hospitals Act, 1927;
Marketing of Eggs Act, 1945;

This is a tremendously interesting clause of the Bill, because it sets out the degree of selective price control that we have. Not all the items are covered.

We have selective price control of milk and butter and, indeed, this is suggested for all dairy produce. These items are already price controlled throughout the scale. In the district courts of Western Australia lawyers, charges are controlled. The price of electricity is already controlled. The main factor in the production of every item that is manufactured is price controlled. Nobody can set up an electric plant and sell electricity at a price other than that which is fixed by the Government.

The price of eggs is already controlled as is the price of water. The fares charged by taxi cars are price controlled and, under wheat stabilisation, the price of bread is controlled. All that is left to be controlled is the price of jam. The most expensive item in jam is sugar, the price of which is controlled.

There are a number of items which are manufactured, the most expensive component of which is the energy form which is required to produce those items. This energy form is coal and, as we all know, the price of coal is controlled. Accordingly we have some degree of price control in a number of items.

Let us consider the mode of transport in this country the price of which, perhaps, is one of the most important aspects. Apart from the private individual who has a truck for which there is no price control the remaining transport costs are all controlled. The costs involved in the State Shipping Service are controlled as are those of the railways. The net result is that the railways are forever in trouble because it becomes a political matter whether the price goes up or not; and we have seen in the last Budget—which is the subject of another debate—that no attempt has been made to adjust railway freights, and yet these freights should have been adjusted on a proper enterprise basis. But they have not been adjusted.

We all know of the losses incurred by the State Shipping Service and, to go off at a tangent, we also know the problem with regard to milk.

The Government of which I was a member was accused of not allowing, allegedly for political reasons, a rise of 2c in the price of milk which was requested by the milk board before the last election. At that time an increase of 1c was allowed.

I believe that at the time the milk board lodged its request a rise of 1c was justified; the additional cent should have been given later.

During the six months the present Government had been in office there was an absolute clear-cut case for allowing the extra cent increase in the price of milk. But this was not done because once something is controlled political machinery becomes involved and it is the political party which dictates whether or not there should be an increase in the price of the commodity in question for which subsidies might have been paid to enable the industry to continue.

This is the case in most of the transport industries—the railways, and the State Shipping Service. They are all subsidised, as is also butter production.

These are controlled down to a price and then subsidised to make them economical. So let us not imagine for one moment that we have no examples of price control in this country. We have; and almost without exception they have all proved to be lamentable failures.

Price control makes an industry itself inefficient, frequently uneconomic and, if it is on a massive scale, almost invariably it is allowed to run down to the extent of its becoming under capitalised and completely decrepit.

We have all seen examples of this and we know price control will just not work. We already have selective price control. The only thing that makes prices reasonable is a proper system of thrust and counter thrust with good competition within an industry.

The Hon. D. K. Dans: Would you apply that to the dairy industry with respect to butter prices?

The Hon. G. C. MacKINNON: I could if we had an hour or two to discuss it. As a matter of fact there was a show on television about two months ago which dealt with the rather vexed question of saleable quotas in the dairy industry.

This highlighted the very question of an open and free economy. If we look at this question and if it were politically possible—which, of course, it is not because of what has happened in the history of dairying—I am sure members would have few doubts that dairy products would, today, be sold cheaper in Australia. This is a classic example and it is interesting that Mr. Dans asked that question. My answer illustrates the efficacy of the private enterprise system and the open market arrangement. I am sure there is no doubt that had this been allowed free play, this would have happened. To say it could happen now is a completely different question, because we have reached the stage where it is politically impossible on account of the economics tied up with it. I think Mr. Dans' question with regard to the

dairy industry is a classic example. Were we to retrace history and do it all over again, it could apply.

This is where the system which the Liberal Party espouses will always be better than the theoretical type of economic planning and direction which is espoused by socialists. I do not think the planning and direction espoused by socialists ever has or ever will succeed. Of course, there will be periods when it may appear to succeed, but this applies not only to this subject but to many others. Were a number of people to have had their way, at one stage in the history of wool growing, they would have said, "Stop growing wool." Had this happened no-one would have been able to take advantage of the recent upsurge and increased prices in wool marketing. This could have happened through airy-fairy economic planning with full powers to carry out those plans. What a disaster that would have been.

It really is worrying to think that people can consider the possibility of introducing this kind of selective price control in this State. I have already mentioned that there are many items, the base price of which is already controlled by a system of selective price control which has grown up to protect individual industries here, there, and everywhere. If members study the matter it may amaze them to know the number of items to which some form of price control is applied. For example, in the process of milk production the prices of many components are controlled. This does not stop at goods but goes through to services offered by individuals. For instance, medical men are subjected to price control. Everyone conveniently forgets this, but it is a fact nonetheless.

Experience in this field has led me to believe that it simply cannot work. I suppose the classic example is the experience in France with regard to rents. The French Government decided to control rents. The intention, originally, was absolutely genuine. The Government wanted to ensure that the money-grubbing landlord would not squeeze the last drop out of the poor underprivileged tenant. There is a worthwhile aim. The end result of this sort of legislation always has been—and always will be—that the landlord is, for political reasons, kept slightly below the line of a reasonable profit. His rents are kept just so low as to make him unable to afford to carry out the proper maintenance. Consequently he allows the buildings to run down. He charges the maximum rent allowable and does as little as is possible to the buildings by way of repair. He extracts his sum of money and allows the building to tumble down, if necessary, because he would then have vacant land to sell for a redevelopment programme. The underprivileged tenant is the person who suffers in the long run,

but this is the very person the Government has set out to help. Almost invariably this is the person who seems to suffer.

The Hon. L. A. Logan: The annual values of local authorities suffer, too.

The Hon. G. C. MacKINNON: I do not know the method of rating applicable in France. I gather that rate and tax evasion is a national pastime, regarded as slightly more important than we regard Australian Rules Football. I could not speak in an authoritative way in answer to that interjection.

I shall now refer to pettifogging restrictions, one of which appears in clause 14 on page 12 of the Bill. This clause states—

14. Without limiting the generality of subsection (3) of section 15, a maximum price fixed under this Act includes the cost of wrapping the goods to which that price applies.

I refer members to the words, "includes the cost of wrapping the goods." This means that if, say, in a few weeks' time I decide to buy a birthday present and ask the assistant to wrap it—because the assistant is smart at this and I am rather bumble-fingered—probably the assistant would have to refuse, because the cost of wrapping is to be included in the price charged for the goods. The assistant could not do something special like this without breaching the legislation. One member of the Government is smiling and perhaps he thinks this is silly. I, too, think it is silly. In fact I think it is ludicrous that such a provision should be included in the Bill. This is the kind of pettifogging result when there is pettifogging economic thinking. It follows as the night the day, or is it the other way around? I assume God made the day first and, consequently, night follows the day. The restriction is a pettifogging one, because the idea is pettifogging.

The Hon. R. Thompson: It would be awkward trying to carry out six pigs' trotters if they were not wrapped up.

The Hon. G. C. MacKINNON: Of course this can be justified, but every now and again people will run into problems. If they have the charm of the interjector, Mr. Ron Thompson, they would probably be able to persuade the assistant to provide the service free. However, some of the rest of us may not have his great ability. We would be placed in the position of taking the gift and attempting to wrap it ourselves.

I now refer to clause 19 on page 15 of the Bill, which states—

19. A person shall not, in any way, knowingly—

(a) pay for or offer to pay for;

- (b) hold himself out as being willing to pay for, or to offer to pay for, or as being willing or able to obtain another person to pay for; or
- (c) offer to act in connection with the payment for,

any controlled goods or controlled service a greater price or rate than the maximum price or maximum rate fixed under this Act for the sale of those goods or the supply of that service.

Penalty: \$500.

I have been a tradesman in my time and there have been occasions when I knew the standard method of doing a job. However, in certain circumstances I have asked the people concerned to do the work in a particular way and I was prepared to pay more for the work. What is wrong with that?

Surely the legislation reduces us, in principle, to a drab uniformity. I have never believed the Australian Labor Party is so far to the left that it wants the drab uniformity of a Communist State. I would never go along with that sort of thinking and I have never used it. However, this kind of legislation must reduce us to drab uniformity. When there are fixed prices we are virtually saying, "Do that job in that way and you will receive a fixed price for it."

The Hon. R. Thompson: Ted Heath will do that in England.

The Hon. G. C. MacKINNON: I am glad Mr. Ron Thompson mentioned that. I must not speak directly to the interjector, Mr. Deputy President, or I will be pulled into line. However, I would like to deal with that point later.

Members can go from one firm to another and they will find that different prices apply for almost the same line. However, usually the member knows that one firm gives better service, does the job better, and the quality of the work is higher. This clause would eliminate all that.

I also read the paper and I have noticed what Mr. Heath, the Prime Minister of the United Kingdom, proposes to do. I invite the attention of Mr. Ron Thompson to some of the first words I uttered in speaking to this Bill. I said—

Here we have a Bill which proposes to set a maximum price on goods and services selectively—

Whatever that means. To continue—

—while still allowing a system of minimum wage fixing with no control over bonuses, over-award payments, or increases of any sort.

I believe the President was in the Chair at the time and I am sure that you, Mr. Deputy President, would remember those words. Mr. Ted Heath, the Prime Minister of the United Kingdom, proposes to freeze the lot.

The Hon. R. Thompson: That is good, is it?

The Hon. G. C. MacKINNON: I do not know; let us wait and see. I personally think he has Buckley's chance of getting away with this because of the militant trade unions. He will really have a hard job.

I refer the honourable member to what I have already read out; namely—

The roots of inflation are embedded in the soil of human greed and acquisitiveness.

Ted Heath will probably get away with his price freeze until the first increase in wages is forced upon industry. Representations will be made along the lines of, "Our costs have gone up 5 per cent. and we must have a 5½ per cent. increase in the cost of the goods to cover that." Naturally there must be a little more to allow for profit to cover incidentals. Consequently, that cost will go up. However, his is a price freeze which will cover the lot, as I understand it. Do not tell me the trade unions in the United Kingdom would be bucking if it were a freeze only on consumer goods. They are bucking because it includes trade union wages and the like. I am sure this is where it will run into trouble.

I have mentioned one or two items in the measure to illustrate its pettifoggery nature. Of course there is the usual consequence, and I refer members to page 22, part IV, of the measure. Reference is made to the commissioner who can send in inspectors. When they enter, they must be given all the information they require, be allowed to examine the books, and to take evidence orally and in writing. All sorts of penalties can apply if they meet with any opposition. In addition, more returns must, of necessity, add to the cost.

I now refer to clause 32 on page 25 of the Bill which refers to the commissioner's power to require returns. The commissioner can require a return to be made in a specified form within a specified time setting out the quantity of goods in a person's possession, the cost of those goods to the person, the methods and principles in accordance with which that person has arrived at that cost, and a great deal more detail. All of this must add to the cost of running a business.

I now refer to something which has become almost routine; that is, the absolute intrusion, under recent legislation, into business activity. I refer to clause 34 on page 26 of the Bill. This clause deals with secrecy and the penalty is \$500 if a person divulges any information which may be of value to a competitor. There are so many petty features in the measure.

I wish to make it clearly known that I oppose the Bill and I do so because I believe it will not work. It will restrict the free flow of competition. I am not saying competition is always good, but I am

saying it is a long way from being always bad. To go further than that, I say that the free interchange of goods and ideas—the competitive spirit with all the faults it may have—has given us all that we enjoy today and all that we have battled to obtain. I refer to better tape recorders, suits, roads, cars, and spectacles, to instance but a few. Precious few of these have come out of planned economies. As a matter of fact, I can think of none of these improvements which have resulted from a planned economy. They have come out of a competitive, capitalistic, free-enterprise economy. This legislation is another millstone which the Government proposes to put around the neck of the economy. For my part I will not have a bar of it.

THE. HON. R. THOMPSON (South Metropolitan) [9.15 p.m.]: During the second reading speech the Leader of the House referred to the fact that during the war years the Federal Government set up price control under emergency regulations for a totally different reason from that behind this particular legislation. At that time we were faced with a shortage of most commodities, and some commodities were not available. Many had to be imported from countries which were also in dire straits—in fact, some of them felt the effects of the war far more severely than we did. Nobody can honestly say that price control did not serve its purpose and was not efficient during the war years. Of course it was efficient and it was this efficiency which helped Australia play such a major part in the Allies' victory.

The Hon. J. Heitman: That does not mean to say it was fair right throughout. It may have been a big help.

The Hon. R. THOMPSON: It is not a matter of whether it was fair or not. It depends whether the needy or the greedy were looking at the fairness of it. I was in business at that particular time and everything I sold was subjected to price control.

The Hon. A. F. Griffith: How did you go?

The Hon. R. THOMPSON: I commenced in a humble way and in seven years the business was very successful. I would say that I mostly sold under the maximum price allowed. I was permitted to buy direct from growers at a fixed price and one could say that I was cutting out the middle man.

The Hon. D. J. Wordsworth: You would not cut out the statutory body, would you?

The Hon. R. THOMPSON: I cannot understand the interjection. By direct buying I was able to sell people fresh goods at a reasonable price. I believe Mr Dans' mother was one of my customers during all my years in business.

It was possible to keep prices down because of competition. However, the war-time price control was a totally different concept to the measures proposed here.

The Leader of the Opposition referred to the second reading speech made by the by the Leader of the House where he said—

The controls proposed to be available by this Bill are not intended to be used to apply an "across the board" or "blanket" price control policy, but rather as its title implies to provide ways and means by which consumers may be protected from apparently excessive rises in prices of goods and services.

Let us face the fact that the State does not have the power to bring in price control over every commodity. Such a step would be totally against our Constitution. However, where goods and services are thought to be excessively priced, the matter would go before the commissioner and then the committee. If the Minister did not agree with the submission, the matter would go no further. Any goods or services would be subjected to a thorough investigation before any restrictions would be applied to their price. I feel this price control on services is most necessary and I can give the House examples of this from my own experience.

I have dealt with the one firm which produces hot water systems over some 14 years. In that time I have had three new units and service has been effected by the same firm. When these hot water systems break down, they must be serviced by the manufacturers. I may ring them on a Monday and I will be told, "We will be in your area on Thursday and the service fee will be \$8." This firm is in Carlisle so I am being charged \$8 for travelling time and perhaps a short period of 15 minutes to look at the heater. And yet I find that the serviceman calls at my place and also at my neighbour's place. This has not happened only once—it has happened three or four times in the last two years. I pay \$8 and my neighbour pays \$8. It is cheaper to have a doctor call to my house than it is to get someone to put a fuse in an electric stove or hot water system.

The Hon. A. F. Griffith: But the doctor cannot fix your hot water service.

The Hon. R. THOMPSON: I know that, but I am commenting that it is cheaper for the doctor to visit than for the electrician. Mostly the servicemen are not qualified, perhaps they simply screw a fuse into an electric stove. Do not tell me that this is just and right. The public is being held to ransom in some cases.

The Hon. D. J. Wordsworth: Do you think the situation will be covered with price control?

The Hon. R. THOMPSON: This would be one of the first matters about which I would lodge a complaint. I do not think we have much reason for complaint with food lines, and I do not believe any restrictions will be placed on these. Food prices are kept down because of competition, and this was mentioned by the Leader of the Opposition. I go along with most of his comments about supermarkets, small stores, group buying, Four Square, and United Grocers. Many of the small grocers have combined in such groups.

Let us get down to some of the items which can be purchased at discount prices for cash, and I refer now to goods purchased by the farming community. If a man has money in his pocket and wishes to purchase a certain line of sheep dip, he can obtain up to a 30 per cent. discount.

The Hon. J. Heitman: Where do you get that?

The Hon. R. THOMPSON: I will tell the honourable member privately.

The Hon. A. F. Griffith: You know your hot water service that went bung—not the one you called the doctor to?

The Hon. R. THOMPSON: Yes.

The Hon. A. F. Griffith: What do you think would be a reasonable charge for the firm to make?

The Hon. R. THOMPSON: If the serviceman made a direct call from his place of business to my home to service my hot water system, I would not quibble at \$8 plus the parts. However, when he parked his wagon between my place and my neighbour's, visited both, and charged us \$8 each, I felt it was a bit rich.

The Hon. A. F. Griffith: How rich?

The Hon. R. THOMPSON: He is charging me \$8 for a service call from Carlisle, and this is reasonable. However, he also charges my neighbour \$8. I feel the charge would have been reasonable if he had turned up on the Monday afternoon in answer to my call on Monday morning. However, he said, "We will be in the Fremantle area on Thursday." This happens all the time.

The Hon. R. J. L. Williams: You want to change your hot water system.

The Hon. R. THOMPSON: If we look at farm machinery replacement parts, we can see that excessive profits are being made.

The Hon. W. R. Withers: By whom?

The Hon. R. THOMPSON: By the people who sell them.

The Hon. W. R. Withers: Do you know the people?

The Hon. R. THOMPSON: I know I can get 17½ per cent. off the price because I know someone working at the place.

The Hon. W. R. Withers: That is pretty good, because most of the parts are 20 per cent. It is only on some proprietary lines and lines which go to agents that you can get 30 per cent.

The Hon. R. THOMPSON: I can get 17½ per cent. off, and I do not think the firm is over-generous.

The Hon. G. C. MacKinnon: Are you thinking of Massey Ferguson tractors? That firm is in difficulties.

The Hon. R. THOMPSON: I am speaking of a replacement parts company. I can obtain 17½ per cent. discount, and I am not the only one. Many people who have traded with this firm over a number of years can get 17½ per cent. discount.

The Hon. G. C. MacKinnon: Do you mean in the future nobody will get 17½ per cent. discount?

The Hon. R. THOMPSON: If the firm can afford to give 17½ per cent. discount to many people, including me, I feel its profit margin should come down to a reasonable level and everyone should get a fair go. As I was saying, if I can afford to pay cash for sheep dip and other proprietary lines such as poisons handled by large stock firms, I can get a large discount. If a person cannot afford to pay cash—and this is the person who really needs the benefit because he can least afford to pay the higher price—he has to pay the full amount if he wishes to purchase on 30 days' credit. This practice should be investigated.

Such an investigation would only be occasioned by a complaint. This is not something where a board or commission is to be set up. Possibly several committees will be set up to inquire into different aspects of excessive pricing.

The legislation provides that commerce and interested people from both sides will be represented on the committee which will inquire into a price. If this Bill provided for complete price control on all commodities, I do not think it would be acceptable to the average person. However, it is selective price control—investigation into prices which are considered to be excessive. If the investigation proves that a price is not excessive, no action will be taken.

The Hon. G. C. MacKinnon: It will just result in a shortage of those goods.

The Hon. R. THOMPSON: I do not know where members get this idea. Just because petrol is price controlled in South Australia, there is no shortage of petrol.

The Hon. N. McNeill: Have you experienced petrol rationing recently?

The Hon. R. THOMPSON: Nobody in Western Australia has experienced rationing recently.

The Hon. N. McNeill: In South Australia?

The Hon. R. F. Claughton: That had nothing to do with price control.

The Hon. R. THOMPSON: That had nothing to do with the fixing of the price. It was a totally different matter. With goods coming onto the market at the present time from all over the globe we are not going to be faced with the proposition of shortages. Somebody had conjured up the idea that price control will bring about shortages. On the contrary, price control can open up much more competition because people can start underselling. If price control is put on any goods, a maximum price will be set and not a minimum. I cannot understand the confused thinking of the Opposition on this matter.

The Hon. W. R. Withers: How will the State fix a maximum price? Give me an example from what I quoted in my speech.

The Hon. R. THOMPSON: I endeavoured to work out what the honourable member was trying to say when he was speaking, but his words did not make sense to me. The honourable member gave an illustration relating to the canning of peaches. If the manufacturer or retailer is not competitive he does not remain in the field; it is competition that sets a price. Manufacturers, as a result of their expertise, set a price; they know what it costs to produce an article, and if members would care to look at the quality of canned fruit that was exemplified by Mr. Withers, and which is sold throughout the Commonwealth, it would be found there is one brand about 2c dearer than the average quality.

The Hon. A. F. Griffith: Do you think those items would be price-fixed in Western Australia?

The Hon. R. THOMPSON: I do not think they would be touched, or even considered.

The Hon. A. F. Griffith: Are they price-fixed in South Australia?

The Hon. R. THOMPSON: No.

The Hon. A. F. Griffith: Are you sure?

The Hon. R. THOMPSON: If they are price-fixed in South Australia this would prove to be an argument against what Mr. Withers contended, because canned fruit in particular is put out as a special in the South Australian shops.

The Hon. W. R. Withers: We are talking about the maximum price for peaches. Will you fix a maximum price for three different kinds of peaches sold under three different brands throughout the State?

The Hon. R. F. Claughton: It is provided in the Bill that the commissioner is able to fix a differential price.

The Hon. R. THOMPSON: The Bill provides that all these matters will be investigated by an investigation committee

which will not be a lopsided body. It will be a committee that will make its deliberations with fairness and justice.

The Hon. W. R. Withers: Why don't you save the State a great deal of money by pooling your resources and buying a shop and then returning to Parliament with your ideas?

The PRESIDENT: Order!

The Hon. R. THOMPSON: I had a shop for seven years whilst price fixing was in existence and I built up a successful business. I did not find it necessary to charge the maximum price. I could still charge below the maximum price, make a reasonable margin of profit and, by competition, build up my business.

The Hon. A. F. Griffith: Did you have wage controls in your shop?

The Hon. R. THOMPSON: At that time wages were definitely controlled the same as they are now. In those days wages were set by the Arbitration Court, but now they are set by the Industrial Commission. There is no difference. At the time I was conducting a shop both wages and prices were controlled. Now we have wages control, but prices are not controlled, and nowhere in this Bill does it provide a blanket cover. Mr. Withers knows full well that under the Constitution it would not be possible to give a blanket cover under the Bill on all goods and services in Western Australia.

The Hon. W. R. Withers: We have controlled—

The PRESIDENT: Order!

The Hon. R. THOMPSON: I support the Bill.

The Hon. A. F. Griffith: There is one good aspect about your speech; you told us a great deal more than the Minister told us.

The Hon. R. THOMPSON: I am acquainting the Leader of the Opposition of the position as I know it. When the Leader of the Opposition made his speech he advised us of the position as he knew it.

The Hon. A. F. Griffith: That is always the case with you and me.

Debate adjourned, on motion by The Hon. L. A. Logan.

COMPANIES ACT AMENDMENT BILL (No. 2)

Assembly's Message

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

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 3)

Returned

Bill returned from the Assembly without amendment.

STATE FORESTS

Revocation of Dedication: Assembly's Resolution

Message from the Assembly received and read requesting the Council's concurrence in the following resolution:—

That the proposal for the partial revocation of State Forests Nos. 22, 27, 33, 37 and 70 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on 31st October, 1972, be carried out.

House adjourned at 9.36 p.m.

Legislative Assembly

Tuesday, the 7th November, 1972

The SPEAKER (Mr. Norton) took the Chair at 4.30 p.m., and read prayers.

FRUIT-GROWING RECONSTRUCTION SCHEME BILL

Message: Appropriations

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

METRIC CONVERSION BILL

Introduction and First Reading

Bill introduced, on motion by Mr. J. T. Tonkin (Premier), and read a first time.

Second Reading

MR. J. T. TONKIN (Melville—Premier) [4.35 p.m.]: I move—

That the Bill be now read a second time.

The object of this Bill is to amend the number of existing weights and measures references in Acts to express them in the metric system of measurement, and to provide for the amendment of other Acts, as required, in the future.

The metric system of measurement is defined as the international system of units—S.I.—and, in addition, approved units decimally related to S.I. units and units declared pursuant to the Commonwealth Metric Conversion Act, 1970.

The decision that Australia should convert to the metric system was announced by the Prime Minister in January, 1970. This decision stemmed from the report of the Senate Select Committee on the metric system of weights and measures presented to the Senate in May, 1968, which recommended that—

It is practical and desirable for Australia to adopt the metric system of weights and measures at an early date.

The Select Committee made this recommendation for the following reasons:—

Submissions to the committee from individual citizens, Commonwealth Ministers and departments, State Governments and departments, Commonwealth and State instrumentalities, and organisations, overwhelmingly supported an early change to the sole use of the metric system and clearly indicated that there would be no insuperable difficulties in effecting such a change.

The metric system is already used by a large majority of the countries of the world, representing about 90 per cent. of the world's population, and its use is extending further. The United Kingdom is actively converting to the metric system and expects to be predominantly metric by 1975.

Approximately 75 per cent. of world trade is being carried on in metric measurements.

Already 70 per cent. of Australia's export trade is to metric countries, or to countries converting to the metric system, and this proportion can be expected to increase as the nation's trade with South-East Asia grows. Some countries, including Japan, have made use of the metric system mandatory for some of their import trade.

Almost without exception, education authorities favour the early adoption of the metric system on the grounds that this would simplify and unify the teaching of mathematics and science, reduce errors, save teaching time, and lead to a better understanding of basic mathematical principles.

A cost advantage may be expected in the purchase of imported materials from the broadening metric system market, rather than from the shrinking market using the imperial system. Because of its inherent advantages over the imperial system of weights and measures, particularly its decimal nature, and the simple relationships between its units, all operations involving weights and measures would be greatly facilitated with, in many cases, a substantial increase in efficiency.

The advantages of the metric system referred to in the previous paragraph, are most evident in the restricted system known as the International System of Units—S.I.—which is the internationally preferred system. The full advantages of decimal currency will not be experienced until decimal weights and measures are also used. The adoption of the metric system is widely accepted as a natural consequence of the currency conversion.