

It has become customary for us to comment on these proposals which have already been signed prior to their presentation to Parliament. This agreement, being an amendment of an existing agreement and not an entirely new one might be considered as a deferment of the commencement of the Amax alumina refinery. Of course, that is not necessarily so, although it appears that there is every likelihood of this at the present moment.

There is nothing in the proposal now presented to Parliament to prevent Amax from commencing operations next year, or in two or three years' time. All that the company sought, after its survey of the world situation—and knowing that it required additional supplies of alumina—was that it should be able to enter into an agreement with another refinery; because it would be impossible for the company to outlay the tremendous capital investment to produce the comparatively small amount of alumina for which it has need at the present time.

I would point out that there is nothing to prevent Amax from purchasing its requirements from any one of several different places outside of Australia if it decided to leave Western Australia and not to continue with the Kimberley proposition. Therefore, we are fortunate that the company was here in Western Australia with a commitment set out in the agreement passed earlier. That agreement gave the company an interest in Western Australia, and the company was anxious to remain here and show its bona fides. Because of that we have been able to negotiate an agreement under which the refinery at Pinjarra will be given the opportunity to proceed with what could be a full expansion of the industrial establishment at that location.

The Alcoa refinery at Pinjarra had ambitious plans of its own but the company found it necessary to postpone certain additions to its refinery and to work only one-half of the plant which had already been completed. Therefore, I think we are very fortunate that it has been possible to bring these two giants—Alcoa and Amax—together with advantage to Western Australia in the difficult international situation which exists at the present time. This applies more particularly because of the impact the agreement will have upon the economy of Western Australia. As already outlined, work will be available on the site for approximately 1,000 workmen. Of course, many hundreds more—perhaps 500—will be employed in fabricating and servicing those working on the site.

I am certain that the announcement made recently, accompanied by the signing of the amended agreement between the Amax company and the Premier on behalf of the State, was welcomed in very many quarters—not only by workmen

who are experiencing employment difficulties, but also industrial establishments which are not having as flush a time at present as they would wish.

Arising out of the unfortunate international situation it has been possible to do something, at very short notice, of great advantage to our State at a time when it badly needs some impetus along these lines.

Debate adjourned, on motion by Sir Charles Court (Leader of the Opposition).

*House adjourned at 5.57 p.m.*

## Legislative Council

Tuesday, the 19th September, 1972

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

### TRAFFIC SAFETY

*Report of Superintendent Monck: Tabling*

**THE HON. J. DOLAN** (South-East Metropolitan—Minister for Police) [4.32 p.m.]: I desire to lay on the Table of the House a copy of the general report of the Superintendent of Traffic, Mr. Monck, on his overseas visit this year. A copy will also be available to each member of the Parliament.

The general and principal recommendations arising from this report are being evaluated and will be announced at the appropriate time.

*The report was tabled.*

### AGE OF MAJORITY BILL

*Assent*

Message from the Governor received and read notifying assent to the Bill.

### QUESTION WITHOUT NOTICE

#### TRADES HALL BUILDING PROJECT

##### *Government Guarantee*

The Hon. A. F. GRIFFITH, to the Leader of the House:

With reference to my questions last week on the matter of a Government Guarantee to Trades Hall Inc., and also my remarks made on the motion moved by the Leader of the House on the adjournment of the House, on Wednesday last, the 13th September—

(a) will the Minister please advise the House whether, in accordance with the request made of the Minister by me, he has had discussions with

- the Premier and/or the Minister or Ministers responsible for the preparation of the answers to my questions;
- (b) if the answer to this question is in the affirmative, what was the result of those discussions;
  - (c) will he also please advise whether he discussed with the Premier or any other of his ministerial colleagues, the remarks made by the President in connection with the unsatisfactory answers given to my questions;
  - (d) will he advise the House of the outcome of those discussions;
  - (e) if he has not had discussions as related in (a) and (c) above, will he acquaint the House with the reasons for this?

The Hon. W. F. WILLESEE replied:

I would like to advise the House that the Leader of the Opposition showed courtesy in giving me forward advice of the details of this question. I am therefore able to reply in full as follows:—

- (a) Yes.
- (b) The Premier is still of the opinion that the honourable member's request for the tabling of all documents was unreasonable and if positions were reversed the honourable member himself would not table the papers. However, the Premier said that as the honourable member is making such a fuss and the Government has nothing to hide the papers will be tabled.
- (c) I discussed with the Premier the remarks made by the President in connection with the answers which the honourable member regards as unsatisfactory but which the Premier still maintains conformed to the usages of the House of Commons.
- (d) See answer to (b).
- (e) See answer to (a) and (c).

#### QUESTIONS (8): ON NOTICE

##### 1. ROYAL COMMISSION

##### *Power to Subpoena Interstate Witnesses*

The Hon. J. M. THOMSON, to the Leader of the House:

Further to the reply to my questions on Wednesday, the 13th September, 1972, with reference to

representations to State and Federal authorities for enactment of necessary legislation for interstate witnesses to attend before a Royal Commission, indicating that the Hon. Premier has made representations to all States, will the Minister advise whether—

- (a) the Hon. Premier; or
- (b) the Attorney General—

has made representations to the Prime Minister or the Federal Attorney General to amend the Service and Execution of Process Act which permits process to be served interstate?

The Hon. W. F. WILLESEE replied:

An amendment to the Service and Execution of Process Act is not possible having regard to the provisions of paragraph 24 of section 51 of the Constitution which limits the legislative power to processes and judgments of Court. Under the circumstances no purpose would be served by an approach to the Prime Minister.

2.

#### FISHING

##### *Shark Bay Area*

The Hon. G. W. BERRY, to the Leader of the House:

- (1) Is research still being undertaken by the Fisheries Department in respect to prawning in the Carnarvon area of Shark Bay?
- (2) If so, have any findings been released?

The Hon. W. F. WILLESEE replied:

- (1) There has been a continuing programme of monitoring the prawn population in the Shark Bay area. At different periods up to five research officers and assistants have been involved in this project. In 1973 the monitoring programme will be extended to include biological research of the local prawn populations.
- (2) Data obtained from these monitoring programmes are available to interested persons. A report "Shark Bay Prawn Fishery—Consideration of a Closed Season Proposal" by the Department of Fisheries and Fauna's Chief Research Officer, Dr. D. A. Hancock, was published in the June edition of the bulletin Fishing Industry News Service which is distributed to the fishing industry, a copy of which is tabled herewith. (See Paper No. 287).

*The Bulletin was Tabled.*

## 3. HOSPITALS

*Bunbury: Private and Government*

The Hon. G. C. MacKINNON, to the Leader of the House:

- (1) Has the opening of the new St. John of God Hospital at Bunbury had any noticeable effect on—
  - (a) the bed occupancy at the Bunbury Regional Hospital;
  - (b) the staff availability at the Bunbury Regional Hospital; or
  - (c) the usage of the long term nursing care unit?
- (2) Has the opening of the new hospital occasioned any change in long term planning for extensions to either—
  - (a) the Bunbury Regional Hospital; or
  - (b) the long term nursing unit?
- (3) When is it now considered that any extensions to any section of the Bunbury Regional Hospital may be necessary?
- (4) If any extensions are considered likely within the next five years, what are they?

The Hon. W. F. WILLESEE replied:

- (1) (a) No.
- (b) No.
- (c) No.
- (2) (a) No.
- (b) No.
- (3) and (4) No decision has been made. Since the opening of the Permanent Care Unit the bed occupancy of the Regional Hospital has been substantially lower and recent experience indicates a bed usage of approximately 70% of available beds. With a total of 230 hospital beds as distinct from the Permanent Care Unit and nursing home beds, Bunbury is adequately catered for now and in the immediate future. The position will be kept under review.

Should sufficient additional funds become available from the Commonwealth, consideration would be given to the extension of the Permanent Care Unit.

## 4. TOTALISATOR AGENCY BOARD

*Disbursements to Clubs*

The Hon. C. R. ABBEY, to the Minister for Police:

- (1) Will the Minister inform the House what amounts were disbursed during the financial year ended the 30th June, 1972, to—
  - (a) country racing clubs;
  - (b) country trotting clubs?

- (2) Will the Minister list the country clubs who are eligible for assistance under the Act, and the amounts received by each club?

The Hon. J. DOLAN replied:

The Totalisator Agency Board is not involved with the distribution of funds to Country clubs, within the provisions of section 28 of the Totalisator Agency Board Betting Act. However, the following information was obtained from the W.A. Turf Club and the W.A. Trotting Association:—

- (1) (a) Country Racing, \$328,817;
- (b) Country Trotting, \$286,480.

- (2) Amounts received are as follows—

Western Australian Turf Club  
Distribution to Country Clubs  
Year Ended 31st July, 1972

CLUB	\$
Albany Race Club	12,739.41
Ashburton Race Club	1,091.76
Beverley Race Club	11,975.25
Broome Turf Club	6,222.64
Bunbury Race Club	49,663.91
Coolgardie Racing Club	2,475.43
Dongara-Irwin Race Club	1,151.00
Eastern Gascoyne Racing Club	1,245.01
Esperance Bay Turf Club	5,050.06
Exmouth Race Club	4,656.85
Fitzroy Valley Race Club	1,686.29
Gascoyne Racing Club	4,437.16
Junction Race Club	1,383.78
Kalgoorlie-Boulder Racing Club	41,977.56
Katanning Picnic Race Club	804.33
Kimberley Goldfields Amateur Jockey Club	2,914.71
Kojonup Polo & Polocrosse Club	278.23
Kununurra Amateur Race Club	1,092.06
Lake Grace Racing Club	649.78
Leonora Jockey Club	3,391.46
Marble Bar Amateur Race Club	1,825.05
Meekatharra Race Club	2,556.26
Mingenew-Yandanooka Amateur Turf Club	1,330.73
Moora Race Club	2,201.49
Mount Barker Amateur Turf Club	1,281.37
Mount Magnet Race Club	1,603.07
Mullewa Gymkhana Race Club	1,052.29
Murchison Goldfields Racing Club	2,181.71
Murgoo Picnic Race Club	535.99
Narrogin Race Club	8,266.99
Northam Race Club	31,166.50
Northampton Race Club	1,275.68
North West Jockey Club	1,974.21
Nyabing Sports Club	247.56
Pingrup Sports Club	1,348.81

CLUB	\$
Pinjarra Race Club .....	39,137.48
Port Hedland Amateur Race Club .....	3,852.61
Three Springs Race Club .....	1,237.92
Toodyay Race Club .....	10,997.48
Victoria Districts Turf Club .....	14,545.49
Walkaway Amateur Race Club .....	2,172.42
Wiluna Picnic Race Club .....	313.30
West Kimberley Turf Club .....	8,152.60
Winning Picnic Race Club .....	821.71
Wittenoom Gorge Race Club .....	2,475.63
Wyndham Turf Club .....	3,713.25
Yalgoo Jockey Club .....	745.69
York Jockey Club .....	26,917.63
<b>TOTAL</b>	<b>\$328,817.00</b>

Western Australian Trotting  
Association  
Year Ending—31st July, 1972  
Distribution

Club	Total \$
Albany .....	1,494
Bridgetown .....	9,533
Bunbury .....	34,915
Busselton .....	4,260
Collie .....	8,246
Cunderdin .....	19,072
Dumbleyung .....	1,795
Golden Mile .....	25,580
Harvey .....	19,442
Katanning .....	8,459
Keelerberrin .....	10,657
Merredin .....	9,722
Narrogin .....	9,018
Northam .....	33,190
Pinjarra .....	36,474
Trayning .....	3,429
Wagin .....	13,376
Williams .....	9,774
Wyalkatchem .....	2,532
York .....	25,512
<b>TOTAL</b>	<b>\$286,480</b>

5. **KWINANA-BALGA  
POWER LINE**

*Construction of Pylons*

The Hon. CLIVE GRIFFITHS, to the  
Leader of the House:

Further to my questions on  
Wednesday, the 13th September,  
1972, in regard to the construc-  
tion of pylons for the Kwinana-  
Balga power line, would the Min-  
ister advise—

- (a) does he agree that question  
(1) clearly indicates that the  
subject matter of my ques-  
tions was restricted to the  
construction of the pylons to  
be used on the power line in  
question;

- (b) if the answer to (a) is "Yes"—  
(i) am I to understand that  
the answer to question  
(7) is confined to this  
matter; and  
(ii) if not, why not;
- (c) if the answer to (a) is "No",  
would he explain how was the  
question interpreted to mean  
work other than the construc-  
tion of the pylons;
- (d) if the answer to (b) (i) is  
"Yes", what was—  
(i) the source of his informa-  
tion that no other firm in  
Western Australia is will-  
ing or capable of carrying  
out this work; and  
(ii) what was the basis used  
by that source of infor-  
mation in arriving at such  
a conclusion;
- (e) will the galvanising of the  
pylons be carried out in West-  
ern Australia;
- (f) if not, where will this work be  
carried out;
- (g) is it not a fact that the Gov-  
ernment is aware that a plant  
of sufficient capacity to en-  
able the galvanising of these  
pylons in Western Australia is  
currently under construction;
- (h) would the Minister lay on the  
Table of the House a copy of—  
(i) the conditions of tender;  
(ii) complete details and the  
extent of the work in-  
volved and the price sub-  
mitted by Electric Power  
Transmission Pty. Ltd. for  
the original contract, re-  
ferred to by him in an-  
swer to my question on  
the 13th September, 1972,  
which has now been ex-  
tended; and  
(iii) similar details in regard  
to the extended portion of  
the contract;
- (i) would he provide complete  
details of the equipment re-  
quired by Electric Power  
Transmission Pty. Ltd. for its  
works that makes it necessary  
for a Government guarantee  
of \$250,000 to be made;
- (j) does the original contract in-  
clude the design of pylons;
- (k) if so—  
(i) does the same design apply  
to the extended contract  
referred to; and  
(ii) where was the original  
design work carried out;
- (l) are there any firms in this  
State capable of carrying out  
this design work?

The Hon. W. F. WILLESEE replied:

- (a) Yes.
- (b) (i) No.
- (ii) The satisfactory conclusion of the work necessitates an inclusive transmission line contract.
- (c) See (a) above.
- (d) See (b) (i) above.
- (e) At least 70% of the tonnage of steel used will be galvanised in W.A.
- (f) Not more than 30% of the tonnage of steel used will be galvanised in N.S.W.
- (g) Adequacy from a capacity point of view is not necessarily in question. Fabrication of steel in one works and galvanising in another would not lead to the necessary low overall cost of production which is essential for this State to compete in this specialised field with established Eastern States firms.
- (h) (i) Final preparation not complete at this stage.
- (ii) Tender will be tabled.
- (iii) Similar details for the extended contract will not be available until the contract documents are completed. The basic tender price of \$7,689,896 has been arrived at by updating the former schedule of rates contract in conjunction with the anticipated tower type requirements and foundation limitations to be encountered.
- (i) A confidential itemised list supplied to the Department of Industrial Development including building extensions, additional fabricating machinery and galvanising plant.
- (j) Yes.
- (k) (i) Yes, for some of the component towers.
- (ii) Where unknown—but by E.P.T.
- (l) Yes—but not within competitive economic limits.

## 6. SMALL BOAT HARBOUR

### *Carnarvon*

The Hon. G. W. BERRY, to the Leader of the House:

- (1) Have plans been prepared for the proposed small boat facilities at Carnarvon?
- (2) If so, when is it anticipated they will be released?

The Hon. W. F. WILLESEE replied:

- (1) No, but the plans are well advanced.
- (2) The plans will be completed before the end of the year and will be available to any interested party.

7.

## EDUCATION

### *First Aid Classes*

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

- (1) Is first aid taught in either senior or junior schools?
- (2) If not, does not the Government feel that this subject would be of as much benefit to students as some of the arts and crafts which are currently on the curriculum?

The Hon. W. F. WILLESEE replied:

- (1) First aid is not taught as a subject in primary schools. "Community Health", which is available under the Achievement Certificate in secondary schools, includes a major course of first aid.
- (2) It is considered that young children could do damage in undertaking first aid. Departmental policy is to progressively introduce instruction but also to encourage children to seek the assistance of a mature responsible person.

8.

## EDUCATION

### *Teachers' First Aid Qualifications*

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

- (1) What standard of St. John Ambulance Brigade training do students have to pass to qualify as teachers?
- (2) How many hours of lectures on first aid are given to student teachers?
- (3) Do headmasters have to attain further qualifications before being posted?

The Hon. W. F. WILLESEE replied:

- (1) A standard approximately equal to the basic St. John Ambulance Brigade training.
- (2) Ten to fifteen hours.
- (3) No.

## BILLS (2): REPORT

- 1. Government Railways Act Amendment Bill.
  - 2. Hairdressers Registration Act Amendment Bill.
- Reports of Committees adopted.

# **LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 3)**

## *Second Reading*

**THE HON. R. H. C. STUBBS** (South-East—Minister for Local Government) [4.49 p.m.]: I move—

That the Bill be now read a second time.

This Bill to amend the Local Government Act is the third such Bill to be introduced in the current session of Parliament. Since the Local Government Act was first passed in 1960 after having taken about 20 years to compile following two Royal Commissions, inquiries, and many discussions, it has been amended in every session of Parliament since its enactment. The fact that amendments are necessary in each year does not reflect adversely on the quality of the original legislation, but merely reflects the dynamic nature of local government, the far-reaching effect of its provisions, and the necessity for it to keep abreast of changing conditions and changing circumstances in our rapidly developing State.

There are now 138 municipal councils in Western Australia and they are represented by three associations: The Local Government Association, the Country Shire Councils' Association and the Country Town Councils' Association. Each of these bodies confers regularly on matters affecting their administration and frequently proposes changes to the legislation to meet particular situations which arise from time to time.

The Local Government Act is the largest of this State's Statutes and it is expected that it will always be the most extensive legislation in the State. The Bill which I am about to present contains many clauses which have been submitted for the consideration of Cabinet by the associations which represent local government. They have been carefully considered by Cabinet and are now submitted as being desirable to receive the approval of Parliament. I shall proceed to deal with the various clauses contained in the Bill seriatim.

**Clause 1:** This clause merely provides for the short title of the Act.

**Clause 2:** This clause provides that the Act will come into operation on a date to be fixed by proclamation and for certain sections to be proclaimed at different times should it be considered desirable.

**Clause 3: Alteration to Municipal Districts—Governor's Powers:** Under the present provisions of section 12(4) (e) the Governor has the power without a petition to unite two or more municipalities whose districts are adjoining so that they form one municipality and one district if such union has been recommended by the Local Government Boundaries Commission. Other provisions for variation in

district boundaries require a petition under the seal of each council affected by the proposed change.

The proposal in this clause is to increase the Governor's powers to permit him to bring into effect boundary alterations other than those involving a complete union of municipal districts and without the necessity for a petition being first received. The amendment provides more specifically that the Governor may give effect to a recommendation of the Minister concerning the redistribution of municipal district boundaries after the Boundaries Commission has considered the question and reported thereon.

This amendment will avoid the cumbersome requirement of each municipal council petitioning independently in respect of a proposed revision. An example of the situations which have given rise to this proposal can be found in the recent changes which were effected in the Pilbara area. Portions of several districts including the entire area of some districts were involved in the creation of the districts of the Shires of East and West Pilbara. To achieve this result which is considered to be desirable in the best interest of local government in that portion of the State, it was necessary to obtain a petition under the seal of each council affected. In fact, the recommendations of the Boundaries Commission were not implemented in full because one council was not in agreement and the petition was not forthcoming.

I have recently directed the Boundaries Commission to review the boundaries of municipal districts comprised in the metropolitan area and to recommend if it considers that any changes are desirable. Should the commission, on conclusion of this review, propose any variation other than that the union of existing districts be effected, however small the departure may be from actual union, it will be necessary under the present legislation for petitions to be received from at least one of the municipal councils concerned with each particular proposal. The effect of this requirement could be exceedingly frustrating and delay what could be necessary and desirable reforms.

It is believed that the composition of the Boundaries Commission is such that the members are well acquainted with the problems affecting local government in Western Australia and will be capable of producing a report and recommendations which will be for the improvement of local government generally. The chairman of the commission is the Assistant Secretary for Local Government, Mr. W. J. Heron, and his deputy is the Senior Government Inspector of Municipalities, Mr. P. Fellowes. The other members of the commission are nominees of the associations representing the municipalities. Mr. E. Clark is the member nominated by

the Local Government Association, whilst Mr. H. L. Clarke is his deputy. Mr. W. C. K. Pearse, with Mr. F. Brockman as his deputy, are nominees of the Country Shire Councils' Association. This commission is constituted under the provisions of section 12(6) of the Act.

Numerous changes have been made in respect of municipal district boundaries in recent years following recommendations of the Boundaries Commission and in due course these changes have been accepted as desirable, there being in some instances opposition at the time the proposals were initiated.

Questions submitted to the Boundaries Commission relative to municipal districts are usually based on questions of fact or on opinions based on experience in all aspects of local government, but are rarely matters of legal opinion or legal decision. Nevertheless, many municipal councils have been involved in heavy legal costs in connection with hearings conducted by the commission. The Council of the Town of Bunbury incurred legal costs totalling \$3,600 in 1970. Although the town council was quite prepared itself to place its case before the commission, when it became aware that other councils concerned were to have legal representation, it felt that it had no alternative to its being similarly represented. The council of the Shire of Swan proposed that the provisions contained in this clause should be enacted because of the considerable expense which can result in legal representation.

The proposed provision is similar to that which applies in at least one other State of Australia, and at a recent conference of Local Government Ministers of all States of the Commonwealth it was agreed that it would be preferable if all Boundaries Commission hearings were conducted without legal representation.

It will be noted in paragraph (e) that the provision does not preclude a barrister or solicitor from preparing any documents or submissions or tendering any legal advice in connection with any matter for consideration before the commission.

Clause 4—Voting Age, Municipal Elections: Section 45 of the Local Government Act sets out the qualifications of electors at municipal elections and at present, *inter alia*, includes the requirement that a person to be eligible as an elector must have attained the age of 21 years. The amendment is merely to substitute the word "eighteen" in lieu of the word "twenty-one". Member bodies of both the Country Shire Councils' Association and the Local Government Association have expressed their approval of this measure. As members are aware this has been the subject of widespread discussion in recent months and the Government believes that the majority of people at 18 years are

sufficiently mature to be afforded the right to vote. A similar provision is contained in the Age of Majority Act.

Clause 5—Returning Officers: Section 86 at present provides that the clerk of the council is the returning officer of a municipality. The council of the City of Nedlands has sought an amendment to enable an officer other than the clerk to be appointed with the approval of the Minister. The original submission was made because the council felt that the possibility of conflict could result in the mind of a clerk who, whilst being obliged to be impartial as a returning officer would, in his position as clerk of the council, be required to advocate the policy of the council in respect of a loan proposal which could be the subject of a loan poll.

In any case, it appears desirable that if circumstances preclude the clerk from being appointed a returning officer, some other officer should be able to be appointed with the approval of the Minister to act in this position in his stead.

Clause 6—Questions of Polling: Section 109 at present details the questions which may be asked of persons attending a polling place to vote. These include the question "Have you attained the age of 21 years?" In view of the amendment in clause 4 a consequential amendment substituting "eighteen" for "twenty-one" is necessary.

Clause 7: A council has advised that it is extremely difficult to obtain experienced staff to work at municipal elections because of the lower fees payable compared with those which apply under the Electoral Act.

This clause is designed to bring the fees payable to officers at elections into line with those payable under the Electoral Act and also to increase by 20 per cent. the fees payable to a returning officer and deputy returning officer.

Clause 8—Special Meetings—Calling by Telephone: Section 178 at present requires written notice of an ordinary or special meeting and in country areas where there is a weekly mail service this requirement can cause difficulty in notifying a member of a special meeting which may at times be called at short notice. The Country Shire Councils' Association has therefore sought this amendment to permit the use of a person-to-person telephone call to summon members to a special meeting of the council.

Clause 9.—Itinerant Food Vendors: At present the licensing and control of itinerant vendors of food are covered only by the Health Act and the health by-laws for the protection of health and are specifically excluded from control by councils under section 217 of the Local Government Act.

The Local Government Association has requested that the Local Government Act be amended so that itinerant vendors of food may be treated similarly to hawkers

and that councils be given power of discretion as to whether or not to permit itinerant vendors of food to operate and also to prescribe the conditions—apart from health requirements—under which they may operate. The association gave additional reasons for requiring this control as the wish to protect shops, reduce traffic dangers to children, and minimise litter problems. Member councils of the associations are also perturbed over the lack of control in respect of microphones, bells, etc. as used by many food vendors.

The proposed amendment will in no way affect the authority contained in the Health Act in relation to the health aspect of control of itinerant vendors.

**Clause 10—Variation of Trust:** Section 265 at present provides that a municipality may accept and hold real and personal property in trust and act in the administration of the property for the purpose and according to the trust.

It also provides for the council to vary the trust under certain circumstances. This approval only applies to property which has been transferred to the council. The Council of the City of Perth, however, some time in the past itself imposed on certain lands held by it a trust requiring it to be held "for the purpose of recreation for the people." The council now requires to erect a civic centre complex on a particular reserve and requires a variation of the trust to enable this to be done. The council has been advised that it will be a breach of trust to utilize it other than for the purpose described and it has made application to the Supreme Court for variation of the trust following approval of the alteration by a special meeting of electors. The judge, while sympathetic to the action, decided he did not have the jurisdiction to make the order. Clause 10 is designed to enable the trust to be varied on any property under the same conditions as heretofore, but paragraph (c) of section 265 has been substituted by a new paragraph extending the type of property on which a trust may be varied.

**Clause 11—Temporary Road Closures:** Section 292 provides that where land in the district is intersected by a street under the care, control and management of a council, the owner of the land may apply to the council for permission to place a fence across the street and to maintain the fence until the permission is withdrawn. The Country Shire Councils' Association requested that this amendment should be made to allow the adjoining farmers to make use of the road in their farm activities without using the provisions of section 334 because of the need to give notice to grant a lease, etc. The Under-Secretary for Lands has indicated that there is no objection to the proposal and no problems would result if this amendment were passed.

**Clause 12—Buildings—Building Licenses:** A recent prosecution for the erection of a building without a building license having been obtained under the provisions of the Uniform Building By-laws was dismissed in the Court of Petty Sessions on the grounds that section 374 permits a person to commence building once the plans have been approved by the council notwithstanding that after the plans were approved the applicant failed to take out the necessary license and pay the requisite fees. The amendments to section 374 are designed to ensure that a building cannot be commenced prior to the council's approval of the plans, the issue of a building license, and the payment of the prescribed fee, and unless the conditions prescribed in the license are complied with.

**Clause 13—Buildings—Departure from Approved Plans:** This clause provides for a new section 412A enabling a council to recover as a charge upon the land costs incurred in respect of enforcing compliance with the by-laws in respect of buildings which have been erected in contravention of the by-laws. This amendment has become necessary because at present it is possible for the builder of an offending structure to sell the property and limit the action which a council could take against the new owner or occupier. It is desired when a council has taken action under the provisions of section 411—which provides that a person who has been convicted of an offence in connection with a building may be required to bring the building into conformity with the provision of the by-laws—to prevent an offender disposing of the property and avoiding enforcement of the requirements of the council and the by-laws.

**Clause 14** amends section 433 merely to permit a council to prescribe the forms of licenses required or permitted. This is a corollary of the amendment to section 374 detailed in clause 12.

**Clause 15—Bush Fires Act—Recovery of Costs of Work:** This clause provides a new section 440A which is inserted to enable councils to provide firebreaks and to dispose of flammable materials on private property and to recover the costs of such work in a manner similar to rates and for this amount to remain a charge upon the land. This amendment has been sought by the Bush Fires Board. In many cases of absentee owners, councils have had difficulty in the past in recovering their expenses, particularly where owners are living in another State or country.

**Clause 16—Conference Expenses:** Section 513 of the Local Government Act provides for the payment to councillors attending conferences authorising the recoup of expenses necessarily incurred and the payment of loss of earnings not exceeding \$20. These payments are in respect of two members attending a municipal conference.



The amendment proposes to delete reference to loss of earnings so that the council will be authorised to pay an amount not exceeding \$20 irrespective of whether this is in respect of loss of earnings or otherwise. The reason for this amendment is that self-employed persons are not able to produce evidence of loss of earnings, although they definitely suffer a loss of income by attending a conference.

In clause 16 it is also intended to extend the authority of a council by authorising the expenses of an extra person who may attend a conference as an observer. This proposal was initiated by the Country Shire Councils' Association which indicated that it was desirable for observers to attend and that such councillors would be better equipped to become delegates in the future.

Paragraph (h) of section 513 at present provides for the loss of earnings of up to \$10 in respect of councillors attending a meeting of council. It is proposed that this amount should be increased to \$20 as a reflection of the changes which have occurred in money values.

Paragraph (c) of clause 16 is a new provision enabling councils to meet the rental charge incurred by a member in relation to a telephone at his place of residence. This amendment was proposed by the Local Government Association following a conference of the Australian Council of Local Government Associations.

It has also been agreed at a Conference of Ministers for Local Government of each State that this was not an unreasonable provision as it is agreed that councillors should not be out of pocket in performing their duties.

**Clause 17—Parking Funds:** At present section 522 provides that parking funds of a municipality should be kept in a separate bank account. This is regarded as being quite unnecessary as the accounting provisions are sufficient to control the handling of money whilst the presence of sums in this account could offset interest charges from time to time. There would be no problem of misapplication of the parking funds if this amendment is passed.

**Clause 18—Expenditure for Religious Purposes:** This amendment has been included following many approaches from a number of organisations who were concerned when the council of the Shire of Gnowangerup borrowed funds for the purpose of erecting an interdenominational church at Jerramungup. It was felt by many people that it should not be a function of local government to become involved with religious institutions or religious practices and this amendment is designed to ensure that council funds are not expended for such purposes unless the

money is from a trust fund established for the purpose in accordance with the conditions of trust.

**Clause 19—Variations:** This amendment is designed to include in the Local Government Act without reference to the Land Tax Assessment Act the provision that when residential land is rezoned the valuation used by the council will be a "notional" value supplied by the Commissioner of Taxation.

Previously, a similar provision was contained in the Act by reference to the Land Tax Assessment Act. However, since that time there have been amendments to the latter Act and it is now considered desirable to include all the provisions in the Local Government Act.

**Clause 20—Minimum Rating:** At present, section 522 of the Act provides that a council may levy in respect of any ratable land a minimum rate of not more than \$10 per annum as the council thinks fit. Because of changing money values the amendment proposes that the amount of \$10 will be substituted by \$20. This proposal was recommended by the Joint Liaison Committee of the Local Government Association and the Country Shire Councils' Association.

**Clause 21—Loan Polls:** This clause amends section 611 of the Act. At present, the number of persons who may demand a loan poll is prescribed as at least 50 persons or one-tenth of the total number of persons, whichever is the lesser in number, who are ratepayers—(a) within the district, or (b) within the portion of the district in which the loan will be applied. The number of ratepayers who must vote at such a poll is set at 15 per cent. This proposal was a result of a submission by the Local Government Association suggesting that before a poll was conducted the demand should be signed by at least 5 per cent. of the ratepayers, in lieu of the existing provisions.

Because it was felt that 5 per cent. of the more populous municipalities would preclude cases of genuine opposition to a proposal by a council being made, the subject of loan poll when a reasonable number of signatures are obtained, the sliding scale set out in paragraph (d) of clause 21 was devised. This scale is dependent upon the number of ratepayers in the municipality or within the portion of the district in which any loan rate could be applicable.

**Clause 23—Vandalism:** This clause is designed to amend section 665 in respect of penalties. At present, there is no penalty prescribed for an offence against this section and the general limits would therefore be applicable. The proposed amendment will bring the penalties prescribed in the Local Government Act to the same as those prescribed in the Police Act. It is emphasised that these penalties are the maximum which may be imposed

and that lesser penalties may be inflicted, but the amendment will serve to emphasise the seriousness of the offence which causes considerable loss to municipal councils and is causing increasing concern.

**Clause 24—On-the-spot fines:** At present the principle of modified penalties is limited to parking offences and this amendment is designed to make this apply to litter offences. This provision is similar to that which has been proved successful in other States of the Commonwealth. The Local Government Association and the Keep Australia Beautiful Council have both proposed the amendment to allow council inspectors to impose "on-the-spot" fines. The Keep Australia Beautiful Council has been engaged on an extensive campaign against litter and it is believed that the educational campaign which has been a marked success should now be backed up by a system of enforcement. It is emphasised that any person who is charged with the offence has the option of defending the charge in a court or paying the modified penalty. It is hoped that this provision will further ensure that the environment is protected from litter pollution.

**Clause 25:** This amendment is designed to vary all monetary penalties under the Act to conform with the considerable change in the value of money which has taken place since the Act came into operation in 1961. The Local Government Association has expressed the view that the maximum penalties prescribed are in many cases inadequate. The Bureau of Statistics has indicated that the average earnings have increased from \$39.50 in 1959-60 to \$84.60 in the second quarter of 1971. Therefore the proposal to double the maximum penalties is not unreasonable and it is again emphasised that these are maxima only and are subject to the discretion of the courts.

Debate adjourned, on motion by The Hon. J. Heitman.

## **COUNTRY HIGH SCHOOL HOSTELS AUTHORITY 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 purpose of this Bill is to give effect to the recently announced decision of the Loan Council to increase the ceiling rate of the borrowing powers of small authorities, thus enabling the Country High School Hostels Authority to increase its borrowings accordingly.

At present subsection (4) of section 12 of the Act provides that the Treasurer shall not guarantee in any one year the

repayment of any principal moneys in excess of \$300,000, or payment of interest on any principal sum in excess of that figure.

The amount of \$300,000 was determined by the Loan Council in 1967 as being the ceiling rate for small authorities and this has now been increased to \$400,000.

Provision has been included in the Bill for a more flexible arrangement, and to obviate the need for machinery amendments to the Act when such adjustments are made by the Loan Council, by authorising the Treasurer to approve moneys borrowed by the authority, in any one year, not exceeding in aggregate, the allowable amount. Consequently no specified limit is provided in the Bill, but the borrowing capacity of the Country High School Hostels Authority will be subject to the approval of the Treasurer.

Those who have had some dealings with Government finance will readily understand that no Treasurer would approve of the authority borrowing more than the amount determined from time to time by the Loan Council. Were a Treasurer to give such approval the entire amount would be deducted from the Government's own semi-governmental programme.

It is considered unnecessary to spell out automatic increases in the amount authorised to be borrowed in each year.

The Minister for Education paid tribute in another place to the excellent results achieved by the authority in its endeavours, on behalf of successive Governments, to bring to parents in the country and to their children a greater equality in educational opportunity.

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

## **FUEL, ENERGY AND POWER RESOURCES BILL**

### *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.

Clauses 1 to 6 put and passed.

Clause 7: Duty of the Commission—

The Hon. W. F. WILLESEE: This Bill went into Committee after a series of questions had been asked by the Leader of the Opposition. I intend to take the replies to those questions as each clause is called. The Leader of the Opposition referred to clause 7 (1) (d) which states—

(d) to promote, and with the approval of the Minister to undertake, the co-ordinated development and use of the sources and the supplies of fuel, energy, and power in and to the State.

The honourable member sought some further explanation on the meaning of the word "undertake". The note I have states—

The word "undertake" has been included to cover the possible eventuality that the State and Commonwealth Governments might combine financial resources to undertake the construction of a natural gas pipeline, the development of a tidal power scheme and an integrated power scheme for, say the Pilbara and the Eastern goldfields area.

It is not envisaged that the Fuel and Power Commission of Western Australia would be set up as a trading concern but rather that it would be the body responsible to the Government to cause positive action to cope with a situation which may develop in the fuel and power field some time in the future.

The Hon. A. F. GRIFFITH: Am I to interpret the Minister's remarks as meaning that at no time will the State involve itself in the physical building of a pipeline? This is what I am anxious to know. There is a particular tendency for this Government to lean heavily towards socialism and State enterprise and I want to be assured that in a case like this the Government is not likely to be involved in the construction of a pipeline.

The Hon. W. F. WILLESEE: I cannot give a complete assurance but, so far as I am aware, the Government does not intend to do what the Leader of the Opposition has suggested.

The Hon. A. F. GRIFFITH: It is a pity we cannot get an assurance on this because the very question I posed during the second reading debate was, "Would the Minister examine this clause as it relates to clause 9 (1)?" This states—

(1) The Commission has all such powers, rights and privileges as may be reasonably necessary to enable it to carry out its duties and functions.

I am hoping that one of these functions will not be the engagement by the State as a pipeline construction company. If the Minister cannot give me any further undertaking than he has already given I will let the matter rest but I will probably have something to say at the third reading stage.

I do not know how I can amend the clause to ensure that the word "undertake" does not mean the Government can go into the business of undertaking the co-ordinated development and use of the sources and the supplies of fuel, energy, and power.

This is surely a matter for private enterprise and if the Government receives Commonwealth assistance and decides to

engage physically upon the building of a pipeline, I would be opposed to such a step.

If the Government were to obtain money from the Commonwealth and were to place that money together with its own finance towards having somebody experienced to carry out the work it would be a different matter. Apparently, however, the Minister is not prepared to go any further than the explanation he has already given us.

The Hon. W. F. WILLESEE: The Leader of the Opposition appears to have missed the final paragraph of the opinion I quoted which states—

It is not envisaged that the Fuel and Power Commission of Western Australia would set up as a trading concern but rather that it would be a body responsible to the Government to cause positive action to cope with a situation which may develop in the fuel and power field some time in the future.

I take that to mean clearly that there will be no move towards an undertaking of the type envisaged by the Leader of the Opposition.

When the Leader of the Opposition asks for my approval to do something, it becomes a very different question. As he knows, I cannot emphatically say "Yes" or "No" in a matter such as this which does not come under my portfolio, but I thought the reply was clear and was the complete answer to what the Leader of the Opposition had asked in his second reading speech.

The Hon. I. G. MEDCALF: With all due respect, I am not at all satisfied with the explanation given. I appreciate the Leader of the House has given the explanation which he believes is the proper one but I cannot see how the Government could contemplate doing what he has suggested on the words which appear in this Bill, which are—

(1) It is the duty of the Commission. . .

(d) to promote, and with the approval of the Minister to undertake, the co-ordinated development and use of the sources and the supplies of fuel—

If the Government were to do in the future what the Leader of the House says it may do—namely, co-operate with the Commonwealth in some scheme of co-ordinated development—surely separate Commonwealth and State Bills would be required. Quite clearly, the Government would not rest on the words that appear in this Bill.

It seems to me the words in the Bill are unnecessarily wide. I should have thought the Government's intention would be to co-ordinate the development and use of

the sources of energy. In other words, the Government is seeking to have the commission co-ordinate the development and use. Surely, that is what should appear in the Bill. I think this is just a matter of the words that have been chosen by the Parliamentary Draftsman, but the Minister may correct me and say these words were deliberately chosen because they mean the Government will go into the enterprise of developing power lines and fuel resources. I do not believe that is so. If this were the Government's intention, I think it would bring down a separate Bill altogether. It must do so because of the incidental requirements of any such enterprise. Therefore, I think we are arguing over words unnecessarily.

I would have thought this was capable of a fairly easy outcome by the Government accepting an amendment to the effect that the words "the co-ordinated" be replaced by the words "to co-ordinate the". If we give the commission the power to co-ordinate the development and use, it can then plan with the Commonwealth or anybody else in private enterprise the development and use of these natural resources. I should have thought that would satisfy the Government which would then find it unnecessary to leave in the word "undertake" which has caused a bit of a problem because it does rather imply a specific enterprise of a commercial kind.

The Hon. A. F. Griffith: What are the words you suggest be deleted?

The Hon. I. G. MEDCALF: I suggest this difficulty could be resolved by deleting the words "the co-ordinated" in line 20 and inserting in lieu the words "to co-ordinate the".

The Hon. A. F. Griffith: What about the two preceding lines?

The Hon. I. G. MEDCALF: The word "undertake" in line 20 must come out. The words in line 20 which would come out are "undertake, the co-ordinated" and the words which would be substituted are "to co-ordinate the". The paragraph would then read—

- (d) to promote, and with the approval of the Minister to co-ordinate, the development and use of the sources—

I think it is probably only a matter of drafting. I am quite satisfied that if the Government ever intended to have some joint enterprise with the Commonwealth, not only a Commonwealth Act but also another State Act would be required to incorporate all the incidental requirements of that enterprise.

The Hon. A. F. GRIFFITH: The suggestion made by Mr. Medcalf would suit me and I feel it would admirably fit in with the comment made by the Minister,

that it was not the intention of the Government to undertake the construction of any project in the future.

The Hon. W. F. WILLESEE: In view of the assurances given by me on behalf of the Minister for Electricity, I do not see much difference in the wording. If the Chamber prefers I have another look at this clause, I would be prepared to submit to the Minister concerned the suggestion made by Mr. Medcalf and postpone the clause for the time being.

The Hon. A. F. GRIFFITH: The present Minister says it is not the intention of the Government to do certain things. I accept that, but in the years ahead circumstances may change and, with the wording of the paragraph as it now stands, the Minister at some future time may say, "The Parliament gave me permission to undertake this. Things are different now. I have so much money from the Commonwealth and so much from the State, and I think it would be to better advantage if the Government did this rather than anybody else." I will not move an amendment at this point if the Leader of the House will undertake to re-examine the clause.

The Hon. W. F. WILLESEE: I just add that the Minister in another place was asked precisely this question and he said it is not the intention that the commission should become a trading concern. That is the position with the legislation at the moment.

The Hon. A. F. Griffith: He cannot hold another Government to that interpretation.

The Hon. W. F. WILLESEE: Any more than the Leader of the Opposition can hold the Government to the amendment he may move.

The Hon. A. F. Griffith: What do you mean?

The Hon. W. F. WILLESEE: If there were another Government and another Minister, they could amend the Act.

The Hon. A. F. Griffith: Parliament would have to do that.

The Hon. W. F. WILLESEE: Of course it would. With a majority in both Houses, it could be easily done.

The Hon. A. F. GRIFFITH: I would be more satisfied if the Minister had another look at it. I seem to have been pushed into the position of saying that several weeks ago we defeated a clause which sought to establish a State laundry but in spite of this the Government has gone ahead with it, regardless of the view of Parliament. If paragraph (d) of clause 7 (1) is accepted as it now stands, it would be equally competent for some Government in the future to interpret it in the way I suggest it can be interpreted. If the word of the Minister in another place were to be satisfactorily fulfilled, we would adopt the suggestion made by Mr. Medcalf and make sure of the situation.

The Hon. W. F. WILLESEE: I do not think it is any good proceeding with this at the moment. I ask that the clause be postponed until I can submit this situation to the Minister concerned. I move—

That further consideration of the clause be postponed.

Motion put and passed.

Clause 8: Functions of Commission—

The Hon. A. F. GRIFFITH: I have a query on page 5 of the Bill. I question the wording of subparagraph (iii) of clause 8 (d), which is—

(iii) undertake investigations, inspections and prosecutions;

I would like to know the meaning of the word "prosecutions."

The Hon. W. F. WILLESEE: The reply I have here in relation to clause 8 (d) (iii) is that it is a definition of a function of the commission to undertake prosecutions. The Bill contains provisions for people to give information and provisions for penalties. It is therefore necessary for the commission to be empowered to institute prosecutions under the Bill.

Clause put and passed.

Clause 9: Powers of the Commission—

The Hon. W. F. WILLESEE: I think the Leader of the Opposition has a query in regard to this clause.

The Hon. A. F. GRIFFITH: I related the wording of clause 7 (d) to the wording of clause 9. If clause 7 is altered, it will not be one of the functions of the commission to enter into a State business, and I would be satisfied with that.

The Hon. W. F. WILLESEE: I reiterate, that would not be the case.

The Hon. A. F. Griffith: It would be.

Clause put and passed.

Clause 10: Terms of service—

The CHAIRMAN: The drafting error has been adjusted.

The Hon. A. F. GRIFFITH: I knew the Clerks would pick that up. I want to know whether subclause (1) begins correctly. It begins, "A person engaged under the provisions of subsection (4) of section 9 is not a person appointed under the Public Service Act." I think it should read, "Where a person engaged . . . is not a person appointed under the Public Service Act."

The Hon. W. F. WILLESEE: There is no need to insert the word "Where" at the beginning of this clause, and the spelling error will be corrected.

Clause put and passed.

Clause 11 put and passed.

Clause 12: Power of the Commission to borrow—

The Hon. W. F. WILLESEE: The note I have is that the Bill makes no specific appropriation. It is for the Minister to en-

sure the financial requirements of the commission are met from moneys appropriated by Parliament each year in the annual Appropriation Bill.

It is sometimes the practice to write into a Bill that a board or other authority shall have "money appropriated from time to time by Parliament." That money is not appropriated by the Bill in which these words appear. It is appropriated each year by either the Appropriation Bill which deals with the Consolidated Revenue Fund or the Appropriation Bill dealing with the General Loan Fund. There is therefore no necessity for specific reference to be included in this Bill.

It is also a common provision for the Treasurer to be given power to advance money from time to time, and it is this power which appears in subclause (1) of clause 12.

The Hon. A. F. GRIFFITH: That is a satisfactory answer.

Clause put and passed.

Clause 13 put and passed.

Clause 14: Members of the Fuel and Power Commission—

The Hon. W. F. WILLESEE: With reference to the question of casting vote provisions, paragraphs (c), (d), and (e) of clause 15 (2) indicate that if the deliberative votes of the members present are equal, the proposition is lost. Under such circumstances there is no power to exercise a casting vote. Clause 15 (1) provides that the Minister or the commissioner may convene a meeting. It is agreed that meetings are usually called by written notice, but that is not necessarily so where numbers are small and it is convenient for members to come together by agreement without formal written notice.

Clause put and passed.

Clauses 15 to 19 put and passed.

Clause 20: Functions of the Council—

The Hon. W. F. WILLESEE: This clause does not empower the commission to revoke regulations; it refers to its role in relation to the administration of the Act whereby the commission makes recommendations to the Governor for the exercise of powers under clause 40. This revoking of regulations is not to be confused with the power which Parliament has to disallow regulations.

In accordance with section 38 of the Interpretation Act, the power given by any Act to make regulations includes the power to revoke them.

Clause put and passed.

Clause 21: Permanent members—

The Hon. W. F. WILLESEE: This clause provides for the appointment of permanent members of the council. The matter of a representative of the Perth Chamber of

Commerce being a permanent member has been carefully considered. The nature of the advice to be sought from the council would be predominantly the concern of those engaged in the exploration and production of fuel, and such bodies would most likely be members of the Chamber of Manufactures or the Chamber of Mines.

When subjects are considered on which the advice of a member of the Chamber of Commerce is desirable, clauses 23 (1) and 23 (2) provide for the appropriate action to be taken. The letter from the Chamber of Commerce on this matter was replied to on the 29th August, 1972.

The Hon. A. F. GRIFFITH: During the second reading debate I said I had a copy of the letter sent to the Minister by the Chamber of Commerce, and at that stage the Minister had not replied. As the Minister has now replied I do not propose to take the matter further.

The Minister may recall that the Chamber of Manufactures and the Chamber of Mines have the right to be represented by a person selected from a panel of names to be submitted to the Minister. It is possible that both of those chambers may submit a list and the Minister will select only one person.

The Hon. W. F. WILLESEE: The final words of subclause (1), "to represent the interests of the body by whom he was nominated," read in conjunction with the words, "each of the bodies," which commence the subclause, clearly indicate that a permanent member is to be selected for appointment to represent the Chamber of Manufactures and another is to be selected to represent the Chamber of Mines. Were that not so, one would expect to see reference in clause 19 (2) to "a permanent member" in the singular; also, one would expect that clause 21 (2) would refer to "the permanent member" instead of "a permanent member."

Should it be desirable to change the wording, the Parliamentary Counsel has suggested that after the words "from which" in line 24 on page 13, the following words be inserted:—

the Minister shall select one name from each panel for recommendation to the Governor and appointment by the Governor as the persons who are to be the permanent members of the Council representing the interests of the bodies by whom they were respectively nominated.

I do not consider such an amendment to be necessary.

The Hon. A. F. GRIFFITH: I accept the explanation, and I am satisfied to leave the matter as it is.

Clause put and passed.

Clauses 22 to 25 put and passed.

Clause 26: Meetings of the Council—

The Hon. W. F. Willesee: I have some further information here.

The Hon. A. F. GRIFFITH: If the Minister has something to say to the Committee which affects the clause the Chairman has just called, would he say so?

The Hon. W. F. WILLESEE: I have some notes referring to the Radioactive Substances Act and the proposed amendment to the second schedule to the Bill. Possibly I could deal with those under the title.

Clause put and passed.

Clauses 27 to 40 put and passed.

Postponed Clause 7: Duty of the Commission—

The Hon. W. F. WILLESEE: I cannot deal with this clause until I have further information so perhaps it would be convenient to report progress.

The Hon. A. F. Griffith: Can you tell me about the Radioactive Substances Act?

The Hon. W. F. WILLESEE: I am willing to do so, if I have permission.

The CHAIRMAN: You may move that progress be reported, and speak to the motion.

#### *Progress*

The Hon. W. F. WILLESEE: I move—

That the Chairman do now report progress and ask leave to sit again.

The notes I have refer to the Radioactive Substances Act, the proposed amendment to the second schedule, and pollution. Perhaps I should read them all.

The provisions of the Radioactive Substances Act were considered when this Bill was prepared and in relation to questions of the safety and health of persons, it is not considered that the provisions of the Bill will conflict with those in the Radioactive Substances Act.

There is no specific power in this Bill which would enable the commission to authorise any person to commit an offence contrary to provisions of the Radioactive Substances Act or any other Act.

With regard to the second schedule, a feeling by certain members in the other House is that in Australia the use of the word "liquidation" is normally confined to the affairs of corporate bodies. This is a matter of the choice of phraseology which the Parliamentary Counsel is quite happy to accept. There is no alteration in the substantive provision.

In respect of the matters raised by Mr. Perry regarding pollution, I submit these comments: Environmental matters will be closely considered in conjunction with the Environmental Protection Authority with whom close liaison will be maintained. The financial aspects of environmental

protection will need to be carefully evaluated by both the Fuel and Power Commission and the State Electricity Commission with whom the Bill again makes provision for very close liaison.

Motion put and passed.

Progress reported and leave given to sit again.

# STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT BILL

*Second Reading: Defeated*

Debate resumed from the 13th September.

**THE HON. V. J. FERRY** (South-West) (5.59 p.m.): I will not speak for very long, but I wish to make one or two comments in respect of the Bill before us. During the course of the debate in this House it was mentioned that the State Government Insurance Office was possibly the only insurance office willing to write motor vehicle insurance business north of the 26th parallel. I wish to draw the attention of the House to the fact that this is not in accordance with information I have been able to obtain. From my inquiries I have learned that some insurance companies do, in fact, effect motor vehicle and general insurance in areas north of the 26th parallel.

The Hon. J. L. Hunt: How long since?

The Hon. V. J. FERRY: In the case of certain companies this has been going on for some time. I do not wish to quote them by name, but if the honourable member will consult me afterwards I will be glad to supply him with the names.

The Hon. D. K. Dans: You mentioned motor vehicle and general insurance. Do they insure motor vehicles without the other type of insurance?

The Hon. V. J. FERRY: I believe some companies insure motor vehicles only, and others accept both types of insurance. The fact remains that the State Government Insurance Office does not have a monopoly in areas north of the 26th parallel. There are other companies which effect this sort of business. I thought it would be helpful to members if I mentioned these matters, particularly in view of the remarks made by one or two speakers in this debate.

The Hon. R. F. Claughton: Do you know what Mr. Berry has said along these lines?

The Hon. V. J. FERRY: Mr. Berry was referring to insurance conducted by the R.A.C. He indicated that as far as he was concerned the R.A.C. did insure motor vehicles in the Carnarvon area, and this area is north of the 26th parallel. I understand the same organisation does not make it part of its policy to effect insurance in areas beyond that point.

The Hon. R. F. Claughton: Last week Mr. Berry mentioned the companies, and that appears on page 3226 of the current *Hansard*.

The Hon. V. J. FERRY: I cannot hear the interjection.

The PRESIDENT: Order! Will the honourable member please address his remarks to the Chair.

The Hon. V. J. FERRY: If members consult some of the other underwriting firms they will find that it is possible to obtain cover, particularly in respect of motor vehicle insurance, for areas north of the 26th parallel. I feel that this particular matter has now been clarified, and I would like to indicate I cannot agree to the measure before the House. I intend to vote against the second reading.

*Sitting suspended from 6.03 to 7.30 p.m.*

**THE HON. J. L. HUNT** (North) (7.31 p.m.): I would like to say a few words regarding the granting of full franchise to the State Government Insurance Office. I understand the amount of money which is currently available for investment by the State Government Insurance Office is in the region of \$3,000,000 annually. To the 30th June, 1971, the S.G.I.O. had invested something like \$28,500,000. That investment consisted of Commonwealth stock, \$4,500,000; semi-Government investment, \$9,000,000; local government investment, \$6,500,000; private industry, \$4,000,000; housing, \$3,000,000; and land and buildings, \$1,500,000.

Of the total amount invested, over \$18,000,000 was still out on loan at the 30th June, 1971. I was particularly interested to learn that the loans are not confined to the metropolitan area or to the South-West Land Division. At the present time no fewer than 56 of the current loans have been taken up by country local authorities, and the total sum involved is \$4,500,000. The local authorities range between Albany in the south and Kimberley in the north, and they include six shires in my electorate.

Loans to private industry, in country areas, total \$682,000. Most of that money has been loaned to small undertakings in the north, particularly where private money is hard to get unless it is confined to a large mining company. At least seven loans have been made to motor repair establishments in the north at Carnarvon, Karratha, Wyndham, Port Hedland, and Kununurra. Other loans are pending in the Roebourne and Exmouth areas.

Private insurance companies have no wish to conduct motor vehicle insurance in the areas I have mentioned. I find it conflicting to read that private companies will insure motor vehicles in the north. I have lived in the area for a long time and I do not know of any insurance company, apart from the S.G.I.O., which will

insure motor vehicles in that area. I was insured with the R.A.C. many years ago but when I went to the north I was promptly told that my insurance policy had been terminated and that I would have to insure somewhere else.

On the advice of the R.A.C., I insured with the S.G.I.O. which I later discovered was the only insurance company which handled motor vehicle insurance in the north. I think it was Mr. Berry who mentioned that he was insured with the R.A.C.; so it may be possible that company insures certain vehicles in small isolated pockets. That is the first instance I have heard of another insurance company insuring a motor vehicle in the north.

I have an insurance policy in my hand and I have no doubt, Mr. President, that you can read the endorsement on the policy from where you are sitting. The endorsement states that the policy does not cover any vehicle which is usually kept or used north of the 26th parallel. The endorsement is in letters well over a quarter of an inch in height.

A letter appeared in the *Sunday Independent* of the 17th September—only a couple of days ago—in which the writer refers to the "Backward North." The letter reads as follows:—

Would you please publish the following facts in regard to motor car insurance for the benefit of the public, some of whom may at some time go to the North-West to live and work.

The R.A.C. abruptly terminated my son's insurance halfway through his car's 12 months insurance period because of this, though no mention is made of this in his policy.

Enquiries at the S.G.I.O. reveal that because he lives at Dampier the premium is substantially increased.

To me, this is one way to depopulate and hold back the progress of the North-West.

Provided the owner of a car lives in the lower half of the State, his car may be driven any number of miles in the North and is not penalised in this way.

A considerable sum of money has been lost to shires in the north-west of this State because many vehicles which are taken to the north-west are relicensed in the metropolitan area. The owners of the vehicles send down to Perth the money for the renewal of the licenses so that they will not lose their insurance cover. Also, it is a well-known fact that when a vehicle from the north-west is traded in its price is automatically knocked down by at least \$100. The insurance factor, and the loss of trade-in value, are responsible for a lot of money being lost to local government authorities in the north.

I should like to see the Bill pass through this House simply because its passage would mean more money would be available—as a result of the full franchise being granted to the S.G.I.O.—for loans to be made for housing and small industry.

I felt I must clear up a few points. Insurance companies do not normally insure motor vehicles north of the 26th parallel. There may be isolated cases which apply to particular firms.

The Hon. V. J. Ferry: Has the honourable member inquired of other companies?

The Hon. J. L. HUNT: I think the letter which I have quoted and the insurance policy to which I referred are pretty clear evidence of the position.

The Hon. V. J. Ferry: Has the honourable member inquired personally of other companies as to whether or not they insure vehicles in the north?

The Hon. J. L. HUNT: I have not inquired personally but the member opposite can bet his life on what I have said. I know of two instances concerning the R.A.C. and Swann Insurance. These companies will not insure motor vehicles in the north.

The Hon. G. C. MacKinnon: There could have been perfectly valid reasons for the cancellation of insurance policies other than the fact that the vehicles were to be used in the north.

The Hon. J. L. HUNT: I did not quite get the point raised by the honourable member opposite. I wish to point out that other insurance companies will not normally insure motor vehicles in the north.

The Hon. G. C. MacKinnon: *Hansard* will make strange reading because it has been claimed that other companies will insure in the north.

The Hon. J. L. HUNT: I do not care that *Hansard* may make strange reading. This could apply as a result of speeches made by some members on the other side of the House. I have no hesitation in supporting the Bill.

**THE HON. S. T. J. THOMPSON** (Lower Central) [7.38 p.m.]: I did not intend to speak to this Bill, but as the debate has resumed I will say a few words.

The Hon. D. K. Dans: I hope the telegrams which the honourable member has in his hand did not come from Moora.

The Hon. S. T. J. THOMPSON: It seems that on Thursday last the Press considered that I would influence events. Quite a number of people set out to influence me by sending telegrams. The telegrams I have received would have brought considerable revenue into the P.M.G. Department. I wish to state I have not been



influenced by the telegrams. I feel, perhaps, there may be quite a number of interested parties amongst the signatories to the telegrams.

On Friday morning last I decided to inquire around the town of Wagin and talk to disinterested people about the implications of this Bill. I kept away from the banks and anyone connected with insurance, and to my amazement I could not find anybody who was in favour of the passing of this Bill. The consensus of opinion was along the lines of what Mr. White had to say.

I want to make it clear that the contents of the telegrams did not influence me, but I was impressed by the opinions of the people in my town.

The Hon. D. K. Dans: What is the population of Wagin?

The Hon. S. T. J. THOMPSON: The population is very small, but that does not affect the issue. The people of Wagin elected me to this House and they are a good cross-section of the rank and file of the province.

The Hon. D. K. Dans: A good cross-section of Wagin.

The Hon. S. T. J. THOMPSON: The opinions came from a general cross-section of the people employed in business houses.

The Hon. R. Thompson: I thought the people in Wagin were more intelligent.

The Hon. S. T. J. THOMPSON: The reason for the opposition to the proposal by the people in Wagin could be that no-one has approached them on this issue. Perhaps the S.G.I.O. has not done its homework.

Some of the signatories to the telegrams. I must admit, were quite uninformed regarding the S.G.I.O. The general consensus of opinion was the same; it was against the granting of full franchise to the S.G.I.O.

The Hon. D. K. Dans: How about reading a couple of the telegrams?

**THE HON. W. F. WILLESEE** (North-East Metropolitan—Leader of the House) [7.41 p.m.]: I thank those members who have contributed to the debate. Obviously, there has been particular emphasis both for and against the Bill. The Hon. J. M. Thomson has placed amendments on the notice paper. As I have said, I appreciate the contributions which have been made.

I intend to read to members some information which has been supplied to me, and I hope it will dispel some of the misconceptions which, I believe, have become evident during the course of this debate.

The notes I have point out that Mr. MacKinnon, while applauding the New Zealand Government for allowing New Zealanders to insure with a Government instrumentality, is prepared to deny the people of Western Australia a similar right to insure with the S.G.I.O.

New Zealand has had a Government life office since 1870 and a Government fire and accident office since 1908.

The Hon. G. C. MacKinnon: I think that whoever prepared the notes for the Leader of the House has misread my speech, not that it matters a great deal.

The Hon. W. F. WILLESEE: I do not think so. I have read the speech and I am prepared to accept what is set out in the notes.

The Hon. G. C. MacKinnon: I will re-read my speech.

The Hon. W. F. WILLESEE: In both instances these offices were established in a free enterprise environment, just as we have in Western Australia. The following quotation taken from the life office annual report of 1965 is considered appropriate:—

Its purpose (the life office) then—and now—is to provide those insured with the greatest possible security at the lowest possible cost.

Today the office stands as a token of achievement by New Zealanders for New Zealanders—a mutual institution in which all profits are shared by policy holders only.

Today the New Zealand life office has an annual income including investment income of \$41,000,000 from 422,594 policies, all written in competition with mutual and non-mutual life companies.

In general business the New Zealand State Insurance Office has been equally successful and against a free enterprise background has built up a premium income of \$26,000,000. These moneys are used for the good of New Zealanders and it would be a pity if we were to continue to deny Western Australians the same benefits.

The honourable member says that he is concerned at the possibility of the S.G.I.O. being directed in its activities and in its investments.

In fact the S.G.I.O. has been in business, unofficially and officially, since 1926 and during the intervening 46 years it has been under the control of Ministers from all three political parties. The records show that not once in this long period has the S.G.I.O.'s management been directed by the Minister against its better judgment, and there is no reason to say that this may change in the future.

In fact the honourable member is again most unfortunate in his choice of examples. He refers to a loan by the S.G.I.O. to the T.L.C. Building Society; because it is the first such loan he immediately concludes that it was made under ministerial direction. He is quite wrong.

The General Manager of the S.G.I.O. informs me that the loan was his own idea and was made in the ordinary course of business. Apart from informing an official

in the Treasury Department he did not even consult his Minister, nor was there any need for him to do so.

By joining S.G.I.O. funds with R. & I. Bank funds and matching Housing Commission funds, per medium of the T.L.C. Building Society, the S.G.I.O. is able to earn the same interest but writes three times as many policies as if it lent the same money on its own account.

Likewise, there is nothing sinister in this being the first loan to a terminating building society. It so happens that there had not been a previous application—although by a coincidence another application was received by the S.G.I.O. on the 12th June, 1972, after negotiations had been commenced with the T.L.C. Building Society. As funds are limited the application was not proceeded with. If the honourable member is still not convinced, I am informed by the general manager that he is at liberty to peruse the relevant correspondence.

The Hon. G. C. MacKinnon: It would not prove anything.

The Hon. W. F. WILLESEE: In the course of his remarks on this Bill, the honourable member certainly implied and as good as said that "it was completely and absolutely meaningless" to use legislative means to ensure that the S.G.I.O. had no advantages over its private enterprise competitors. However, the honourable member cannot name a private enterprise company which is subject to the scrutiny of Parliament, as is the S.G.I.O., or to the scrutiny of the Parliamentary Commissioner.

The Hon. G. C. MacKinnon: Simply because no other insurance company is controlled by Statute.

The Hon. W. F. WILLESEE: On the basis of the honourable member's research carried out into the operations of the Queensland Government offices he makes the amazing statement that "the Queensland office operates effectively only because it sets the premium rates at which all insurance offices must operate in that State." This is not correct. Rates and other conditions for general insurance in Queensland are determined by an independent commissioner appointed under Queensland's Insurance Act, 1960 and his jurisdiction covers all free enterprise companies and the Government office alike. He works quite independently of the management of the Government office and the Government office gains no advantage whatsoever from the functions of the insurance commissioner.

The Hon. G. C. MacKinnon: They set a rate that cannot be undercut.

The Hon. W. F. WILLESEE: The Hon. N. E. Baxter referred to the fact that no information on the type of life policies or the level of bonus has been

given; he doubted the ability of the S.G.I.O. to compete with the well-established life offices.

The Government has freely admitted that the S.G.I.O. at present neither has, nor needs, life expertise; neither did the New South Wales Government office when it went into life assurance in 1942, yet it coped. It took 12 months to select personnel and to determine policy and it has not looked back. I have no doubts about the ability of Western Australians to develop their own office in a similar pattern.

All that is asked is that they be given the opportunity.

But at this point it would be uneconomic in the present situation for the S.G.I.O. to go to the expense of hiring staff and carrying out the research necessary to provide the sort of information which the honourable member would like placed before him.

The Hon. D. J. Wordsworth extols the virtues of mutual life companies because they are "owned by the policy holders and the profits are returned to the policy holders by way of bonuses". Yet, he refuses to see any virtue whatsoever in allowing the S.G.I.O. to undertake life business where the beneficiaries of its operations are the general public and its policy holders will also receive equivalent bonuses.

The S.G.I.O. would be more "mutual" in the widest sense than any of the mutual life companies in business today and all its funds would be used for the benefit of Western Australians, which cannot be the case with the others when not one mutual company is administered from Western Australia.

The following words taken from the New Zealand Life Office 1965 annual report are very much to this point, and I quote: "Today the office stands as a token of achievement by New Zealanders for New Zealanders. A *mutual* institution in which *all* profits are shared by policy holders only."

This office has accumulated assets of \$269,000,000, all of which are working for New Zealanders as a whole and its policy holders as well. It has done this in open competition with the same mutual companies that Mr. Wordsworth is at such pains to protect. In fact the whole tenor of Mr. Wordsworth's speech was to reject this Bill because the S.G.I.O. could not possibly compete, it did not have the expertise, and it could not match the mutual companies' bonuses.

In Queensland, New South Wales and New Zealand, the Government offices have matched the mutual companies in all departments and we will do so here if given the opportunity, Mr. President.

If Mr. Wordsworth's fear is only for the S.G.I.O. he should agree to the Bill and put that to the test. When all is said and done, if his fears are justified and the

S.G.I.O. is not competitive, either in service or in bonuses it will do no business and will pose no threat to the mutual companies which he is sponsoring. In other words this is something surely for the insuring public to decide. I submit they should not be deprived of the opportunity to make that decision.

Incidentally, it is not known why such emphasis is being given to mutual companies when possibly the largest life office operating in the U.K. today—namely the Prudential Assurance Company Limited—is not a mutual company and manages not only to pay dividends to its shareholders, but to compete in bonuses with the mutual offices.

This same U.K.-controlled company had business in force in Australia totalling \$1,000,000,000 at the end of 1970, and doubtless substantially more at this point. It seems incredible that institutions like these should fear the competition of the humble S.G.I.O. instrumentality. The Hon. D. J. Wordsworth need have no worry about the S.G.I.O.'s representation in other States, because as is the case already the S.G.I.O. is represented in every State and in New Zealand through the respective Government insurance offices. Likewise there will be no trouble arranging overseas representation which it already has in London for marine and general business.

The Hon. D. J. Wordsworth: A programme for both sides.

The Hon. W. F. WILLESEE: The Leader of the Opposition and Mr. MacKinnon, in their support of the present insurance establishment, accused Mr. Jack Thomson of misleading the House when he said that the Bill ensured—and I quote—"that the S.G.I.O. will be liable for the same charges and taxes as the private insurance companies". Mr. MacKinnon said—and I quote—"It is not a tax at all, it is an *ex gratia* payment in lieu of tax" and Mr. Griffith added—and I quote—"of course it is, and they do not pay Government taxes".

At this point we should look at the Bill and see which of these three members is right. Then we can draw our own conclusions as to who has been misleading the House. On page 4, line 32, a new section 7A is introduced into the Principal Act.

This new section requires the Commissioner of State Taxation to assess the S.G.I.O. as if it were a public company, for the equivalent of income tax, pay-roll tax, social-service contributions and other taxes whether State or Commonwealth and the S.G.I.O. shall pay these assessed sums to the Treasurer.

The Hon. G. C. MacKinnon: Which is a payment in lieu of tax, as I said.

The Hon. W. F. WILLESEE: Mr. MacKinnon must know and acknowledge that payments which are compelled by Statute,

as these payments will be, cannot possibly be called *ex gratia* payments and I reluctantly conclude that the statement which he made was made as a means of deliberately trying to mislead this House by saying that they are. With an *ex gratia* payment the person paying it is under no obligation to make it at all, but he does so as an act of grace. If this Bill is passed the S.G.I.O. will have no option whatsoever but to pay all the taxes and other charges listed in the Bill and it will be happy to have the opportunity to do so.

As for Mr. Griffith's further comment that the S.G.I.O. "does not pay Government taxes", perhaps he would be good enough to say which particular Government taxes he refers to because I remind the honourable member that the Government some time ago issued an open invitation—not only to members of the Opposition, but to representatives of the insurance industry who are the real antagonists of this Bill—to make recommendations to ensure that the S.G.I.O. did not have any competitive advantage, but—and I emphasise this—not one suggestion was received.

Furthermore, it might interest members to know that apart from the equivalent of income tax which the S.G.I.O. is required to pay under its present Act, even now with its limited franchise and without legislative compulsion the S.G.I.O. is voluntarily paying municipal, water, and other taxes for which it is not legally liable, and it elected to do this to demonstrate its sincerity to compete fairly with the private enterprise companies.

To return to my original point. Mr. Jack Thomson was quite correct in what he stated. The honourable member has some reservations regarding the S.G.I.O. entering into life assurance and I can only trust that the facts which I have placed before the House with a view to correcting some misconceptions held by certain members may prompt Mr. Jack Thomson to reconsider the equity of the proposals contained in the Bill.

Mr. Berry sought to correct Mr. Dellar's statement that some insurance companies do not insure vehicles north of the 26th parallel and he read from a letter addressed to him by the Sun Alliance Insurance Company. He also mentioned that he had had some consultation with private insurance companies.

I feel quite sure, that in these consultations, insurance managers would have stressed the difference between their insuring vehicles stationed and operating entirely in the north—which by and large they will not do—and extending cover to vehicles insured for use south of the 26th parallel, but making an occasional trip north of that line. Most of them will permit this; but, as Mr. Dellar correctly

pointed out, some companies put severe restrictions on claims that occur north of the 26th line.

Therefore, I remind members that not only does the S.G.I.O. insure vehicles both north and south of the 26th parallel, but to ensure that its clients get an adequate service it has financed private individuals into smash repair shops throughout the north, and without Government guarantee as was claimed in another place.

These repair shops are not restricted to S.G.I.O. vehicles and because the repair facilities in the north have improved out of all knowledge with S.G.I.O. assistance, the other insurance companies are prepared to jump on the wagon and some are now accepting vehicles in specified areas. The S.G.I.O. takes no exception to this, but it is entitled to some acknowledgment of the service which it has provided.

In suggesting that Mr. Berry might reconsider his opposition to this measure, I invite him to cast his mind back to the time when he was trying to insure his home in Carnarvon against flood, the subject of questions asked in the House by the honourable member in 1969.

Mr. White asked for a specific answer to his specific question concerning the source of funds for the S.G.I.O.'s loan of \$250,000 per annum over a possible period of five years to the T.L.C. Building Society. At the risk of repetition—as the question was asked and answered in another place—I advise this House specifically and emphatically as follows:—

- (1) The funds will come from the Government Fire, Marine and General Insurance Fund which is a Treasury Fund managed by the S.G.I.O.
- (2) Being spread over a period of five years obviously the funds will be generated over that period from the normal transactions of the Government Fire, Marine and General Insurance Fund.
- (3) Not one cent of the money will come from funds generated from "insurance business" authorised by the present State Government Insurance Office Act or from anticipated sources as contained in this Bill.
- (4) The loan was initiated by the General Manager of the State Government Insurance Office within the scope of his authority. He did not, nor had he need to, approach the Minister.

These points are repeated emphatically for the reason that both here and in another place members opposite have endeavoured to read something sinister into the fact that it is a first such loan.

The Hon. A. F. Griffith: I suppose it was a mere coincidence it happened to be the T.L.C.

The Hon. W. F. WILLESEE: The simple facts of the matter are that no terminating building society had previously applied for funds. Had such a society applied, or were it in future to apply, its application would be considered on its merits, the availability of funds, and the alternative fields of investment then offering.

Any member who still harbours doubts on this score is at liberty to contact the General Manager of the S.G.I.O. and to sight all relevant correspondence because it is essential, I feel, that this matter should not remain clouded in members' minds to the unfair disadvantage of Government and management.

I commend the Bill to the House.

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

#### Ayes—12

Hon. R. F. Cloughton	Hon. R. T. Leeson
Hon. D. K. Dans	Hon. T. O. Perry
Hon. S. J. Dellar	Hon. R. H. C. Stubbs
Hon. J. Dolan	Hon. J. M. Thomson
Hon. Lyla Elliott	Hon. W. F. Willesee
Hon. J. L. Hunt	Hon. R. Thompson

(Teller)

#### Noes—16

Hon. C. R. Abbey	Hon. N. McNeill
Hon. N. E. Baxter	Hon. I. G. Medcalf
Hon. G. W. Berry	Hon. S. T. J. Thompson
Hon. V. J. Perry	Hon. F. R. White
Hon. A. F. Griffith	Hon. R. J. L. Williams
Hon. Clive Griffiths	Hon. F. D. Willmott
Hon. L. A. Logan	Hon. D. J. Wordsworth
Hon. G. C. MacKinnon	Hon. J. Heitman

(Teller)

Question thus negated.

Bill defeated.

### LAW REFORM COMMISSION BILL

#### Second Reading

Debate resumed from the 12th September.

**THE HON. W. F. WILLESEE** (North-East Metropolitan—Leader of the House) [8.06 p.m.]: I appreciate the support given to this measure by Mr. Medcalf. His comments were appreciated by me because I am aware of his experience with the law and therefore I can accept his views with respect.

Mr. Medcalf stated that the Law Reform Committee was established on an *ad hoc* basis by his colleague, the present Leader of the Opposition, when holding the very responsible position of Minister for Justice.

As time passed the decision to set up the committee has proved to be very sound, and indeed of great benefit and help to the Legislature. Mr. Medcalf then dealt with some aspects of the legislation which he felt could be improved. I took time off to look at these remarks in the background of the law, although I do not presume to know very much about it.

Mr. Medcalf suggested we should make three amendments to the Bill, and I propose to submit these amendments to the Committee. I hope they will meet with the approval of the Committee.

I would like to make one minor point, which is that Mr. Medcalf used the term "Reader" in regard to the representative from the university. That title is now extinct and I suggest we substitute the term "Associate Professor."

Although the amendments are very simple, I do not have them at hand as they have been submitted for consideration. Therefore, I would like to accept the second reading of this measure and adjourn the Committee stage until I can place the amendments upon the notice paper. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

### SALES BY AUCTION ACT AMENDMENT BILL

#### *Second Reading*

Debate resumed from the 9th August.

**THE HON. J. M. THOMSON** (South) [8.10 p.m.]: I would like to take this opportunity to express my thanks to Mr. Ron Thompson and Mr. Medcalf for their comments. I wish to record the fact that the opinions which they have expressed during debates on measures of this nature have been much appreciated, not only by myself but by others who are interested.

Mr. Ron Thompson drew my attention to the fact that a definition of the word "colt" had been included. Mr. Medcalf also drew attention to this. All I can say is that we can let the colt out of the enclosure to return to his proper place and we will debate this fully in the Committee stage as indicated by the amendments on the notice paper.

Mr. Ron Thompson suggested that the term "stock" would be preferable to the term "cattle." This is a valid point, but I submit the definition of "cattle" in clause 3 (b) is quite clear and maintains a relationship to the parent Act which we are amending. I submit the word "cattle" is preferable in this context.

Mr. Medcalf commented upon the fact that this measure will empower a stock inspector as well as a member of the Police Force to inspect the register. It is my opinion, and also the opinion of those concerned with the enactment of this legislation, that this is a worth-while provision. Stock inspectors are obliged to be present at cattle sales to carry out the duties required by the Department of Agriculture. I consider it is appropriate, convenient, and desirable that the stock inspector undertake this duty. It is not always possible for a police officer to attend a sale by auction of cattle in some country areas.

Therefore, I trust that provision will remain in the Bill. Mr. Medcalf also went on to express his concern about the provision contained in section 4 of the Act, part of which reads—

4. (3) . . . such actual successful bidder informs such auctioneer—

(a) that he bid for such cattle or farm produce on behalf of another person;

The amendment in the Bill seeks to make that part of section 4 read as follows:—

. . . such actual successful bidder publicly declares at such auction . . .

This is one of the points that was made at the time these malpractices were being performed at the various sales of cattle by auction in the southern areas of the State. It was this point that brought the matter to a head and finally brought the guilty to book.

Notwithstanding what the honourable member had to say in this regard—and I think the point he made was rather sound—it is strongly believed by stock producers and by members of the Police Force—whose duty it will be, if the Bill is passed, to bring such people to book if these malpractices for financial gain persist—that the provision will make it easier for a police officer to determine whether the right or wrong procedures are being followed. Therefore, I hope the provision in the Bill will remain and become part of the Act.

Attention was also drawn to the question of whether it was necessary to include any reference to "employee" in subsection (5) of proposed new section 4A. I wish to draw the attention of the House to the fact that in this particular subsection the word "employee" should read "employer," because it was for that very purpose that attention was drawn to the wording.

**The Hon. R. Thompson:** Where does this appear?

**The Hon. J. M. THOMSON:** In subsection (5) of proposed new section 4A in clause 7. The subsection appears on page 5 of the Bill. In the drafting of the Bill we omitted to treat the employee in the same way as we did the auctioneer so far as penalties are concerned. It is necessary to have this provision included in the Bill. Therefore, as Mr. Ron Thompson will note from the amendment on page 6 of today's notice paper, the word "employee" should read "employer" because the word "employer" appears in the amendment.

It is necessary to treat the employee in a manner similar to that enjoyed by the auctioneer. Perhaps when the Bill goes into Committee this amendment could be

clarified. Nothing further remains to be said but to express my appreciation for the attention members have given to the Bill.

Question put and passed.

Bill read a second time.

### *In Committee*

The Deputy Chairman of Committees (The Hon. F. D. Willmott) in the Chair; The Hon. J. M. Thomson in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Amendment to section 2—

The Hon. J. M. THOMPSON: I move an amendment—

Page 2, line 9—Delete the word “colts”.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 4 put and passed.

Clause 5: Addition of sections 3A and 3B—

The Hon. I. G. MEDCALF: If members look at proposed new section 3B half way down page 3 of the Bill, they will see it is proposed to grant power to the stock inspector as well as to a member of the Police Force to inspect the register or the book that is required to be kept pursuant to the auction sale.

I realise stock inspectors have an important part to play in that they are responsible for inspecting brands and verifying matters in connection with stock, generally, at auction sales. I doubt the wisdom of granting a stock inspector the right to inspect the register. Surely it is sufficient to give to a member of the Police Force the power, at any time, to inspect the register. This register refers to the cattle that are sold by auction, and the duties of the stock inspector commence largely prior to the auction. At any rate, the stock inspector is not really concerned with the particulars of the sale.

The sale deals largely with the person to whom the cattle is sold, the price, and matters of that nature which must be adequately recorded to ensure that there is a proper auction sale and that the purchaser has paid the right price at the auction; in other words, a proper public auction price.

To me it seems a little unnecessary to give a stock inspector power to inspect the register. Members may think that perhaps a stock inspector should have such a right, but I cannot see the point of it. He has the power to examine the stock, the brand on the stock, and he identifies the stock if there is any question raised over brands. However, why should he, subsequently, at any reasonable time, have the right to inspect the register? Surely it is sufficient for a member of the Police Force to do that.

There is a possibility the stock inspector may simply wish to ascertain information that is not relevant to his duties. He may be called to act as a witness in regard to things that are of no interest to him.

The Hon. R. THOMPSON: Initially, I think the suggestion made was that the stock inspection should be able to inspect the register. This was done for a specific purpose; if my memory serves me correctly, in 1970, following a recommendation by the Department of Agriculture that such a provision should be included in the Act. The department considered that the stock inspectors should attend every sale for the purpose of inspecting stock. The sale could be conducted some miles from the nearest police station in some country centres, and therefore it would seem to be a waste of time to require a policeman to attend an auction sale on every occasion when he could be performing duties that would be of more benefit to the public.

By granting this right to the stock inspector it will not mean he is obliged to inspect the register. He will do this only upon a complaint by the vendor. Probably this would save a great deal of argument and unnecessary humbug, because the stock inspector would know what cattle had been sold; he would be conversant with the auction system and would know what it is all about; whereas a police officer may not. Further, the stock inspector is already on the job and it would be a simple matter for him, following a complaint, to inspect the register. This is a common-sense provision in the Bill.

Whilst I am on my feet I would like to point out that while Mr. Medcalf was speaking during the second reading debate he claimed that I had given up the unequal, struggle, had shrugged my shoulders and said, “You have had three goes; let the department knock it into shape from here on.” That is rather unfair comment, because if he had listened to me closely or had read a report of my speech in print he would realise what I did say. I went back over the history of the legislation to point out that, on one occasion when the previous Government introduced a similar Bill, it was completely out of focus, and it did not have any assistance from the department at that stage. When I spoke against that Bill and raised the point concerning what occurred at the metropolitan markets—

The DEPUTY CHAIRMAN (The Hon. F. D. Willmott): Order! I would remind the honourable member that we are not dealing with the Bill. The question is that clause 5 stand as printed.

The Hon. R. THOMPSON: I did not want to speak on the next clause. I just wanted to make the point that the department should have some responsibility in this respect. The words to which Mr. Medcalf takes exception involve one occasion

when the department did come to the party and made a worth-while suggestion. I think it is common sense and I hope and trust it will remain in the Bill.

The Hon. A. F. GRIFFITH: I want to tell Mr. Ron Thompson that the Bill the previous Government introduced was introduced at the behest of Mr. Jack Thomson. It was not satisfactory to me nor to some other members and, accordingly, it was withdrawn. This is the third time an attempt has been made to have such a Bill passed. Therefore, the honourable member should not level any blame at me or the previous Government. I was not very happy with the Bill in the first instance and it occurred to me that I received little thanks for trying to help someone else.

The Hon. I. G. MEDCALF: I am sorry Mr. Ron Thompson did not give us an opportunity to hear him earlier. That is why I said he seemed to have let the matter go by default. However, after listening to him I am more convinced than ever that I am right, because he wants to use the inspectors as policemen. He suggests it may be unnecessary to bother the policeman or to bring him to an auction sale and in that case what is wrong with our using a stock inspector?

I would point out that this refers to inspecting the books at any reasonable time, which in most cases would mean some time after the auction sale. If we used a stock inspector for this purpose we would be turning him into a policeman and in my view this would be thoroughly undesirable.

If we are providing penal provisions in connection with auctioneers, surely the proper people to enforce such provisions are members of the Police Force and not stock inspectors. I can see there may well be some merit in a policeman bringing a stock inspector with him, but I would have no truck with any suggestion to use a stock inspector instead of a policeman, because that would be misusing a person who fills a valid office in the Department of Agriculture.

The Hon. S. T. J. THOMPSON: I must agree with both sides. Mr. Medcalf is quite right in that a stock inspector has the task of checking the stock and so on. However, I can foresee that a stock inspector may on some occasion desire to have a look at the book to check some point regarding his own job. There is no possibility of his being used as a policeman. His job is finished once he approves, or otherwise, the animals for sale; but, as I said, he may want to check the book in connection with some brand or earmark.

The Hon. J. M. THOMSON: I cannot see any reason for concern. It is not intended that the stock inspector shall take

charge, but he will be able to make inquiries and tender advice. In the absence of a policeman he could report what he considered was remiss, but it is not intended that he lay a charge. Therefore I see no real concern regarding the retention of the stock inspector in the provision.

The Hon. I. G. MEDCALF: I do not think I have much chance because I have two Thompsons and a Thomson against me. When confronted by a clan, discretion is the better part of valour. I can see that there may well be occasions when it will be useful for a stock inspector to inspect the register; but I would resist any suggestion that an inspector be used as a policeman. I was glad to hear Mr. Syd Thompson say there would be no occasion for an inspector to be used in this way.

This is a serious Bill and it is a serious attempt by Mr. Jack Thomson to bring some regulation into certain unsatisfactory practices. However, I still maintain it is desirable to utilise the proper person for the task.

I can recall that many years ago when learning woodwork—not very successfully—I was told to use the right tool for the right job, or words to that effect. I believe that also applies in respect of people. We must not use a stock inspector to do a policeman's job. However, I am impressed by the comments of Mr. Syd Thompson and in view of the unity of the clan in opposition to me, I do not propose to press the point.

Clause put and passed.

Clause 6: Amendment to section 4—

The Hon. I. G. MEDCALF: The point I raise here in connection with paragraph (d) is more serious. Section 4 provides that as soon as a sale has taken place and the successful bidder is named by the auctioneer, he may then inform the auctioneer privately that he bought the stock or farm produce on behalf of someone else and then the auctioneer must write the name of the other person in his register. That provision is in the legislation introduced by Mr. Watts in 1937.

Under the amendment the successful bidder must publicly declare that he has bought the stock or farm produce for someone else, and he must publicly declare the name of the other person and then the auctioneer must write that name in his book. In other words the successful bidder must declare publicly in front of everyone present the name of the actual buyer. If he does not state this information publicly for all to hear, the auctioneer commits an offence if he writes the name of another person in his register. The person who buys does not commit an offence; it is the auctioneer who commits the offence.

The public declaration must be made for all to hear, including all other stock agents who happen to be in attendance at the sale, even if the purchase is on behalf of a stock company. I think this is going too far. There is no penalty on the person if he makes a wrong statement.

The Hon. A. F. Griffith: The same would apply if a private individual bought some stock for a friend of his.

The Hon. I. G. MEDCALF: That is right. He must state the name of the person for whom he bought the stock or farm produce. After all is said and done, it is a private transaction, but instead of its being private, the buyer must make a public announcement concerning the name of the person for whom he made the purchase. I cannot see this is necessary. We are now to give members of the Police Force, stock inspectors, and other authorised people the power to inspect the register which must be available at all times. Therefore, why should we force people to publicly declare the name of the person for whom they are buying? This could be embarrassing.

We all know that there are rivals in this trade. I am referring to those who buy at auctions on behalf of customers or clients, and many of those customers and clients do not desire the world to know what they have bought. Many farmers deal with several agents and would a farmer want to let other stock companies at the sale know that he has just bought some stock through a certain company? Of course he would not. That is his business, and why should he want to tell them?

I believe this provision is going too far. It will not be a popular amendment amongst producers, let alone stock agents, although I do not suppose it will worry stock agents very much.

It would be cause for some concern to a lot of producers who would like to keep their business private, and for very good reasons on which I need not elaborate. We all know farmers have reasons for not divulging their transactions to all and sundry. How do they know who may be standing alongside listening to what is going on?

It is well known that people from the Commonwealth departments attend such sales, and they obtain free advice. People can discover for whom the cattle are being bought merely by standing to one side and listening; and, according to this amendment, anyone who does not make a public declaration would be breaking the law. I hope Mr. Jack Thomson will reconsider the matter.

The Hon. J. M. THOMSON: I will not quote the names of the people concerned in the case I am about to quote, because I do not think it is necessary for me to do so.

At one sale three vendors had offered for sale 12 head of cattle, the first of which was knocked down at \$78 a head to a particular company. The next lot was knocked down for \$64 a head to the same firm; and the other cattle—five of each—were knocked down at \$390.

The entry in the book showed that these were sold to a particular company. This entry, however, was crossed out and the alleged buyer was shown as having bought that number of cattle for \$912. These were then immediately sold back to the company whose name was first entered in the book. They were sold for \$1,320. A profit of \$408 was made.

The next incident concerned the same person who again carried out a deal in a similar manner in collusion with the auctioneer and the auctioneer's employee. It is to avoid a situation such as this that the amendment is considered necessary.

The Hon. A. F. Griffith: They were bought for \$912 and sold for \$1,320.

The Hon. J. M. THOMSON: To all intents and purposes the cattle were sold in the first place to a company dealing in meat export. Within a few moments of the transaction the company's name was crossed out and the dealer's name was placed alongside the transaction. Evidence of this can be seen from the photostat copies of the actual transactions. The matter can be substantiated. As I have said there was an immediate alteration in the book. If a public declaration were made as to the purchaser this would obviate such transactions taking place. These things are still happening and are causing great concern to producers and sellers of stock.

The same tactics were adopted on another occasion when the same company was involved with the same dealer. On that occasion a profit of \$210 was made in a couple of days.

The Hon. W. R. Withers: Is it the same man who was doing the bidding on each occasion?

The Hon. J. M. THOMSON: Yes.

The Hon. I. G. Medcalf: That would not help the producer.

The Hon. J. M. THOMSON: The point I am making is that instead of a signal being given it should be publicly stated that the cattle have been bought in the name of So-and-so.

The Hon. I. G. Medcalf: How would you give a better price to the producer?

The Hon. J. M. THOMSON: If the company were prepared to pay the higher price, as it was, the producer and not the dealer should be entitled to receive it.

The Hon. I. G. Medcalf: He was bidding against himself to raise the price?



The Hon. A. F. Griffith: You suggest that because the second price would have to be uttered that would be the price for the sale of the cattle?

The Hon. J. M. THOMPSON: When a public declaration is made that the cattle have been bought for oneself or on behalf of somebody else and the entry is made in the book they would not be sold an hour or so after that.

The Hon. A. F. Griffith: I wonder whether the man in question would have been guilty of obtaining commission under a breach of the law?

The Hon. I. G. Medcalf: He went to gaol.

The Hon. A. F. Griffith: That is so; I remember the case.

The Hon. J. M. THOMPSON: I hope the Committee will accept the amendment.

The Hon. R. THOMPSON: At any auction sale it is vital that a public declaration be made. For something like seven years I was buying produce at the Metropolitan Markets and a public declaration was made on everything that was knocked down.

The Hon. I. G. Medcalf: And also who you were buying for?

The Hon. R. THOMPSON: Yes. There could be 300 cases of lettuce for auction on one section of the floor while another section could be selling tomatoes, and a third selling beans or peas. There could be three or four auctions being conducted at once and it is necessary to work with other people. One suggests that somebody else buy the beans while one buys the lettuces or tomatoes. My code name was 29X.

The Hon. D. J. Wordsworth: You would have it knocked down to the Esperance fruit store, the Kalgoorlie fruit store, or something similar.

The Hon. R. THOMPSON: Registered names are used in the Metropolitan Markets and these names apply on any auction floor.

The Hon. D. J. Wordsworth: In this we expect to see the actual name of the person whose property it is.

The Hon. R. THOMPSON: That is so, but everyone in the Metropolitan Markets would know who 29X was.

The Hon. D. J. Wordsworth: But they would not know who was given it.

The Hon. R. THOMPSON: Of course this would be known. Let us assume I was buying 50 cases of lettuce—five or 10 cases for each person. I would say, "10 to 29X; 10 to 33; 10 to BR," and so on.

The Hon. D. J. Wordsworth: You would read that out?

The Hon. A. F. Griffith: What would happen if they did not have registered names?

The Hon. R. THOMPSON: They all do.

The Hon. A. F. Griffith: What would happen if they did not?

The Hon. R. THOMPSON: It would not be possible to buy without a registered name; it would be a cash sale. Mr. Jack Thomson has been trying for years to overcome this malpractice in the auction system and I am quite prepared to support him in his efforts.

The Hon. I. G. MEDCALF: I do not believe there is any legal requirement at the market sales referred to by Mr. Ron Thompson for people to call out the name of the particular buyer who will ultimately end up with the case of lettuce or bag of beans, or whatever it may be.

The Hon. R. Thompson: If you say that, you do not know what you are talking about.

The Hon. I. G. MEDCALF: I said I did not believe this was so.

The Hon. R. Thompson: It is.

The Hon. I. G. MEDCALF: I do not think it would be possible; nor do I believe it is a legal requirement. It may be a matter of convenience, and because of the speed at which the auctions take place I can appreciate it would be desirable for people to call out that the goods are for So-and-so, after which the buyer's name is recorded.

This is different from a cattle sale in a particular country centre where there may not be a large number of people but where there may be a few people for a large number of orders. On occasion there may be a large number of people present. This would depend on the interest in the particular sale. I think the case Mr. Jack Thomson was quoting is one of the Borthwick cases.

The Hon. J. M. Thomson: That is correct.

The Hon. I. G. MEDCALF: These people, including a particular buyer, did receive a prison sentence. But in that case the sale was arranged after the auction. It would not have made the slightest difference if a public declaration had been made and the cattle were sold for an enhanced price—not for \$912 but for \$1,200 which would have meant that \$300 was made on the side after the sale.

Had he made a public declaration and said, "I want these for X company," it would not have made any difference to the price unless he bid against himself. Surely Mr. Jack Thomson would not suggest that when the cattle were knocked down to him for \$900 he would immediately bid higher and say, "I think my people will bid more for these." That would be ridiculous.

It would not make the slightest difference to the producer in that case. Had the existing law been carried out on that occasion, he would have informed the auctioneer. He should have gone to the auctioneer after the sale and said, "They were

bought for so-and-so," but on that occasion another fictitious sale was entered into afterwards. The name was changed and the price was changed. The proper procedure did not take place. In other words, there was a fraud under the auction system and under this Act. Subsequently, certain people were convicted under the Criminal Code. That situation was corrected under the law as it stood.

Mr. Jack Thomson seeks to have people make a public declaration instead of informing the auctioneer. That seems to me to be meaningless because there is no legal sanction or punishment. If a person does not publicly declare the truth, absolutely nothing can be done about it. If something can be done about it, I would like to know what it is. There is a penalty for the auctioneer but not for the fellow who gives the wrong information.

The Hon. V. J. Ferry: What would be the situation if a person gave a wrong name inadvertently?

The Hon. I. G. MEDCALF: The auctioneer would be liable to whatever punishment the Act provided, but the person who gave the wrong name would not be liable.

I should have thought a more appropriate way to clear this up would be to provide a penalty for the successful bidder who does not inform the auctioneer of the name of the real purchaser. At the moment he is supposed to inform the auctioneer but nothing can be done about it if he does not do so. Under Mr. Jack Thomson's provision the successful bidder would make a public declaration for all to hear and if he told a lie nothing could be done about it.

I would like to see a penalty provided for giving incorrect information. The successful bidder would not then have to declare the information publicly and reveal his and everybody's business to anyone with long ears from a certain Commonwealth department. He would not have to make a public declaration, but if he informed the auctioneer not only would the auctioneer be liable to a penalty but so also would the bidder. I think that is the right way to deal with the situation.

The Hon. N. E. BAXTER: There are several aspects to the inclusion of the words "publicly declares." Firstly, to a degree it deals with collusive bidding. Two people can go to a market, one of whom does the buying. If the purchaser has to declare publicly the name of the person for whom he is bidding, that will break up collusive bidding.

There is another aspect as far as the stock firms are concerned. A buyer might go into the market buying for someone else who is on the black list of the stock firm for that particular sale. I think Mr. Medcalf knows what the black list is.

Someone who has not paid his bill for the last sale can arrange for another person to go in and buy for him. What is the result? Whose name goes down in the record book? This could be of advantage to the stock firms because they could be caught for selling to someone who was buying for a person who was black-listed. Immediately the name was mentioned, the auctioneer could say, "That bid is not acceptable to the stock firms."

The Hon. I. G. Medcalf: It is too late. He is already the successful bidder.

The Hon. N. E. BAXTER: If they are not prepared to accept that bid, they go back to the previous bid.

The Hon. I. G. Medcalf: It has been knocked down.

The Hon. R. Thompson: You do not understand the auction system.

The Hon. N. E. BAXTER: They can reopen the bidding, and the honourable member knows that very well. If a bidder is not acceptable to the auctioneer because he has not paid his previous bill, there is no reason why the auctioneer cannot start the bidding again at the previous bid. There are so many aspects to this that it is essential the provision be included in the Act.

The Hon. J. M. THOMSON: The circumstances referred to by Mr. Medcalf in the case of the man who was imprisoned are slightly different. The circumstances were that the cattle sold were never at any time at the sale yard. In the case to which I have referred, the cattle at the sale yard were knocked down to Thomas Borthwick & Sons. We have reached the stage where the name has been mentioned. The name of the buyer was immediately altered to that of H. W. Henderson & Co. A little later Henderson & Co. decided to resell the stock at that auction sale on the auction system, and by collusion with the auctioneer they were sold back to Thomas Borthwick & Sons.

The Hon. A. F. Griffith: The same stock?

The Hon. J. M. THOMSON: Yes.

The Hon. S. T. J. Thompson: And he bid again?

The Hon. J. M. THOMSON: Yes. The buyers concerned realise there may be disadvantages in public declaration but they consider it will minimise the disadvantages of the existing situation.

The Hon. A. F. Griffith: If a man publicly declares he is buying the stock for somebody else, and he subsequently decides the auctioneer should put them up for sale again, is there anything wrong in that?

The Hon. W. F. Willesee: Not in my book.

The Hon. A. F. Griffith: That is exactly what he would do. If he did the man out of his money, he would go to gaol for his crime.

The Hon. J. M. THOMSON: Thomas Borthwick & Sons were quite prepared to pay the owner of the cattle, and they ultimately did so. They were prepared to pay \$1,320. Should that not have gone to the person who actually brought the cattle to the sale and sold them?

The Hon. I. G. Medcalf: How would he have got it if he did not bid against himself? There was a successful bid of \$900. How could that be increased to \$1,200 if he did not bid against himself?

The Hon. L. A. Logan: He was the only bidder.

The Hon. J. M. THOMSON: We could probably argue this across the Chamber for some time. I am prepared to let the Committee decide the matter. I have nothing further to say except that I trust the Bill will stand as printed.

The Hon. I. G. MEDCALF: I have said what I believe to be correct. I believe many people in the country will be sorry if there must be a public declaration. I do not think it will make any difference to the stock owners or the stock company, and it will not make any difference to anyone who tells a lie. It is possible now for anyone to tell a lie. Anyone can tell a lie publicly and there is no penalty for doing so.

I am sorry the honourable member has not tightened up his Bill by imposing a penalty on anyone who gives incorrect information, so that he does not have to make a public declaration for all to hear. The person who gives incorrect information privately is liable to a penalty. To my way of thinking, that would be the answer.

However, I will not persist with it. It means everybody's business becomes everybody else's business at auction sales, and anyone could go along to the sale to find out what was going on. It may be said I am stretching a long bow but on many occasions people like to get information about transactions at stock sales. Stock firms know this; they have periodic visits from people who come in with warrants to inspect their books and records. They will not be able to do that now. It will all be above board in the future, so everyone will have to watch out. I am sorry I have taken up the time of the House but I thought it was worth pointing out. I hope people in the country will not regret this amendment, which has been proposed in good faith by Mr. Jack Thomson.

The Hon. A. F. GRIFFITH: I am sure Mr. Jack Thomson intends well with his amendment but, after listening to the argument, I am not at all satisfied that what he proposes will have the desired effect. I think it would be a pity to let

this clause go through, in view of the apparent uncertainty that exists among members. Preferably, we should vote the clause out and have another look at it. I am confused.

I remember the incident concerning the man who bought the stock for one sum of money, then altered the books and told his prospective client that he paid another sum of money for it. That was an outright fraud and he enjoyed a period as a guest of Her Majesty for doing that.

The Hon. W. F. Willesee: Be careful of the word "enjoyed."

The Hon. A. F. GRIFFITH: He was a guest of Her Majesty for a certain period. If someone buys stock for me, I do not want him to have to declare publicly that he has bought them for me. After all, that is an arrangement I make with him. I believe certain butchers in the community have someone else do their buying for them. The buyer buys so many carcasses of meat—10 for this butcher, 10 for that butcher, 20 for another butcher, and so on.

The Hon. R. Thompson: That goes on now.

The Hon. A. F. GRIFFITH: I do not know whether or not it does. In these circumstances, I think it would be undesirable to have this clause in the Bill.

The Hon. S. T. J. THOMPSON: I am not concerned about the public declaration. Mr. Medcalf has made the important point that there is no provision for a penalty for giving false information. I do not see a great deal of difference if a person's name is called out. When one buys anything, if the auctioneer happens to know one's name he calls it out publicly. At the present time, when an agent from another town goes to a sale and the stock are knocked down to the Narrogin or the Katanning office, the agent has only to give a name. I do not think this amendment will mean a great deal.

I have a friend in Wagin who does a lot of buying for individuals. He is a very good sheep man and he receives orders to buy. He attends all the sales. At present the stock is not entered in his name. The amendment simply means that in future his name will be called out, and I do not think that will create any great outcry. However, I am concerned that there will still be the possibility of someone giving false information.

The Hon. S. J. Dellar: Who pays for the stock then?

The Hon. S. T. J. THOMPSON: That is a problem. The agents are most careful about this. I do not know anything about the black book, and I have not experienced the instances to which Mr. Baxter referred. The agents who do the bidding usually know their clients. An agent will not buy for a client of whom he is not sure. The private buyer to whom I referred is sure

of the people for whom he buys. They are prepared to pay him so much per head for the use of his judgment and ability to pick up good lines of sheep at district sales.

The Hon. N. E. BAXTER: Mr. Griffith suggested we should vote against the clause. However, he was perturbed about only one part of the clause. If we defeat the clause we would delete many other provisions, apart from the one he is concerned about.

The Hon. D. J. WORDSWORTH: I think the intention of the Bill is quite obvious; that the person calling out a false name should be penalised, not the auctioneer who writes down the name. I think the problem Mr. Medcalf pointed out is one of drafting. I see little point in this clause unless it is provided that the person who calls out a false name breaks the law. With regard to Mr. Baxter's comments, I am sure that if I called out and stock were knocked down to me I would be very quickly brought to book if I tried to pass them off on someone else.

Clause put and passed.

Clause 7: Addition of section 4A—

The Hon. J. M. THOMSON: I draw the attention of the Committee to an error in the amendment standing in my name on the notice paper. The word "employer" should read "employee." My amendment will tidy up proposed new subsection (3). In view of the fact that in the cases referred to earlier the employees of the company concerned were equally as guilty of malpractice as the company, and were making a profit on the side, it is necessary to tidy up the proposed new section by adding the words I propose. Therefore, I move an amendment—

Page 5, line 33—Add after the word "year" the passage "and the employee shall be ordered by the adjudicating court to account for and pay over to the vendor all profit resulting from the purchase in respect of which he failed to comply with those provisions".

Amendment put and passed.

The Hon. J. M. THOMSON: I move an amendment—

Pages 5 and 6—Delete proposed new subsection (6).

Amendment put and passed.

Clause, as amended, put and passed.

Clause 8: Amendment to section 5—

The Hon. I. G. MEDCALF: I would like to point out that the effect of paragraph (a) of this clause is that at every auction sale the auctioneer shall read out sections 3, 4, and 4A of the Act. At present he is required to read out only sections 3 and 4. Section 5 of the Act deals not only with sales of cattle, but also with sales of farm produce. I would like to make it clear that

at every sale of farm produce the auctioneer will be required to read out the two sections which deal with farm produce, and an additional section which deals exclusively with cattle.

The Hon. A. F. Griffith: Sheep, goats, and everything else will be included.

The Hon. I. G. MEDCALF: No, farm produce is defined in the Act to mean wool, skins, hides, tallow, cereals, grain, vegetables, potatoes, onions, other edible roots and tubers, tobacco leaf, fruit, hay, chaff, dairy produce, honey, live or dead poultry and game and eggs.

The Hon. A. F. Griffith: What about sheep?

The Hon. I. G. MEDCALF: Sheep are not included.

The Hon. A. F. Griffith: Do you mean to say this will have to be done in respect of a cattle sale, but not in respect of sheep?

The Hon. S. T. J. THOMPSON: Sheep are included in the definition of "Cattle."

The Hon. I. G. MEDCALF: I merely point out that the section which deals exclusively with cattle must be read out at every auction of farm produce.

The Hon. R. THOMPSON: That is not the effect of the clause at all, because section 5 states—

provided further, that when conditions of sale are not read or recited aloud before a sale by auction but are exhibited by means of notices in the yard or place where the sale is held, it shall be sufficient compliance with the provisions of this subsection if the material parts of sections three and four of this Act are incorporated in all of such notices in larger print or lettering than the conditions of sale and the notices are prominently displayed in such yard or place before and during the whole time occupied by the sale.

I have attended many hundreds of auctions, and never on any occasion have I heard the auctioneer read out the conditions of sale; rather, they were prominently displayed as the Act requires.

The Hon. I. G. MEDCALF: Perhaps I gave the wrong impression by dealing only with the first part of section 5, which refers to reading out the sections I mentioned, and not mentioning that they may be published. The point of my comments is that we are including a provision dealing with cattle which does not have very much to do with the sale of farm produce, generally. However, I suppose a practical way to get around this will be found.

Clause put and passed.

Clauses 9 and 10 put and passed.

Title put and passed.

Bill reported with amendments.

**PUBLIC AND BANK HOLIDAYS BILL***Second Reading*

Debate resumed from the 16th August.

**THE HON. V. J. FERRY** (South-West) [9.30 p.m.]: This Bill is associated with two other Bills that are on the notice paper; and reference was made to this fact when we debated one of these three measures at a previous sitting. I stress the fact that the Bill before us is complementary to, and in some respects interlocks with, the Interpretation Act Amendment Bill and the Factories and Shops Act Amendment Bill. I point that out, as I did in the course of a previous debate, so that members may relate some of the provisions contained in the measure before us with those contained in a Bill which is not yet before the House.

The legislation before us had as its main purpose the rationalising of the administration of all public and bank holidays, and the placing of it under the one authority. With this I agree.

The Bill contains some other important provisions. Contained in the schedule is a list of 10 public holidays which workers under Commonwealth and State awards will enjoy without loss of pay or other privileges; and these holidays are spelled out. For the sake of the record, and for the convenience of the public and the business community I propose to read out the second schedule so that it will be incorporated in *Hansard*. The 10 public holidays which will be observed when this Bill becomes an Act are as follows:—

New Year's Day (1st January).

Australia Day (Monday on or first Monday following the 26th January).

Labor Day (Monday on or first Monday following the 1st March).

Good Friday.

Easter Monday.

Anzac Day (25th April).

Foundation Day (Monday on or first Monday following the 1st June).

Celebration Day for the Anniversary of the Birthday of the Reigning Sovereign (second Monday in October).

Christmas Day (25th December).

Boxing Day (26th December).

When New Year's day, Anzac Day, or Christmas Day falls on a Saturday or Sunday the next following Monday is also a public holiday and bank holiday.

When Boxing Day falls on a Saturday the next following Monday is also a public holiday and bank holiday.

When Boxing Day falls on a Sunday the next following Tuesday is also a public holiday and bank holiday.

I draw the attention of members to certain amendments that are on the notice paper.

From my perusal of the Bill, of the two associated measures, and of the Acts to which they refer—and there are many—I have come to realise that the Bill before us contains some provisions which deserve further amplification. I am aware the Bill has been passed in another place and comes before us for our consideration and concurrence.

To those who advocate a unicameral system of Parliament, I say in this instance I believe the banking fraternity, in particular, are very thankful indeed that we have a bicameral system. During my examination of the Bill I became aware that the Government, perhaps unknowingly and unwittingly, had created a situation that will seriously disadvantage some 6,000 bank officers throughout Western Australia.

This anomaly was not picked up in the debate in another place, but it has now become apparent. One provision in the Bill is open to some doubt. This relates to the need for banks to remain open for certain hours on the day prior to a Friday public holiday.

The Hon. W. F. Willesee: I have an amendment to cover the situation you are referring to.

The Hon. V. J. FERRY: I realise that the Leader of the House has an amendment on the notice paper to that effect. Without splitting straws I venture to say that my amendment reached the Clerk earlier than did Mr. Willesee's amendment. I am sure members will agree it is a function of this House to point out disadvantages which may baffle any section of the community. I therefore agree with the Government that the anomaly should be corrected.

The Hon. W. F. Willesee: Surely it only needs one of us to correct the situation!

The Hon. V. J. FERRY: I may not need the two of us to do that. I stress the fact that if we had a unicameral system this omission may have slipped through. However, due to the delay in the passage of this legislation the omission has become apparent to the Government and to myself. I refer to the provision which requires a bank to remain open for business until 5.00 p.m. on a working day prior to a Friday public holiday, and to the situation which arose some years ago when this Parliament saw fit to allow banks to close on Saturday mornings, and thus introduce a five-day working week. Although this happened before my election to this Parliament I agreed with that amendment to the Act. I think it was in 1961 that the legislation was amended to allow banks to operate a five-day working week.

During the debate and in the course of the negotiations which led to the closing of banks on Saturday mornings, it was agreed that one of the conditions would be for banks to remain open for business on Friday afternoons until 5.00 p.m. However, should a public holiday fall on a Friday then the normal working hours with closure of business at 3.00 p.m. would apply on the preceding day.

Under the provisions of the Bill before us some doubt has arisen, and if the measure is passed in its present form it appears that banks will be required to remain open for business until 5.00 p.m. on the Thursday before a Friday public holiday. Should that be the case, it would incur the wrath of some 6,000 bank officers in Western Australia. I am pleased to see that we have a chance to remedy this defect, and to maintain the existing provision in the Act. This was a concept which was not intended to be changed by the Bill before us.

The measure also contains a provision which allows the Governor, from time to time, to declare that instead of a day appointed as a public holiday and a bank holiday by virtue of section 5 of the Act, some other day shall be a public holiday or bank holiday, or both, in any year either throughout the State or within such district or locality as is specified in the proclamation.

I agree with that provision. The occasion could arise when a country district may for some special reason prefer to observe a holiday other than those listed in the schedule to which I referred earlier. Accordingly provision has been made in the Bill to allow local considerations to be taken into account.

The Bill contains a further provision which will enable the Governor at his discretion to make a proclamation from time to time to appoint a special day specified in the proclamation to be a public holiday or bank holiday, or both; or to appoint any part of any special day specified in the proclamation to be a public half-holiday or bank half-holiday, or both, throughout the State or within certain districts.

I wish to make particular reference to this clause. Whereas I agree with part of it, I do not agree with it in its entirety. Nevertheless I do not propose to move to amend this provision, although on first examination of the legislation I felt there was some need for amendment. However, after considering the matter further I came to the conclusion that it was reasonable to leave the clause as printed in the Bill.

The Hon. W. F. Willesee: What clause are you referring to?

The Hon. V. J. FERRY: Clause 7 of the Bill.

The Hon. L. A. Logan: You have an amendment on the notice paper to that clause.

The Hon. V. J. FERRY: I did foreshadow an amendment, but I will not proceed with it. When I first examined the Bill I realised there was a degree of uncertainty about its implication. For that reason I placed an amendment on the notice paper to clarify the position as I saw it. I am glad I did that, because this alerted a number of people to the need for a close look at this piece of legislation. If it did nothing else my action aroused a great deal of interest. I believe that it is the function of this House to act as a House of review, and therefore I believe a great deal of good resulted from what I did.

One of the reasons I considered it desirable to amend this clause is that public half-holidays and bank half-holidays are desirable at certain times, but at other times they are a great hindrance to commerce and industry and they involve added costs. I think it is fair to say that those who are engaged in industry and commerce—both from the management level and the employee level—like to know exactly where they stand in respect of public holidays. For that reason I commend to the House the provision in the Bill to which I have made reference. It is very often inconvenient for those who are engaged in certain industries to abide by public half-holidays or bank half-holidays; and in this regard there is an area of doubt.

However, rather than change the Bill from its original form I feel it is preferable to leave it as it stands. I am a little concerned that the Government of the day—irrespective of its political colour—will have the overall authority to grant special half-day holidays or full-day holidays.

When the Minister introduced the Bill he referred to special holidays which are granted for the purpose of observing a Royal visit to Western Australia. The practice in the past on the occasion of a Royal visit by a reigning Sovereign has been to bring a special Bill to this Parliament for the concurrence of members to enable a public holiday to be enjoyed by the people of Western Australia. This procedure has not raised any great difficulty in the past, as I understand the situation. I have researched previous legislation and read the debates which occurred, and I have not found there were any problems. Therefore, I feel sure that if a public holiday were granted for a Royal visit there would be no cause for objection.

I raise the point that the granting of a public holiday or a half-holiday for any part of the State or for the whole of the

State would need to be done with the utmost goodwill amongst those engaged in commerce and industry. In particular, people should be given as much warning as possible so they will be aware that a certain day or half-day will be a holiday, rather than have the fact thrown at them at fairly short notice.

I have already referred to the occasion of a Royal visit, and as we are aware such visits are usually arranged many months ahead. Therefore, there should be no real difficulty in this regard; it should become well known throughout the community that a holiday will occur. However, when this Bill becomes law there could be occasions when only a few weeks' notice of a holiday will be given. On some occasions that short notice may be sufficient but I hope the Government of the day will allow as much time as is possible for notice to be given of a holiday or half-day holiday.

If that pattern is adopted I feel sure no real difficulties will occur. I consider it is worth mentioning because we are changing the whole concept of bringing special Bills to Parliament to provide for special holiday occasions. With the passing of this legislation it will no longer be necessary for a special Bill to be introduced for such occasions.

There is another reason to retain the provision whereby the Governor may, from time to time, declare a full or half-day holiday, and I refer particularly to the country areas of this State. For a great number of years it has been the practice throughout a number of country districts for the community to request a public holiday or half-day holiday for a local occasion such as an agricultural show, or a special race meeting. It could be for some commemorative event. This particular provision is contained in the Bank Holidays Act of 1970. Under the provisions of that Act the Governor is able to proclaim a special day to be observed as a bank holiday either throughout the State or in any part of the State, or in any city, town, or district.

I would like to point out to members that one notable omission from the schedule of public holidays is the holiday for the Perth Royal Show. For that reason it will be necessary to have a provision in some part of the Bill to provide for this annual event in conformity with customary practice. Here, again, I particularly refer to something which the banks have enjoyed over a period of time. It has been customary for banks to close on people's day during the Perth Royal Show week. It has been the practice in a number of country districts for banks to close for local events of district moment. While on this point it is worth mentioning that the staff employed by banks in country districts nearly always assist local organisations at events such as agricultural shows. Those

people become a very vital part of the running of events, and they very often handle the cash and provide help in many different ways. In fact, without their help it is doubtful whether, in some cases, an event could be a success.

For that reason it will be necessary to have a provision in the legislation to allow the Governor to proclaim a particular day, or half-day, to meet that sort of situation. Likewise, it will be necessary for the Governor to have the power to declare a public full-day holiday or half-day holiday. The decision as to whether a special event warrants a half-day holiday, a full-day holiday, or no holiday at all, is left to the discretion of the local authority and other people such as members of the Chamber of Commerce. If a case is considered reasonable then a holiday is granted, and I believe this provision should be in the Bill.

A number of Acts will be superseded by this particular measure but I do not believe it is incumbent upon me to comment on them at this stage. I will have more to say during the Committee stage of the Bill but I will conclude my remarks by saying I support the second reading.

**THE HON. D. J. WORDSWORTH** (South) [9.54 p.m.]: When one thinks in terms of employment, one usually considers continuous employment throughout the whole of the year. I do believe that different circumstances prevail in certain areas, and I am referring particularly to the agricultural industry which employs a considerable amount of casual labour. I refer to fruit picking, and the pastoral industry. Of course, the pastoral industry comes under a Federal award, and not a State award.

It is my opinion that a debate on public holidays would not be complete without discussing the problems and the differences which exist between the Federal and State awards. I have had a little to do with the pastoral award and, in this regard, I am thinking particularly of the shearing industry. The shearing industry provides for a limited number of public holidays instead of the 10 which are listed in the Bill now before us. I think they are Christmas Day, New Year's Day, Good Friday, Anzac Day and the Queen's birthday. Those are the days included in the Federal award for the pastoral industry and I think there is probably good reason for the limitation. I cannot imagine that a shearer who was working at the back of Bourke would enjoy a holiday spent in the shearing quarters. Obviously, he would far sooner get the job done, and that seems to be the point of view held by employees and employers. An employer has to arrange for stock to be available. In the case of fruit picking, there is the matter of perishable produce.

As I have said, in the pastoral industry the number of holidays is limited, and money is paid in lieu. This provision is built into the shearing industry award. Sickleave pay and long service leave allowances are incorporated in the rate of pay for a shearer.

The provision to grant 10 holidays, as listed in the Bill, will bring forth problems in the pastoral industry. While a shearer will not have to be paid, others employed with the shearers, such as the cook, the shed hands, and the woolclasser will have to be paid. Those expenses will burden a pastoralist with additional expenses to the extent of \$70 to \$100 a day.

The Hon. D. K. Dans: Will this legislation affect Federal awards?

The Hon. D. J. WORDSWORTH: I think I will be able to demonstrate that it will affect Federal awards indirectly. A pastoralist with a flock of 3,000 sheep will face an added cost of 2c per sheep if a holiday occurs during the shearing period. Of course, people go to extremes to make sure that they do not include a holiday in a shearing run, and this is to the detriment of the employees. No-one wants to employ a shearing team immediately prior to Easter. I gather that in Queensland the award states that shearers must be paid their average daily tally for a holiday. I do not know how this provision is included for the State of Queensland, but it is not included for Western Australia. It somewhat amazes me that the Queensland Government seems to have some ability to write such provisions into a Federal award.

A shearing team is signed on for a given number of sheep, and a pastoralist cannot suddenly say that the end of the line has been reached and that another line will be available next week, after the holiday. The pastoralist has to be fairly accurate when he states the number of sheep he intends to shear. If the actual number shorn exceeds the estimate by 25 per cent., or is 20 per cent. below the estimate, then the shearers have to be paid for the number of sheep over or underestimated. For that reason a pastoralist is very careful when he estimates the number of sheep to be shorn. This is a reasonable provision because a shearer does not want to sign on with a team to shear at the back of Bourke and then find that only half the number of sheep are available.

The Hon. W. F. Willesee: It would be bad management if a pastoralist did not know how many sheep he intended to shear.

The Hon. D. J. WORDSWORTH: That type of estimate is quite in order in the pastoral industry.

The Hon. W. F. Willesee: I have never noticed a case where shearers have been paid for an underestimate. The honourable member cannot tell me of a case, either.

The Hon. D. J. WORDSWORTH: I certainly have not done that myself.

The Hon. W. F. Willesee: With 3,000 you would know them by their Christian names!

The Hon. J. Heitman: They all have different faces too!

The Hon. D. J. WORDSWORTH: I have pointed out the difficulty in regard to the pastoral award, but other difficulties arise with employees under the same Federal award as the shearers. For example, station hands also have five days' pay included in their award. Many of these people play football and take part in the community life, so it generally means the men are given the extra days off anyway. And yet it is built into their award that they receive cash instead of holidays. For these reasons I feel there is a limit to the granting of holidays.

If we pass the measure which is presently before the House, Mr. John Tonkin can proclaim another holiday if he so wishes. There should be a limit to this because it causes great difficulty in industries where cash awards are made in lieu of holidays.

The Hon. D. K. Dans: Surely the pastoral industry is not the only industry with the disadvantage of working through holidays? This applies to a number of industries.

The Hon. D. J. WORDSWORTH: As I said, I am not aware of the provisions regarding holidays in other Federal awards. However, these provisions are of considerable consequence to the pastoral industry.

I suggest that when the pastoral industry is again under review it should be taken into consideration that some States are laying down a statutory number of holidays. We must try to ensure that these inconveniences do not continuously occur in the industry.

A Government can make itself very popular by granting a holiday, but I often wonder who actually gives the holiday. I have a strong suspicion it is the employer who grants the holiday. In actual fact, when an employee says to me, "John Tonkin has given me a holiday," I have the idea that I have given him a holiday and the Government does not pay anything.

For these reasons I feel there should be a limit to the granting of public holidays. In my opinion, the best way to prescribe holidays is by Act of Parliament, as happens at present.

Debate adjourned, on motion by The Hon. J. Dolan (Minister for Police).

*House adjourned at 10.04 p.m.*