

Legislative Council

Thursday, 27 March, 1980

Cognate Historic Houses Bills (first reading)--Cognate Coroners Bills (third reading)
—Cognate Petty Sessions Bills (third reading)—Adoption of Children (Amendment) Bill (third reading)—Questions without Notice—Joint Committee upon Public Accounts and Financial Accounts of Statutory Authorities (Progress Report)—Joint Committee upon Public Funding of Campaigns for Elections (Notice of Motion)—Cognate Contracts Review Bills (second reading, Com., third reading)—Cognate Motor Vehicle Repairs Bills (second reading, Corn.)—Assent to Bills—Legal Practitioners (Amendment) Bill (first reading)—Cognate Local Government Bills (first reading)—Printing Committee (sixth report)—Adjournment (Moscow Olympic Games).

The President took the chair at 11 a.m.

The Prayer was read.

HISTORIC HOUSES BILL

ELIZABETH BAY HOUSE TRUST (REPEAL) BILL

NATIONAL PARKS AND WILDLIFE (VAUCLUSE HOUSE) AMENDMENT BILL

LIQUOR (HISTORIC HOUSES) AMENDMENT BILL

Bills received from the Legislative Assembly.

Suspension of Standing Orders

Suspension of so much of the standing orders as would preclude these bills being considered simultaneously, except in Committee, agreed to on motion (by consent) by the Hon. J. R. Hallam on behalf of the Hon. D. P. Landa.

First Reading

Bills read a first time, and ordered to be printed, on motions by the Hon. J. R. Hallam.

Suspension of Standing Orders

Suspension of certain standing orders agreed to on motion by the Hon. J. R. Hallam.

CORONERS BILL

CHILD WELFARE (CORONERS) AMENDMENT BILL

COAL MINES REGULATION (CORONERS) AMENDMENT BILL

FIRE BRIGADES (CORONERS) AMENDMENT BILL

JURY (CORONERS) AMENDMENT BILL

LIQUOR (AMENDMENT) BILL

PHYSIOTHERAPISTS REGISTRATION (CORONERS) AMENDMENT BILL

PRISONS (CORONERS) AMENDMENT BILL

**REGISTRATION OF BIRTHS, DEATHS AND MARRIAGES (CORONERS)
AMENDMENT BILL**

Third Reading

Bills read a third time, and returned to the Legislative Assembly without amendment, on motions by the Hon. D. P. Landa.

COURTS OF PETTY SESSIONS (CIVIL CLAIMS) AMENDMENT BILL

FRUSTRATED CONTRACTS (PETTY SESSIONS) AMENDMENT BILL

Third Reading

Bills read a third time, and returned to the Legislative Assembly without amendment, on motions by the Hon. D. P. Landa.

ADOPTION OF CHILDREN (AMENDMENT) BILL

Third Reading

Bill read a third time, and returned to the Legislative Assembly with amendments, on motions by the Hon. J. R. Hallam.

QUESTIONS WITHOUT NOTICE

MEAT INDUSTRY AUTHORITY

The Hon. F. M. MacDIARMID: I ask the Minister for Agriculture a question without notice. Is it a fact that many meat producers have expressed dissatisfaction with the performance of the reconstituted Meat Industry Authority? Will the Minister inform the House what the reconstituted Meat Industry Authority has achieved since its inception and what it hopes to achieve? I ask the Minister whether that authority can fulfil the hopes and aspirations of meat producers.

The Hon. J. R. HALLAM: There have been some misunderstandings about the objectives of the Meat Industry Authority of New South Wales. That authority was established as a result of a Legislative Assembly select committee report commonly known as the Brewer report. The former Liberal–Country party Government failed to implement one of the principal recommendations of the select committee, which was to

establish a meat industry authority in New South Wales. The reconstituted Meat Industry Authority continues to do excellent work in registering and maintaining killing works in this State. The number of such works has been reduced from 197 to 81.

The Hon. W. L. Lange: How can a reduction in the number of killing centres assist the industry?

The Hon. J. R. HALLAM: It has helped considerably.

The Hon. W. L. Lange: By increasing the cost of transporting cattle over greater distances from the saleyards?

The Hon. J. R. HALLAM: Health safeguards are now applied to a much greater extent than they were. Notwithstanding that the number of killing centres has been reduced to 81, including about 40 slaughterhouses, problems still exist in the industry. Therefore the reconstitution of the Meat Industry Authority was a step in the right direction. Financial difficulties are still being experienced by many local-government abattoirs. At this moment the chairman of the Meat Industry Authority, Mr Bryan Regan, is leading a task force to determine and isolate those difficulties. It has been directed to report to the Government not later than June this year.

One criticism of the authority is that some of its expectations are a little high. Under the Act the authority has power to trade. The industry has expanded its beef export markets from about 90 000-odd tonnes in 1976 to approximately 250 000 tonnes in 1980. Although those figures are approximate, they are indicative of the size of the increase. Some abattoirs are experiencing difficulty, but given the general health of the industry, notwithstanding the immediate downturn in returns in New South Wales, which are related to drought conditions, I do not believe that at this stage the Meat Industry Authority ought to contemplate entering the field of trade. It may be that at some time in the future, if it is the considered opinion of the authority and the industry generally, the authority should give consideration to expanding that area of its activity.

The Meat Industry Authority is advising the Minister for Agriculture on assisting the Department of Agriculture in investigating a scheme of carcass classification. Some eight trials are being conducted in New South Wales abattoirs. When those trials are completed and there is established a system of marketing that will enable consumers to identify meat quality, many added benefits will be seen. That is to say, when consumers can identify quality by a simple system—perhaps a card index—we shall see an increase in quality of meat offered for sale. Another function of the Meat Industry Authority is to advise the Minister for Agriculture on matters pertaining to the industry generally. I assure the Hon. F. M. MacDiarmid that I am completely satisfied with the advice I have been receiving from the authority in the short time that I have been responsible for its activities.

The Meat Industry Authority is involved also in a livestock market reporting service. This is a joint project by the authority and the Department of Agriculture. It is working well. Last year the service was expanded from Homebush and Wagga Wagga to Dubbo, Gunnedah and Casino. The Gunnedah officer is reporting on Tamworth and will be reporting on Armidale in the near future. The officer at Casino is reporting on Lismore and Grafton, but this aspect is under review. The possibility is being examined of extending the service to report on cattle sales at Moree, and on the Goulburn sales. The Department of Agriculture and the Meat Industry Authority are co-operating in these matters.

HIGHER SCHOOL CERTIFICATE

The Hon. VIRGINIA CHADWICK: Is the Minister for Education and Vice-President of the Executive Council aware of the dissatisfaction with the marking and scaling system used for community languages in the higher school certificate examination? Will the Minister investigate the 1979 examination results and the scaling procedures so that a more equitable system may be devised for future examinations?

The Hon. D. P. LANDA: I have noted with concern the inquiries about the scaling system generally and about the community language programmes in particular. I am examining the position to ensure that equality is maintained. A great deal of confusion has arisen about the scaling methods, but that is to be expected in advanced systems of education.

The Hon. W. L. Lange: Does the Minister understand the system?

The Hon. D. P. LANDA: I have made a point of understanding it. I want to make it clear that the system, when properly administered, is definitely the most reliable and fair way of marking and assessing the performance of candidates in an examination. It is infinitely more fair than the system used when honourable members attended school. I am concerned about aspects of community language programmes. I have had only a brief look into the matter, but shall examine it further.

NEW SOUTH WALES FLAG

The Hon. E. P. PICKERING: I ask the Minister for Education and Vice-President of the Executive Council whether he is aware that last year the Premier wrote to all New South Wales parliamentarians advising them that State flags would be made available to schools and community groups nominated by them? Does the Minister recall that on 15th November last during question time my colleague the Hon. Virginia Chadwick invited the Minister's attention to the fact that the Department of Education had been unwilling to supply flags to members of this House? Will he now advise whether the department is willing to implement the Premier's advice to honourable members?

The Hon. D. P. LANDA: Given the somewhat pressing problems that have confronted me in my new responsibilities, I am unaware of the circumstances that have given rise to the honourable member's concern. However, I have been pleased to have been involved in ceremonies at schools I have visited, and have not noted any shortage of flags. In view of the honourable member's concern about the matter, I shall certainly make sure it is flagged for my attention by the department.

NEW SOUTH WALES FLAG

The Hon. H. J. MCPHERSON: I address a supplementary question to the Minister for Education and Vice-President of the Executive Council. Is the Minister aware that some months ago when the Premier announced the availability of flags, I nominated a school in the Wagga Wagga region to receive such a flag and that as recently as Tuesday last, a flag with a letter was on the desk when I arrived at my office?

The Hon. D. P. LANDA: That shows that the Government still has an equitable sense of priority.

LORRY OWNER-DRIVERS

The Hon. E. P. PICKERING: Does the Minister for Education and Vice-President of the Executive Council recall that in April 1979 Parliament passed legislation amending section 88E of the Industrial Arbitration Act to establish a contract regulation tribunal to control the operation of lorry-owner drivers? Will the Minister advise the House to what extent, if any, that controversial legislation has been implemented?

The Hon. D. P. LANDA: The answer to the first part of the question is yes. As to the second part, I shall obtain advice from the Minister for Industrial Relations and Minister for Energy and shall give a detailed answer in due course.

JOINT COMMITTEE UPON PUBLIC ACCOUNTS AND FINANCIAL ACCOUNTS OF STATUTORY AUTHORITIES

Progress Report

The Hon. D. R. BURTON [11.151: On behalf of the Chairman, I bring up and lay upon the table a progress report, minutes of proceedings and evidence of the Joint Committee upon Public Account and Financial Accounts of Statutory Authorities, for whose consideration this subject was referred on 16th November, 1978.

Ordered to be printed.

JOINT COMMITTEE UPON PUBLIC FUNDING OF CAMPAIGNS FOR ELECTIONS

Notice of Motion

The Hon. DEIRDRE GRUSOVIN [11.161: I seek leave to move that the Joint Committee of the Legislative Council and Legislative Assembly upon Public Funding of Campaigns for Elections have leave to make a progress report.

The Hon. W. L. Lange: I object.

The Hon. DEIRDRE GRUSOVIN: I give notice that next sitting day I shall move:

That the Joint Committee of the Legislative Council and Legislative Assembly upon Public Funding of Campaigns for Elections have leave to make a progress report.

CONTRACTS REVIEW BILL (No. 2)

DISTRICT COURT (CONTRACTS REVIEW) AMENDMENT BILL

Second Reading

Debate resumed (from 26th March, *vide* page 5908) on motion by the Hon. D. P. Landa.

That these bills be now read a second time.

The Hon. D. P. LANDA (Minister for Education and Vice-President of the Executive Council) [11.17], in reply: I thank honourable members for their contributions to the debate on this bill. I only wish that the Hon. P. S. M. Philips and the Hon. L. A. Solomons had exercised a modicum of restraint in the expression of their baseless fears about the legislation as redrafted. The Government is unashamedly proud of the response to, and the concern expressed throughout New South Wales about the legislation as originally drawn. Honourable members, including the Hon. E. P. Pickering, have had every opportunity to scrutinize and consider the legislation.

It is a matter of record that the Government was considerate of the points of view put by certain sections of the community to ensure that the bill worked effectively in the marketplace. I am sure that the fears held by some honourable members, unfortunately, are politically based. They have attempted to obtain some late political mileage out of their view of how the bills will work. I have no doubt that the legislation will strike fear and trepidation into the hearts of businessmen who rely for the success of their operations upon dubious contracts.

The Hon. F. M. MacDiarmid: The Minister was not in the Chamber last night when the Hon. L. A. Solomons spoke on the subject.

The Hon. D. P. LANDA: I read the *Hansard* report last night.

The Hon. F. M. MacDiarmid: Last night?

The Hon. D. P. LANDA: I read the *Hansard* report of last night's proceedings. There is no need for the honourable member to be technical. In addition, I heard the bulk of the honourable member's contribution when I was able to be in the Chamber. I am sure that the Hon. L. A. Solomons would not have made that interjection if he had been here, for he knows that I pay him the courtesy before making a reply of considering his contributions, for generally they are of substance and worthy of consideration by the Government.

I assure honourable members that during the long period I was the only Minister in this House it was never suggested that I replied to a debate without being briefed. I shall take care in future that before I reply to the Hon. F. M. MacDiarmid an exhaustive and scholarly study is made of everything he says so that the correctness of his remarks can be confirmed, or their inaccuracy enshrined in the permanent record of this House.

I come back to the legislation before the House. There are false fears abroad about how it will work. When one examines the concern of the Hon. L. A. Solomons about the Contracts Review Bill, one finds that he has adopted a legalistic approach to the bill that does not take into account how it will work in the mercantile world. The Hon. L. A. Solomons and the Hon. P. S. M. Philips made general criticisms of the definition of unjust. I shall not weary honourable members with a tedious exposition of what Professor Peden said about this in his report. If those honourable members had checked the report before making their criticisms, they would have seen that the Government's view on this matter was in accord with the findings of Professor Peden. In his report the professor said that he purposely avoided the harsh and unconscionable formula of other legislation so as to negate any suggestion of narrow interpretation or adherence to previous case law. At page 25 of the report he dealt further with the matter but I shall not weary honourable members by reading that part of the report. He obviously discounted the synonymous nature of the words unjust and unfair for he went on to say:

I am opposed to the addition of the word "unfair" because it might be taken to include situations in which, although the contract favours one party, there has been no abuse of power or unfair conduct on his part.

A detailed examination of the report would have revealed that the Government is on **all** fours with that remark.

The Hon. P. S. M. Philips: Does the Minister consider that taking the narrow **view in** the first instance leads to more experience?

The Hon. D. P. LANDA: It has never worked. Even the expression harsh and unconscionable, which has been in operation for some time, has never worked against the making of contracts in the market-place. The fear expressed by the honourable members is baseless. Most people enter into contracts with a high level of **consensuality**. It is only in those cases where there is an element, as I said, of unjustness that the matter can be litigated and determined by the court. That deals with the second criticism. I do not want to take the time of the House dealing with these matters, for I know most members do not hold the fears of the terrible consequences of this legislation that have been trotted out.

The Hon. P. S. M. Philips: We do on this side.

The PRESIDENT: Order! The Minister is speaking in reply. The Hon. P. S. M. Philips has already spoken in the debate.

The Hon. D. P. LANDA: I **am** indebted to you, Mr President, for I shall deal in my reply with most of the substantive criticisms **of** the Hon. P. S. M. Philips. If he is patient, I shall show him where he went off beam and put him back on **beam** so that he can go to lunch at the Union Club with a little peace of mind. The original bill covered all contracts—that is, contracts by a consumer with a trader and contracts **between** traders. To enhance the prospect of uniform and orderly interpretation and remove some of the fears of uncertainty in trader to trader transactions it was proposed, initially at least, to restrict jurisdiction to the Supreme Court. This drew **criticism**—which I must say I sympathized with—that to do so would make litigation of smaller, worthwhile contracts too costly and also clog up the Supreme Court's list. The other day I looked at the Supreme Court's list and noted that only five judges were dealing with common law matters. Now that the vast majority of the purely business contracts are to be excluded from the ambit of the bill there is more argument for initially conferring jurisdiction on the District Court. I think that was a responsible attitude on the part of the Government.

I have dealt with the definition of unjust. I turn now to the criticisms of clause 6. The effect of the clause is to confine the class of person who may seek relief under the bill to consumers and unincorporated farmers. From what the Hon. L. A. Solomons said it would seem that the statement of the Minister in another place regarding the scope of the bill has been misunderstood. The Minister did not mean that corporations and small businessmen would not become liable under the bill.

The Hon. L. A. Solomons: That is the point I made.

The Hon. D. P. LANDA: That is right. I wanted to clear that up. Rather, the Minister meant that they could not seek relief under the bill. This does not mean that they will not be equitably dealt with in proceedings to which they are parties. In its original form the bill enabled a corporation to take action against a corporation. The business sector has conceded that there is some need to protect consumers in their dealings with businesses but argues that if strictly commercial transactions become subject to the bill this will create chronic uncertainty. It was to allay these fears that the scope of the bill was restricted.

The factors in clause 9 (2) were criticized, again individually, on the wide interpretation ground. The court is obliged to consider these factors only to the extent that they are relevant to the circumstances. Even if one of these factors exists, or

more, the court is not obliged to grant relief. It will grant relief only when it is just to do so in the circumstances. So the width of that clause should not concern honourable members greatly. Clause 10 provides:

Where the Supreme Court is satisfied, on the application of the Minister or the Attorney-General, or both, that a person has embarked, or is likely to embark, on a course of conduct leading to the formation of unjust contracts, it may, by order, prescribe or otherwise restrict, the terms upon which that person may enter into contracts of a specified class.

In his draft bill Professor Peden saw as potentially desirable a clause that permitted the court to restrain a party to existing proceedings—if I have that correctly—from engaging in a general course of unconscionable conduct with other persons. This concept was to some extent adopted in a bill that was introduced into the South Australian Parliament. The present clause is almost identical with that provision. Instead of the court of its own volition being permitted to restrict the behaviour, it will be able to prohibit the formation of unjust contracts on the motion of the Minister or the Attorney-General only. The Supreme Court only will possess this power and such a motion may be instituted without the need for existing proceedings, as proposed by Professor Peden. The provision is based upon North American experience and is, in the words of the majority of the South Australian Law Reform Committee, a valuable weapon against commercial oppression and unfairness.

Commentators were concerned about clause 10 (2), the general orders power, but for quite different reasons. The Australian Computer Equipment Suppliers' Association thought the powers draconian and queried how the court could be satisfied that "a person has embarked or is likely to embark upon a course of conduct". The power is not draconian. Those fears also are false. The onus of establishing the matter quoted falls squarely on the Minister or the Attorney-General. The Sydney Chamber of Commerce claimed that the clause gave the court a legislative capacity now unknown to any common law country possessing similar legislation and argued that it gave the Government too great a power which could be used unfairly. There is no doubt that the objects of the bill could be used to intimidate the authors of unjust bargains. The Government is unashamed of that and it is deliberate.

As to this first point, the Chamber of Commerce is ill-advised. A similar provision has existed in section 56A of the New South Wales Consumer Protection Act since June 1978. It enables the Supreme Court, on the application of the Commissioner for Consumer Affairs, to restrain threatened contravention of legislation administered by the Minister. Although its introduction was attended by fears of widespread use, the commissioner has only once had occasion to invoke its provisions. The Commercial Law Association detected an inconsistency between this provision—that is clause 10—and the general scheme of the bill, in that the unconscionability criterion became relevant only at the time a contract was made although this clause permitted the court to interfere with future contracts. Again this argument is somewhat naive. This provision could apply to situations where, for example, no matter what the circumstances are, a particular clause or contract could only be construed as unconscionable. The court may, for example, insist that persons entering into a class of contract receive independent legal advice prior to entering into the contract. There are many reasons why this argument cannot be maintained.

The Australian Banking Association, in following this view to some extent, argued that circumstances that are unjust in one case may be fair and reasonable in others. One would have to agree with that. But if the situation prevailed, it would be extremely difficult to persuade the court to grant relief. The operations of some schemes, for instance pyramid selling, suggest that such a provision is necessary. The Australian Finance Conference was highly critical of the clause. It believed

The Hon. D. P. Landa]

the nature of relief under the bill should be purely subjective and should not be held out as an instrument for affording class relief. Along with the Commercial Law Association it said that each case should be heard on its own merits, otherwise the courts would be exercising a legislative function. Probably all legislation provides some measure of class relief. As to the remainder of this comment, attention is invited to the matters contained in my second reading speech.

Finally, the Australian Finance Conference and the Metal Trades Industry Association argued that the cost of any application should be borne by the Minister or the Attorney-General, since the prospect of having to bear costs may deter a party from contesting an application. That thought was echoed by the Hon. L. A. Solomons. The prospect of not having to meet any costs may equally encourage people to enter into unjust contracts. If such a person had no threat of costs, he would have nothing to lose in pursuing his case to absurd limits. Costs should be properly left within the discretion of the court. Clause 13 contains the intervention provision. There is nothing untoward concerning the provision dealing with ministerial intervention. Similar provisions exist in two other Acts administered by the Minister. I refer to sections 53 and 85 of the Landlord and Tenant (Amendment) Act and section 39A of the Consumer Claims Tribunal Act. The intervention sections of the Landlord and Tenant (Amendment) Act have existed since 1948 without amendment. I am not aware of any problems arising in relation to those provisions.

In innovative legislation of the type contained in the bill, it is important that the Minister, and thus the Government, should be able, in important cases of principle, to argue questions of interpretation and the like. This is particularly important in the area of public interest, which is one of the criteria to be examined by the courts. In this respect, I refer honourable members to clause 9. The Government has expressed its intentions in the legislation so it is entitled to argue in favour of those intentions. It is important to remember that the court, not the Minister, will determine each case. The arguments presented on behalf of the Minister do not carry any special weight: they will simply be taken into account together with the evidence and the arguments of the other party. The court will have the final say.

The criticism of clause 14 followed a common thread, that, even though a contract is fully executed, a party would retain a contingent liability until the expiry of the relevant limitation period, and that no director or auditor of a company, for example, could sign the account of a company without giving a qualified statement. The object of the bill to relieve injustice and restrict applications, in effect, to the currency of the contract could result in quite the opposite result. A person could embark on a course of unconscionable conduct, knowing full well that, once completed, the contract could not be reviewed. The same argument could be advanced about company accounts and vitiating factors such as fraud, undue influence, et cetera. That aspect presents no problem. It would be absurd to prevent relief after the contract has been fully executed, which is usually when people find out about the damage, and everything has been signed, sealed and delivered.

I noted the almost shrii note that entered the honourable member's contribution to the debate when he spoke about people of ethnic origin wishing to obtain finance. In this context, most people recognize that the means are available by which they can obtain proper advice. Moreover, cooling-off provisions also operate to the benefit of consumers. Though I agree that generally the provision of finance is on a take it or leave it basis, that is a consideration a person must weigh up at the time he enters into any commercial transaction. Again, the Australian Finance Conference does not say that its standard practices will come into conflict with the provisions of the bill. Further, I do not believe that this fear is held widely and that the standard, normal practice of hire purchase finance, as such, will be struck down.

The Hon. L. A. Solomons: If business people said otherwise, they would be inconvenienced at the outset.

The Hon. D. P. LANDA: That is examinable. I am not privy to the plethora of complaints that come into the Department of Consumer Affairs in relation to these matters. However, I think that some examination of one or two of those complaints as test cases in the courts in the early days might set about a house cleaning operation in the car yards of the nation, and that would be more than a little overdue. I am certainly not displeased to see that area of circumstances being cleared up in a consumer industry in which contracts with finance companies and the circumstances surrounding them are rarely pursued by a person who has some nexus with them. If anyone knows the way in which these car yards and organizations are structured round the basis of hire purchase finance, it is reasonable to put those surrounding circumstances to the test of possible review by the court. I am sure this aspect will be determined early in the piece to the benefit of consumers. Moreover, there will be an ultimate benefit to the industry by having removed from its ranks those persons who carry on the more odious practices that reflect upon the business.

The Hon. P. S. M. Philips: What about clause 16? The matter could go on for years.

The Hon. D. P. LANDA: The law of limitation is available, and so it should be. The damage may not reveal itself for several years.

The Hon. P. S. M. Philips: The Opposition suggested two years as being a fair period.

The Hon. D. P. LANDA: That would depend on the facts. Any delay would operate substantially against the litigant in the determination of his complaint. It would be relevant only where a matter is unjust, and I cannot see any problem with that. The matter will be determined by the court in the normal way. I cannot see any reason why there should be a special limitation period in view of the myriad of other rights that arise under the statute of limitations. If we start limiting the rights of access to the courts in these matters, we will not know where to draw the line. I do not regard this provision as creating any problem.

I do not propose to deal with all the false fears of some people. I am sure that the legislation will work adequately in the market-place. Should it not do so, and it causes any kind of financial concern in the trade, I am sure that the Minister for Consumer Affairs is sufficiently responsive to consider the measure again in a responsible way, as the Government has done, and rectify any inadequacies that may exist.

Question—That these bills be now read a second time—put.

The House divided.

Ayes, 21

Mrs Anderson
Mr Baldwin
Mr Burton
Mrs Fisher
Mr French
Mrs Grusovin
Mr Hallam
Mr Healey

Mrs Isaksen
Mr Kaldis
Mrs Kite
Mr Landa
Mr McPherson
Mr Melville
Mr Morris
Mr Thompson

Mr Turner
Mr Unsworth
Mr Watkins

Tellers,
Mr Dyer
Mr King

Noes, 17

Dr de Bryon-Faes
Mr Calabro
Mrs Chadwick
Mr Connellan
Mr Doohan
Mr Duncan

Mr Lange
Mrs Lloyd
Mr MacDiarmid
Mr Philips
Mr Pickering
Mr Sandwith

Mr Rowland Smith
Mr Solomons
Mr Willis
Tellers,
Mr Kennedy
Mr Orr.

Question so resolved in the affirmative.

Motion agreed to.

Bills read a second time.

In Committee

The CHAIRMAN: If there is no objection, I propose to put the Contracts Review Bill to the Committee by parts, citing the clauses contained in each part to enable members to debate them. Is there any objection? There being none, I shall proceed accordingly.

Part 1

The Hon. L. A. SOLOMONS [11.571: I refer to clause 1. The Opposition listened with interest to the Minister's reply to the second reading debate. Clearly the Opposition has a different philosophy to the bills from that of the Government. Having considered the bills the Opposition finds that the whole of the principle bill and its concept are totally objectionable, with certain exceptions to which I shall refer during the course of the Committee debate. The Opposition does not see how it can by way of any practical amendments take away the objectionable features and the Opposition's concern, which is not allayed by the Minister's second reading speech and his reply. Accordingly, it is not the Opposition's intention in Committee to move amendments, but I make perfectly clear that the Opposition does not consider that the measures can be improved by amendments and that its task will be to refer again to certain matters that were referred to by Opposition members during the second reading debate and to seek the Minister's further assurance. Unless any other honourable member wishes to deal with prior clauses, I propose to move to clause 4.

The Hon. P. S. M. Philips: I wish to refer to clause 4.

The Hon. L. A. SOLOMONS: I shall defer to my colleague the Hon. P. S. M. Philips.

The Hon. P. S. M. PHILIPS [11.59]: I ask the Minister to clarify why sub-clause (2) is focused on titles under the Strata Titles Act. As stated in this House, **but** more particularly in the other place, there appears to be a number of anomalies.

The Hon. L. A. SOLOMONS [12.0]: Before the Minister replies to the Hon. P. S. M. Philips, I remind the Committee that during the second reading debate I referred to clause 4 (2) and suggested to the Minister that if condominium titles were to be excluded, consideration ought to be given to the exclusion of condominium titles that operate as tenancies-in-common as well as those that operate as strata titles and corporate structures. I did ask the Minister whether he would examine that suggestion, but he did not refer to the matter in his reply.

The Hon. D. P. LANDA (Minister for Education and Vice-President of the Executive Council) [12.1]: The first question is why the legislation makes reference to a body corporate under the Strata Titles Act.

The Hon. P. S. M. Philips: There are various ways in which such titles are constituted. They are not all under the Strata Titles Act. The legislation seems to discriminate in favour of titles constituted under that Act.

The Hon. D. P. LANDA: Though bodies corporate may be constituted outside the Strata Titles Act, it seems obvious that one would not want to include such bodies in this legislation because of the special nature of their incorporation. They are formed to determine the residential behaviour of persons living together rather than to enter into commercial transactions. The second part of the question refers to company titles. I would assume that they are in the same situation. It is absolutely essential that at the start those be hived off, otherwise one would be opening a Pandora's box. That is self evident.

The Hon. L. A. SOLOMONS [12.2]: I find myself in complete agreement with the Minister's answer to the first part of the question. As to the second part, I was suggesting that there can be three classes of condominium title when corporate or corporate-style structures are brought into being. I wonder whether consideration might be given, if not now then at some time in the future, to including all such titles in the exclusions?

The Hon. D. P. LANDA (Minister for Education and Vice-President of the Executive Council) [12.3]: I am unaware of any situation where a corporation has a tenancy-in-common. I thought that tenancies-in-common consisted of the individuals within them.

The Hon. L. A. SOLOMONS [12.4]: Mostly they consist of individuals. But where, for the purposes of management, the tenancy is invested in a corporate structure—sometimes an unincorporated structure but nevertheless a structure within a condominium—probably the Government would not want such an arrangement caught up in this type of provision.

The Hon. D. P. LANDA (Minister for Education and Vice-President of the Executive Council) [12.5]: It is absolutely clear that the Government would not want that sort of arrangement to be caught up. I do not recall an instance of the formation of a corporate body in the circumstances referred to. I thought that such groups were specifically designed in the early stages of their development as unincorporated bodies.

The Hon. L. A. Solomons: Almost invariably they were unincorporated.

The Hon. D. P. LANDA: I agree. They had a tenancy-in-common. I shall refer that matter to the Attorney-General and Minister of Justice, for it is certainly not the Government's intention to include them for the purpose of sharing residential responsibilities.

The Hon. L. A. SOLOMONS [12.6]: I refer to a clause that the Minister dealt with in his second reading speech and seek to confirm a view I expressed that there was already an appropriate remedy for most of the matters referred to in the legislation. I asked the Minister in my second reading speech whether it would not be practicable under the provisions of clause 10 to widen the power of the Attorney-General to obtain general orders, and thus achieve the Government's objects without setting out such a wide net, which, if the Opposition's view of this legislation is correct, will substantially stifle the provision, *inter alia*, of consumer credit. I said in my second reading speech that if there had to be legislation of this nature, it should contain a general orders power. The Minister has drawn our attention to the fact that such a general orders power exists in consumer legislation and that it has operated efficiently both in the United States and in South Australia.

The Hon. D. P. Landa: And in landlord and tenant legislation.

The Hon. L. A. SOLOMONS: I agree, but that is slightly more restrictive because in the landlord and tenant legislation a person may not commence prosecution without the consent of the Minister. The comment that the Opposition makes with respect to clause 10 is that it contains a germ of an idea which, if expanded, could provide the necessary protection that the public needs outside the ambit of existing legislation without there being the whole net of new remedies proposed under this legislation. The Opposition asks in all sincerity that its view be passed on to the Attorney-General and Minister of Justice for his consideration in due course.

The Hon. D. P. LANDA (Minister for Education and Vice-President of the Executive Council) [12.8]: I shall refer the honourable member's comments to the Attorney-General and Minister of Justice. I shall instruct my officers to arrange for that to be done forthwith.

Part agreed to.

Part III

[Procedural and Other Matters]

The Hon. L. A. SOLOMONS [12.8]: Clause 13 is the only clause of part III to which I shall refer within the ambit of my comments with respect to clause 1. I refer to the suggestion of the unlimited power of intervention. The Opposition accepts without reservation the reasons that the Minister has given for the view that the Attorney-General ought to have power to intervene. Having regard to the wide discretions given to the District Court and Supreme Court, it is the concern of the Opposition that such intervention will increase the costs of the proceedings by lengthening them. Anyone who has had an opportunity of seeing the operations of the Supreme Court or District Court would understand what I am saying.

The Hon. D. P. Landa: Especially if counsel has a brief from the Attorney-General's Department.

The Hon. L. A. SOLOMONS: Exactly. The ability to pay is unlimited and guaranteed. It is obvious that such proceedings are lengthened and made more costly for all concerned, including the Crown. At the end of them someone has to pick up the tab. Usually that will not be the Attorney-General, except where he has to pay for his own representation. The Opposition believes that the wide discretions given to the courts are sufficient to protect the class of person who may need protection. It seems that the only purpose of the intervention by the Minister and the Attorney-General in the long term will be to add to the cost of the proceedings. The Opposition wishes that view to be on record. Only time will tell whether it is correct or whether the Government's view will prevail.

The Hon. D. P. LANDA (Minister for Education and Vice-President of the Executive Council) [12.9]: The remedy for the honourable member's concern will be found largely in the discretion of the court to award costs. One would hope that the court would not be too receptive to the idea of a person representing the Minister or the Attorney-General being able to lengthen a matter at cost to others.

Though I appreciate the honourable member's concern about intervention, generally intervention is a course reluctantly taken by a government. Failure to make a point in the intervention leads to a high level of criticism, and justifiably so in my opinion. Therefore such a process is rarely used. Where it has been used, the intervention has generally been vindicated. A power of intervention must be provided for in legislation. The court has control over its own proceedings and can bring

parties into line if dilatoriness or delay is occasioned. Such a process is infrequently invoked and I am sure that will be the position in future. So far there have been no complaints about this provision in similar legislation. If there is a complaint, needless to say the Hon. L. A. Solomons will be the first to raise it in this Chamber.

The Hon. L. A. SOLOMONS [12.12]: I thank the Minister for the explanation and for the spirit in which it was given. In my speech at the second reading stage I referred to the need for power to intervene in cases where it may be necessary to set the scene for application under new section 10. I would have been remiss in not referring to that provision.

The Hon. D. P. LANDA (Minister for Education and Vice-President of the Executive Council) [12.13]: It is the view of the Attorney-General and Minister of Justice that intervention should occur only in important cases of principle.

Part agreed to.

Part IV

[Miscellaneous]

The Hon. L. A. SOLOMONS [12.14]: I again invite the Minister's attention to a simple omission from clause 21. Reference to the provisions of the Industrial Arbitration (Amendment) Act, 1979, on approved contracts in the transport industry, particularly in relation to owner-drivers, taxi trucks and hire cars, has inadvertently been omitted from the exclusions. I ask the Minister whether that is the intention or whether it is an error?

The Hon. D. P. LANDA (Minister for Education and Vice-President of the Executive Council) [12.15]: It is intentional.

Part agreed to.

Adoption of Report

Bills reported from Committee without amendment, and report adopted, on motions by the Hon. D. P. Landa.

Suspension of Standing Orders

Suspension of certain standing orders agreed to on motion by the Hon. D. P. Landa.

Third Reading

Bills read a third time, and returned to the Legislative Assembly without amendment, on motions by the Hon. D. P. Landa.

MOTOR VEHICLE REPAIRS BILL

MOTOR DEALERS (MOTOR VEHICLE REPAIRS) AMENDMENT BILL

STATUTORY AND OTHER OFFICES REMUNERATION (MOTOR VEHICLE REPAIRS) AMENDMENT BILL

Second Reading

The Hon. J. R. HALLAM (Minister for Agriculture), on behalf of the Hon. D. P. Landa [12.18]: I move:

That these bills be now read a second time.

The legislation will introduce an industry-controlled licensing scheme to the motor vehicle repair industry under the administration of a motor vehicle repair council. It will constitute that council as a statutory body. In addition it will introduce the certification of repair tradesmen and also assessors, and will deal with other matters of a consequential nature. At the outset I wish to make it clear that the measures will give effect to the wishes expressed by the major responsible bodies in the motor vehicle repair industry representative of both employers and employees. Since 1936 schemes of this type have been suggested to governments in New South Wales. During its present term of office, the Government has received deputations from both employer organizations and trade unions advancing similar ideas, the most recent being from the Institute of Automotive Mechanical Engineers and Motor Body Repairers and Builders' Association.

Consequently, my colleague the Minister for Industrial Relations and Minister for Energy established two committees of inquiry into the industry: the committee of inquiry to examine the registration and certification of the motor repair sector of the industry in 1977, and the committee of inquiry into the registration and certification of smash repair establishments and certification of tradesmen. These committees both found the industry to be in a depressed state, inefficient in many areas and plagued by "fly-by-night" operators and "backyarders". The findings of the two committees were consolidated, and recommendations were submitted to the Minister that resulted in the industry itself formulating the licensing scheme to be introduced under the proposed legislation. The scheme was framed by the Motor Vehicle Repair Industry Advisory Council, which was representative of all facets of the industry. It was established to advise the Minister and the Government in these matters.

The result is a proposed scheme that should bring the industry into gear and clean up many of the undesirable practices plaguing it. The whole concept is original and unique in Australia and so far as local research can ascertain, it is not duplicated anywhere in the motor vehicle repair industry in the western world. Such a measure is, understandably, comprehensive and lengthy. I shall state simply the principles on which it is structured and the objectives it is designed to achieve. The first objective is to improve the work standards in the industry generally. For this purpose, the legislation will provide for measurable entrance qualifications to apply to the industry. At present the industry attracts two major groups of employees: those with formal training and skills and those lacking in formal training but who have gained various degrees of competency through experience. This latter group comprises approximately one third of the skilled work force. It is not the intent of this measure to remove these people from the industry but to encourage them to gain further education and training through established systems within the Department of Technical and Further Education.

This is highly desirable, not only to raise the standard of skill in the industry in the short term, but also to enable these workers to meet new demands imposed upon them as the industry upgrades its techniques and equipment in keeping with technological advance and development. This brings me to the second aim of this proposed legislation, which is to ensure that motor vehicle repairers maintain an adequate standard of equipment to enable their employees to produce results of a satisfactory and safe nature. Towards this end, the council and its relevant advisory committees will establish basic equipment lists to be complied with in the industry. However, all of this would be of little purpose unless consideration was given to the future training of tradesmen to maintain the level of skill in the industry. The certification requirements for craftsmen to be established by the council as set out in this bill aim to ensure that apprentices are trained to an objective standard.

Also, the council will encourage the training of apprentices by way of subsidies and could possibly follow the lead of the Metal Trades Industry Association and the Master Builders' Association by using some of its funds to establish group apprenticeship training within the industry. To achieve these objectives, it is essential for the council to undertake and maintain a manpower assessment function to assist in the planning and guidance of management, unions and other associations involved in meeting the challenge of social change and technological advance. As this bill is an originating measure, it is a lengthy and detailed document. I shall therefore deal with it part by part and touch upon only those clauses that are of major interest.

As is usual part I sets out the short title and date of commencement and contains the definition clause. Part II will establish the Motor Vehicle Repair Industry Council, consisting of a chairman appointed by the Governor together with eight members appointed by the Governor on the nomination of the Minister. Schedule 1 contains provision for the constitution and membership of the council, and schedule 2 for its meetings. Clause 11 delineates the duties of the council, which are to keep under review and promote improvement of standards of repair in the industry and make recommendations to the Minister and the Minister administering the Technical and Further Education Act, 1974, in that regard. Part II will establish also the disputes committee. Its functions are dealt with in part VI, its constitution and membership in schedule 3, and its meetings in schedule 4. The council will be empowered to establish committees in addition to the disputes committee to advise on matters relating to the council's functions and will be required to establish a committee to advise the council on the certification and regulation of loss assessors.

Part III deals with the issue of licences to repairers and certificates to tradesmen and loss assessors. Clause 15 will prohibit persons carrying on, or advertising that they carry on, the business of a repairer in respect of a class of repair work unless licensed for that class of work. A penalty of \$2,000 is prescribed. Application for a licence is to be made to the council in respect of each place of business. The fee is to \$100, payable annually, or such other amount as may be prescribed. Clause 22 contains four important prohibitions. First, no repairer or commercial vehicle owner shall permit a person employed by him to do any repair work unless that person is the holder of a tradesman's certificate in respect of that class of repair work, or an apprentice. Second, no repairer shall personally do repair work in connection with his business unless he holds a tradesman's certificate in respect of that class of work. Third, no repairer or commercial vehicle owner shall enter into an agreement for repair work to be done by a person who does not hold a licence. Fourth, no insurer of a motor vehicle shall enter into, or require the owner of the vehicle to enter into, ~~an~~ agreement for repair work to be done on that vehicle by a person who does not hold a licence. The penalty prescribed for each of the four offences is \$2,000.

A commercial vehicle owner with his own repair shop is not required to be licensed. However, if he employs tradesmen in that shop, they must be licensed. A repairer will need to be licensed in respect of the business he carries on, but if he also picks up tools, he will require certification. Application for a tradesman's certificate is to be made to the council in respect of a particular class or classes of repair work. The application fee is \$25 or such other fee as may be prescribed. The certificate will remain in force until revoked, so the only payment will be that made at the time of application. Even though the council does not grant a tradesman's certificate, it may grant a provisional tradesman's certificate subject to such conditions as the council may specify.

In division 3 of part III there is the requirement that loss assessors be certified. It will be an offence to employ an uncertified loss assessor and for a repairer or insurer to enter into an agreement for any loss assessor's work to be done by a person who does not hold a loss assessor's certificate. The penalty is \$2,000. It will be an offence punishable by a fine of \$200 for a person to do loss assessor's work unless he is certified.

Division 4 of part III contains a number of machinery provisions regarding licences and certificates. Part IV deals with disciplinary proceedings. Part V will give a right of appeal to an industrial magistrate against a refusal to grant or a decision to revoke or suspend a licence or certificate. Part VI deals with the hearing before a disputes committee of disputes between repairers and owners of vehicles, including hirers, lessees and insurance companies, regarding the fair cost and manner of performance of repair work. An upper limit of \$3,000 is imposed upon the disputes committee's power to order payment of money or work to be done.

By part VII three funds will be established; the general fund, the contingency fund and the education and research fund. The general fund is to consist of all payments made to the council, and to be used for meeting administrative costs and payment to consolidated revenue as required by the Treasury for amounts chargeable in respect of public service employees appointed for the purpose of the Act. The contingency fund and education and research fund consist of such money as the Treasurer may direct to be allocated from the general fund.

Part VIII is entitled General, and naturally is for the most part concerned with evidentiary and enabling provisions. This part contains also the regulation-making power. I draw attention to the power to regulate the manner of doing repair work, including the techniques and materials to be used. Though it is not possible to prescribe the manner of doing all repair work, there are certain work methods and equipment which must be used to complete a job properly. It is expected that the council, with its membership based in the industry, will with the assistance of other bodies in the industry, be able to advise me on the prescription of a minimum set of standards.

As I have mentioned, schedule 1 contains provisions relating to the constitution and membership of the council. Schedule 2 relates to meetings of the council. Schedule 3 relates to the constitution and membership of the disputes committee and schedule 4 to the disputes committee's meeting. In conclusion, I point out that associated with this bill are two cognate bills. The first is the Statutory and Other Officers Remuneration (Motor Vehicle Repairs) Amendment Bill. This is a bill for an Act to amend schedule 2 to the Statutory and Other Officers Remuneration Act, 1975, to make provision for the remuneration of the chairman of the motor vehicle repair industry council. The second is the Motor Dealers (Motor Vehicle Repairs) Amendment Bill. This is a bill for an Act to amend the Motor Dealers Act, 1974, to prevent recourse being had to the disputes or compensation provisions of that Act where recourse is or has been had to the like provisions of the Motor Vehicle Repairs Act, the subject of the bill now before the House. That concludes my summary of the bills. I commend them.

The Hon. E. P. PICKERING [12.29]: We on this side of the House are totally opposed to the legislation. It sets out, essentially, to control the motor vehicle repair industry by licensing the persons who operate in that industry. It sets out a method of settling disputes between those in the industry and members of the community. The one and only aspect of the legislation that I find attractive is that it provides for educating persons in the industry in the use of modern techniques and materials. The legislation is another example of the somewhat naive, oversimplified approach of this Government to the settling of real problems in the community. The contracts

review legislation that recently passed through the House is another classic example of the approach of a government that views problems in the most elementary way and has an almost childlike belief that problems can be solved by the use of simplistic measures.

I draw to the attention of the House a report in the Sunday Telegraph on 3rd July, 1977. That report, which foreshadowed this proposed legislation, was published under the heading, "Controls for car and house repairs". The report stated that Ministers responsible for consumer affairs from all the States, the Commonwealth and the Australian Capital Territory had met to consider what might be done to improve those industries. It is in these terms:

The New South Wales Minister for Consumer Affairs, Mr Syd Einfeld wants the strongest possible code. "These standards should be uniform, but I insist that they must be effective. Complaints about repairs to the New South Wales Consumer Affairs Bureau represent 14 per cent of all complaints, ranking second to dissatisfaction with sellers of new and secondhand cars," Mr Einfeld said.

The important aspect of that report is that the Minister said:

The Ministers decided to establish a code of conduct rather than licensing, which they thought would be unwieldy, too costly and difficult to carry out.

That report explains why the Opposition is opposed to the bill,

The Hon. J. S. Thompson: It will not cost anything. The honourable member has not read the bill.

The Hon. E. P. PICKERING: I am flabbergasted that any Government supporter has the temerity to suggest that this bill will not cost the community anything. I find it almost objectionable for the honourable member to accuse me of not having read the bill. If he cares to wait, he will learn something about the ramifications of this measure which the Government intends to foist upon an unsuspecting public. One of the objects of the bill is to settle disputes within the industry. Those disputes concern people who are dissatisfied with the manner in which their vehicles have been repaired and other matters. One cannot deny that these problems exist, and there is nothing wrong with attempting to solve them.

This Government prides itself on its consumer affairs legislation, which is the proper area in which the disputes contemplated by this bill should be dealt with. The Government has adopted a spurious approach by seeking to create a parallel set of legislation aimed at dealing with matters properly within the scope of the consumer affairs legislation. It is beyond doubt that when this measure becomes law we shall see the creation of yet another massive bureaucracy in this State. The Government and its supporters seem to suggest that public servants work for nothing.

The Hon. J. S. Thompson: The bill contemplates the employment of eight people, paid for by the industry.

The Hon. E. P. PICKERING: I can only assume that honourable members apposite are referring to the composition of the council. Many hundreds of people will be employed to enforce the regulations to be made under the legislation. When the former Government was in office it established the Builders Licensing Board. The provisions of this bill contain some depressing similarities to the bill that established that board. At the time that legislation was introduced a serious problem existed in the

building industry and the former Government set out to solve it by licensing builders, but it made the same mistakes that the Hon. J. S. Thompson is now making. It claimed that the Builders Licensing Board would not cost the community anything and that it would not employ a great number of people. The Builders Licensing Board now has a staff of hundreds.

The Hon. J. R. Hallam: Has the honourable member thought about the public safety aspect of the bill? Previously he has spoken continually about road safety.

The Hon. E. P. PICKERING: Yes, I have thought about public safety and I intend to deal with it during my remarks. Many hundreds of people are employed by the Builders Licensing Board. I defy any Government supporter to tell me honestly that, as part of his parliamentary duties, he has not been almost inundated by complaints about the activities of the Builders Licensing Board, particularly its abysmal inability to administer its own affairs. However, the Hon. J. S. Thompson has the temerity to suggest that this measure will not cost the community anything.

The Hon. J. S. Thompson: It will save people a lot of money.

The Hon. E. P. PICKERING: Surely the honourable member does not believe that the hundreds of people it will be necessary to employ in the public service to administer the provisions of this bill will not cost the community anything. Every private enterprise workshop and tradesman contemplated by the bill will be compelled to pay a licence fee. Surely the Government does not believe that the costs of those licences will not be passed on to the community. I hope that when the Hon. J. S. Thompson makes his contribution to this debate he will not insult our intelligence by continuing to suggest that the bill will not cost the community anything. This measure will result in increased unemployment. If the bill is to mean anything, one must accept the fact that its object is to eliminate from employment certain people who the Government believes should not be operating in the industry. I am not sure that I disagree with that object. However, it is a matter of degree: quite clearly there are some good backyard operators in the industry.

The Hon. H. B. French: And some crooks.

The Hon. E. P. PICKERING: I agree that the industry contains some crooks, but the problem is where to draw the line. Doubtless some country members are concerned about that aspect of the bill. Every backyard operator is not a crook. A number of backyard operators have effected car repairs for me and have done an excellent job. Capable backyard operators have the admirable trait of carrying out their work at a reasonable cost. It is difficult to know where one should draw the line in framing legislation to deal with a particular problem. Many capable backyard operators will become unemployed as a result of the passage of this bill.

The Hon. J. S. Thompson: They can obtain a licence.

The Hon. E. P. PICKERING: They may not be able to obtain a licence.

The Hon. J. S. Thompson: If they are qualified, they can be licensed.

The Hon. E. P. PICKERING: Some honourable members opposite appear anxious to get ahead of me. I should like to present my arguments and I invite honourable members opposite to attempt to deal with them at the appropriate time. One would have thought that the Government had learnt its lesson from the operations of the Builders Licensing Board, which seems unable even to report to Parliament on time. It seems that the Government's arrogance is unlimited. Almost every measure the Government puts before the Parliament upsets some significant segment of the community. It is acknowledged that arrogance eventually brings down governments. I assure the Government that this aspect has not been lost upon the Opposition.

I shall deal now with the provisions of the bill. Clearly the Government intends to force the bill through the Parliament today. However, I hope that the Government will listen to some constructive comments designed to improve this measure. I draw the Minister's attention to the interpretation provision of the bill. Clause 4 (1) provides that a front end specialist means a person who repairs the steering or suspension systems of motor vehicles. I am advised by the industry that the Government has used an unfortunate term and that it should also involve a person who repairs the rear suspension of motor vehicles. Industry representatives have asked whether the Government would consider altering that description to suspension and steering specialists. That is a reasonable request.

The Hon. J. R. Hallam: Is the honourable member representing his local backyard mechanic?

The Hon. E. P. PICKERING: I hope that the Minister is not being disrespectful to the people he is binding to this group. The point I was about to make is that this definition is of the type that ultimately may create demarcation disputes. This industry is well known for that type of problem.

The Hon. J. S. Thompson: I have not seen one in twenty years.

The Hon. E. P. PICKERING: With due respect to the honourable member, I am not talking about the vehicle building industry, which is specifically excluded from the legislation. If the honourable member is suggesting that there has not been a demarcation dispute in the car collision repair industry, he should check the facts.

The Hon. J. S. Thompson: I have not known of one in that area either in twenty years.

The Hon. E. P. PICKERING: I am advised that it does have them. One gets some idea of the real effect of the proposed legislation by referring to the definition of repair, which includes examine, detect faults in, adjust, carry out maintenance on, overhaul, replace, alter and paint. The definition does not leave much uncovered. From that definition one can glean that the bill will encompass every garage in New South Wales. Virtually every distributor of petrol will be obliged to be licensed. The House was informed that no cost will be involved. For a start, how many people will be required to monitor continually every single garage, the smash repair industry and every legitimate repair shop, which are included in the legislation?

In the interests of completeness of the definition of "repair", I strongly recommend that the word "remove" be included. I am reliably informed that demarcation disputes have arisen in the industry on the basis that a particular tradesman may be competent to remove something but not to replace it. If the word "remove" is not included in the definition of repair, there may be some peculiar developments. Often some mechanical part cannot be replaced unless it has been removed initially. I turn next to the definition of repair work. Paragraph (j) refers to a prescribed tradesman. It is a catch-all phrase. Two tradesmen well known in the industry should be included in the tradesmen listed under the definition of repair work. They are engaged in well established trades. The first is motor trimmer, also known as a car upholsterer. The motor trimmer is extensively engaged in smash repair work. I am amazed that he has not been included in the list of trades in the definitions, and I ask sincerely that he be included. The other trade that is widely engaged in the industry is the air conditioning specialist. The Hon. J. S. Thompson would know that specialist has entered into the car repair industry, and should be included in the definition provisions.

I turn now to the composition of the proposed Motor Vehicle Repair Industry Council. Although the Hon. J. S. Thompson stated it would consist of eight persons, the correct number is nine. He asserted also that the council would not be a cost to

consumers. I am satisfied that the composition of the proposed council is essentially sound. The Government has been wise in selecting the areas from which people will be drawn to sit on the council. I am pleased to see that trade unionists will be represented on it. Only recently during debate on the Education Commission Bill, and I expect that I shall draw attention to the same thing later on in this House during debate on another measure, the responsible Minister said, "There will be nine persons and I will choose who they are." The Minister has not insulted the intelligence of the Parliament in this instance by not saying initially the areas from which people will be drawn to constitute the Motor Vehicle Repair Industry Council.

Having praised the Government, I draw the attention of the House to the fact that the members of the proposed council, as referred to in clause 8, do not include a representative of what I describe as the smash or collision repair industry. That is a huge business, and a part of the total industry that attracts a large number of complaints from consumers. That could not be disputed by any honourable member. I am surprised that in those circumstances the Government has not considered it necessary for a representative of that particular part of the industry to be a member of the council. I know that the Minister may argue that it could be represented by the Metal Trades Industry Association of Australia. The Minister would know that that association has not had a happy marriage, if I may put it that way, with the collision repair industry. Separate organizations represent that industry. I ask the Minister to give the House an assurance that this quite large and significant part of the vehicle repair industry will be given a voice on the proposed council.

By clause 11 the proposed council has the laudible responsibility of promoting research and education in the motor vehicle repair industry. I praise that aspect of the bill. A similar provision in the builders licensing legislation is the only element of that legislation which has proved to be satisfactory. Time will show that proposed section 11 will be the only aspect of the motor vehicle repair legislation that will be praised before the legislation is repealed. I regret that the council will not have a representative of the Department of Technical and Further Education. This industry in particular has problems in providing apprenticeships. This aspect was discussed recently during debate on the Education Commission Bill. The Government appointed a committee to report to it on this proposed motor vehicle repairs legislation. Its function was to consider all aspects and to advise the Government. Nevertheless the bill was brought before the House without a copy of it being available to those who were interested in it.

The Hon. D. R. Burton: Does not the honourable member think that some of those who will be on the council are also on technical education advisory bodies?

The Hon. E. P. PICKERING: I do not know that, because they are not named.

The Hon. D. R. Burton: They are represented.

The Hon. E. P. PICKERING: Again Government supporters are ahead of my comments. I ask the Minister to make sure that the proposed council will include a person who has education uppermost in his mind. I was interested to note that Mr Donald Waite from the Ultimo Technical College was properly appointed to the committee that advised the Government on the legislation. I regret that the bill does not provide for someone with his background to be a member of the proposed council.

Proposed section 15 refers to repairers' licences. In effect, any person who wishes to carry on business as a motor repairer has to obtain a licence, for which he is required to pay \$100. In reply the Minister might explain to the House whether one licence costing \$100 or a multitude of licences costing \$100 each must be

obtained to cover different categories of work. My reading of the bill does not clarify that. Does a general motor repair workshop that performs electrical work, panel-beating, painting, air-conditioning and front-end suspension repairs require a licence for every category of work? My reading of the bill does not make that clear.

Clause 18 contains the teeth of the bill. This is what the legislation is all about. Under that clause a licence to create a workshop can be refused. In other words, a workshop now repairing cars may be refused a licence to operate. This would put the owner out of business. The catch-all phrase to give guidance to the council whether it puts him out of business is, in the case of an application by an individual, that the individual has sufficient material, manpower and financial resources to carry on the business of a repairer in respect of that class of repair work. Honourable members will recall that I spoke earlier about where the line should be drawn.

I understand that the Government will issue regulations which might indicate to the council the people who will get the chop. Frankly, that sort of wide-sweeping power, undefined in legislation, must give people in the car repair industry great cause for concern—not that they are concerned, because quite frankly they are unaware of the legislation. In the past week or two I have attended meetings of car repair people. Those in the industry say that the first time they saw the legislation was when I produced it. I have spoken to persons who advised the Government on this legislation; they have expressed surprise that I have a copy of the proposed legislation. The community has had insufficient time to study the measures despite the fact that the Minister in the other place said that they would lie on the table so that the industry could catch up with them. They would have to run to catch up with them.

One of the biggest worries about that provision is that it will affect hundreds of country backyard operators who are doing a splendid job. They do not survive unless they do a good job. The word soon spreads: they either do a good job and stay in business or do poor work and go out of business—there is no room in a country town for a bad backyard operator. There is every reason to believe that country backyard operators—and I use that term in its loose sense and not in a disparaging way—are finished.

The Hon. P. F. Watkins: Are they legal or illegal operators?

The Hon. E. P. PICKERING: They are legal at the moment. There is nothing to prevent anyone from doing repairs in the backyard of his home. I shall now deal with the provisions dealing with tradesmen's certificates. The council shall decide whether a tradesman is fit to work in the industry. He will be deemed fit if he is qualified academically or if he can show to the council that he is competent, in a mechanical sense rather than an academic sense, in which case he will be given a provisional tradesman's certificate. It is not clear whether he has to apply for a number of certificates to cover various aspects of the trade that he may wish to undertake or indeed whether he will be allowed to carry on as a multitradesman. As a simple example, what will be the situation of a panelbeater who wishes to spray paint a vehicle?

The legislation sounds the death knell for the small businessman operating a legitimate business, working by himself with possibly an apprentice. He will certainly have academic qualifications in only one phase of the industry. He may be granted a provisional licence to carry on provided, as I understand the intention of the legislation, he attends a technical college, with his apprentice, and grapples with the task of learning a new trade or, as the Hon. J. S. Thompson knows, he sits for a tradesman's rights examination. Should he fail that examination, despite the fact that he is performing a satisfactory job in the community, his licence will be refused. His livelihood will be taken away and his workshop will have to close.

Clause 34 (4) also gives me considerable concern. It provides that for the purposes of the Act, the council shall be deemed to have refused to grant a licence or certificate or to grant an application for the amendment of a licence if it does not give a decision on an application within three months of the application being lodged with the council. In other words, if the council lies down on the job and creates an administrative nightmare—which I predict confidently will happen—the applicant is automatically refused a licence. That is a disgraceful provision. There would not be a licensed builder in New South Wales if that provision existed in relation to the Builders Licensing Board. This provision must be modified. The onus should be upon the council to act responsibly and to reply to the applicant within three months. I would wholeheartedly support a clause that provided that if the council has not made a decision within three months the applicant will be automatically licensed. Such a provision would keep the council on its toes.

I shall not deal at length with the disciplinary aspects of the legislation. Suffice it to say that where an offence has been committed and the council may be considering removing an operator's licence, or where there is a dispute between repairer and customer, the proceedings that can take place could be described only as a kangaroo court. For example, there is no necessity for persons to be represented by a lawyer. Indeed, it is extremely unusual for a body that is dealing with this type of provision not to have a lawyer among its members. There is not a lawyer member of the council that will make decisions such as fining persons \$3,000 or destroying their livelihood. Time after time the Minister has spoken in this House about a select committee that looked into organized crime and the fact that two or three lawyers were members of that committee. He described it as a kangaroo court. Though from time to time the council will decide whether people will be able to continue with their livelihood, there is to be no lawyer on the council. People may be forced to swear an oath before giving evidence. They may be tried *in absentia*. Is that a kangaroo court or is it not?

[The President left the chair at 1 p.m. The House resumed at 2.30 p.m.]

The Hon. E. P. PICKERING: I have been drawing to the attention of the House the provisions of the legislation that relates to inquiries into offences under the Act and disputes between repairers and persons who have had vehicles repaired. It is almost without precedent to have a quasi-judicial body set up under such legislation, with such wide powers and without the provision for some legal representation. I earnestly address that remark to the Minister in the hope that something might be done. However, I do acknowledge that there are rights of appeal, in effect, to an industrial magistrate.

I turn to the next significant provision of the Motor Vehicle Repairs Bill, clause 52, which deals with disputes. There is provision to deal with disputes about the manner in which any repair work has been done, and also as to costs. I should be most interested if the Minister would explain why that provision of the legislation cannot be dealt with by the existing consumer affairs laws. It seems to me that if a dispute arises between a repairer and a member of the community, there is already sufficient legislation to enable that person to seek adequate legal recompense through the consumer affairs legislation. The Minister for Consumer Affairs often trumpets about the legislation that can be used to protect the consumer. If honourable members read the legislation, they will learn that there is an implicit acknowledgment that if a person has sought his rights through the Department of Consumer Affairs, he is not entitled to seek redress under this legislation. So there is a dual jurisdiction, which to my mind is administrative nonsense.

I turn to schedule 3 of the bill, which provides for the composition of the disputes committee. It is a fairly involved committee and will have five members. I give the Minister responsible for introducing the legislation credit for the fact that he has gone to great lengths to indicate the type of people who will be the five members of the committee. Once again the smash repair industry is neglected, because a representative from that industry will not be given membership on the committee. I state quite strongly that the vast amount of litigation to emanate from this legislation will come from the collision repair industry.

It is only fit and proper that the legislation should provide for a responsible and knowledgeable member of that industry to be a member of the disputes committee. From my reading of the legislation, that is virtually not possible, with maybe the exception that a member of the Amalgamated Metal Workers and Shipwrights' Union may be selected, who may be representative of that particular facet of the industry. There are just too many maybes about it. I should like a firm assurance from the Minister—given the practicalities of the matter—that on the disputes committee of five, at least one member will have a knowledge of the collision motor repair industry. It is beyond doubt that the legislation, although superficially attractive to the Government—and, unfortunately, to many members of the industry—historically will be shown for the nonsense it is. The day will come when the Government and the community will demand that this legislative mistake be discarded.

The Hon. J. S. THOMPSON [2.38]: At the outset I say that the proposed legislation is historic. Unlike the Hon. E. P. Pickering, in the near future the citizens of this State will see that, as usual, the Government is taking positive steps to protect the community. I am sure that in my speech to the debate I will be able to demonstrate to the Chamber the importance of proceeding with this most progressive legislation. I have been deeply concerned at the campaign being mounted by the Opposition in many quarters in an attempt to destroy the proposed legislation. I was surprised to receive a telegram within the past few days in my capacity as a union secretary from the honourable member for Ku-ring-gai, the shadow Attorney-General and Minister of Justice. The telegram is in these terms:

Has your executive considered full implications of Motor Vehicle Repairs Bill presently before State Parliament? Government claims bill follows express wishes of motor vehicle repair industry. Am alarmed at extent of controls and likely effect on industry and employment.

Mr Maddison should have taken the time to check the facts, for my union has been debating this subject and working on it for the past three years. When we receive telegrams of that type we think they leave a lot to be desired. I, as secretary of the union, answered the telegram in these terms:

Vehicle Builders Employees' Federation of New South Wales appalled at your telegram expressing concern at implications of Motor Vehicle Repair Bill.

Proposed legislation has been thoroughly examined and agreed to by the major employer associations and unions in this vital industry.

We suggest that any opposition at this stage is coming from some questionable insurance companies who have no real interest in the stability of the industry.

I repeat, our union gives complete support to this very progressive legislation and congratulates the Government upon its introduction.

Obviously I have a personal interest in this legislation, but I want to set the matter at rest. I have with me the President's report to the annual general meeting of the Motor Traders' Association. It is hot off the press. It is headed Registration of Work Place and

Certification of Tradesmen. I should mention that 99 per cent of persons engaged in the industry in this State are members of either the Motor Traders' Association or the Service Station Association. The Motor Traders' Association has by far the greatest number of members. The report states:

The M.T.A. has been most happy to be part of the Motor Vehicle Repair Industry Advisory Council which has brought the concept of the Minister, the Honourable P. D. Hills M.P., to the current stage of impending legislation.

The goal of better standards, more understanding and co-operation in training tradesmen, and seeing the wisdom or allowing the industry to take part in its own destiny, are praiseworthy views of the Minister and the Government.

M.T.A. records also its thanks to the other members of the Advisory Council and particularly to the Chairman, Vince Nash, for the effort that has been put into the many meetings, and the thorough thrashing out of any points raised within the Council. M.T.A. looks forward to participation in the implementation of the impending legislation.

I suggest that the Motor Traders' Association is very much in favour of the legislation. The Service Station Association also has complimented the Government on the legislation. In my telegram to Mr Maddison I went further and said that the main opposition to the legislation is coming from what I referred to as shady and shifty insurance companies. The two major insurance companies in this State, which handle most of the claims in this area—the NRMA and the Government Insurance Office—are right behind the legislation. The whole broad spectrum of the industry—the employer associations, the combined trade union movement and insurance companies—is behind it. When honourable members opposite say that everyone else is wrong but them, I question their assertion. The legislation deals with the two major sections of the industry; namely, the smash repair section and the service section. I shall deal first with the smash repair section.

Unfortunately, there are varying standards in this section of the industry. One of the unfortunate aspects is that persons who have recourse to the services offered by the smash repair side of the industry are on some occasions seriously injured in the accident and have no say in where their vehicle is taken after the accident. This is deplorable. I am disturbed by some of the unsavoury practices engaged in by some operators in this field. Let me recount what often happens when someone is unfortunate enough to be injured in a car accident. It is standard procedure that tow trucks arrive before the ambulance. The reason for that is that they are tuned in to the police radio and at times unscrupulous people inform the tow truck operators before they notify the ambulance, for they are paid to do so.

The Hon. E. P. Pickering: They demonstrate the efficiency of private enterprise.

The Hon. J. S. THOMPSON: They demonstrate the corruption and rottenness of certain sections of private enterprise. The Hon. E. P. Pickering is talking about persons who will pay out money to take advantage of a person who has been injured in an accident. If that is private enterprise, the honourable member can count me out of that section of it. The vehicle is then taken to a smash repair shop to be repaired. On some occasions the tow truck operator who has towed the vehicle from the accident to the repair shop to be repaired claims a minimum amount of \$50 from the owner of the repair shop for the privilege of having the vehicle left there. This has to be paid for. The Hon. E. P. Pickering spoke this morning about how the consumer will have to pay for the small number of persons who will be engaged to police this legislation. I suggest that if the Government can stamp out the tow truck racket for a start it will be a worthwhile achievement.

Another problem is what I describe as the use of inadequate equipment. The equipment necessary to set up in the smash repair industry is becoming increasingly expensive. It is no longer like it was in the old days. The industry is becoming far more complex. I have here a very good description of what happens, given to me by a company that has had a great deal of experience. I refer to the Blackhawk Company, which supplies large amounts of component material and tools to the industry. It speaks of the type of person that often comes into the industry. A boy serves his apprenticeship as a panelbeater and is possibly a good one when he completes his apprenticeship. For the first year or so after that he does private work at nights and weekends repairing cars for his friends. Then he thinks to himself that he should go into business on his own. He is a good tradesman so he goes into business on his own. I might say that I agree with the story as it is told. The panelbeater is now referred to as the new proprietor. He generally leases premises too small for his requirements but of a size he can afford at a rent of between \$300 and \$400 a week. He then purchases basic items of equipment and necessary operating supplies for between \$2,000 and \$3,000.

At this point he is invariably undercapitalized and cannot for a moment consider the acquisition of sophisticated equipment. He usually remains seriously short of cash and though he desires better equipment, of necessity he has to shelve the idea, generally permanently. Our proprietor is without any business administration training. This often affects his debtor control and also his attitude to his bank manager, insurance assessors and other key business associates. Because of the overabundant supply of work, our man now hires two or three tradesmen or whatever he can find. This is a crucial point in his development, for the repair trade is one of the most labour-intensive trades. Four governing factors of labour in the collision damage repair trade are worthy of note. First, labour is scarce and will remain so. Second, labour is expensive because of the demand for it. Third, labour is difficult to retain because of competitive bidding. Fourth, labour is subject to unpleasant working conditions. Because of these factors and resultant difficulties in obtaining staff, our man must attract staff by other means, such as financial inducements, favourable residential location, or simply steal them from his competitors. This fact is borne out when we realize that the number of smash repair shops is actually decreasing. The person I am referring to in most cases goes broke within two years of coming into the industry.

Within a week of that person going bankrupt another person with dreams of going into his own business sets up a similar operation. Invariably that person also goes bankrupt after having spent two or three years establishing his business. That pattern is common throughout the industry, and it is not good enough. This bill will take care of many of those problems, as I shall endeavour to show shortly. The many changes taking place in the industry will require the introduction of more expensive equipment. We are dealing with a labour intensive industry, and the only way in which it will succeed is for it to introduce more capital intensive equipment which is expensive. The only way to solve the problems in the industry is to introduce a system under which a small number of efficient operations are set up and administered in a proper manner. I shall now give some statistics about the number of people employed in the smash repair industry in New South Wales. At present more than 3 000 workshops employ approximately 12 000 tradesmen in the smash repair industry.

The Hon. E. P. Pickering: How many inspectors will be needed as a result of the introduction of this bill?

The Hon. J. S. THOMPSON: I do not know at this stage but, if the honourable member listens, I shall give him the facts about the industry. We are not talking about a unique situation. I propose to refer to a report by a committee of inquiry established to examine the registration and certification of the motor repair section of the motor

vehicle industry. That committee investigated these problems over a period of three years. It found that Canada has a system similar to the one envisaged by the bill. That system, which was of great interest to the committee of inquiry, has been in operation for many years. Information supplied by the Canadian consulate indicated that the system in that country has proved to be most effective. Within its limitations, it had raised the general standard of workmanship within this industry—and there is nothing wrong with that. The report stated that:

The Canadian system is known as the red seal certification programme. The major objectives of the programme are to regulate the standard of tradesmen wishing to practice in the trade, allow employers and consumers to readily identify skilled workers, allow for future manpower planning and reduce under employment and unemployment in the trade areas. The programme is jointly administered by the provincial and federal Governments of Canada. Tradesmen who gain red seal certification are expected to have completed a recognized period of training as a learner in the industry, and to pass a trade test.

Those objectives are similar to some of the provisions of this bill. Similar legislation is in operation in Michigan, in the United States of America. It is not right for anyone to claim that Australia is the only country in the world to enter into this field. Some years ago the Queensland Government introduced similar legislation. As is typical of that Government, it allowed that legislation to lapse with the result that the motor vehicle industry in that State is possibly one of the worst in Australia.

Another part of the industry is what I ~~term~~ the motor repair section. I divide the industry into two parts. I have already dealt with certain aspects of the smash ~~repair~~ industry. The motor repair section is an important part of that industry. At present approximately 8 000 workshops, employing more than 25 000 motor mechanics, ~~carry out~~ their activities in this State. That illustrates the size of the industry with which we are concerned. I am concerned about the training aspects of the industry. The Canadian system places great importance on the need for manpower planning. If any country needs manpower planning, it is Australia—and this is particularly the case in New South Wales. The report of the committee of inquiry into the registration of smash repair establishments and certification of craftsmen contains statistics in respect of apprenticeships in the trade. Part of the report is in these terms:

Examination statistics of apprenticeship over a period of ten (10) years revealed that the intake of apprentices into panel beating and spray painting (painter tradesman) totalled 5 774 or approximately 50 per cent of the estimated ~~skilled~~ workforce.

However, the number of persons who had completed their apprenticeship during the same period, 1967–77 was 2 895 or less than 50 per cent of those who had commenced.

The Hon. E. P. Pickering: Then the situation is getting better.

The Hon. J. S. THOMPSON: That is not my point. We should be taking steps to ensure that we retain tradesmen in the industry, and the document highlights that fact. The bill sets out to achieve that object. We are dealing with one of the most unstable industries in Australia.

The Hon. E. P. Pickering: What will the bill do about retaining tradesmen in the industry?

The Hon. J. S. THOMPSON: It will do a lot about it. I am glad the Hon. E. P. Pickering raised that aspect. A decreasing number of employers now take on apprentices. On many occasions unscrupulous employees poach apprentices. They find it is cheaper to do that than to employ tradesmen. That practice is having a destructive effect on the industry. The proposed legislation will regulate and improve the industry.

The Hon. E. P. Pickering: How will that be done?

The PRESIDENT: Order! The Hon. E. P. Pickering has already taken part in this debate.

The Hon. J. S. THOMPSON: There is a need for greater specialization in the industry. More complicated machinery is now being produced. Until about ten years ago a motor mechanic was able to carry out all the work associated with motor vehicle brakes. The braking system on motor vehicles has now become so complicated that it has become necessary to establish a special course to train brake mechanics. A person wishing to become a qualified brake mechanic must serve a four-year apprenticeship.

The Hon. J. J. Doohan: How will the bill affect small country garages which do not have specialized equipment?

The Hon. J. S. THOMPSON: Some of the sophisticated machinery now being produced is so complex that many small country garages will not be able to repair or service it. I shall deal with that aspect later in my remarks. Whether we like it or not, it may be necessary for garages in small country towns to send part of their repair work away to large centres where there is specialized equipment available to carry out the work required. Many expensive specialized items of equipment require complicated service procedures. Whether we deplore it or not, that is the trend in this industry.

Mention has been made in this debate about the safety aspects. I shall give an illustration of a new development in the paint spraying industry. Until ten years ago a standard paint was used in the automotive industry. A new type of paint used in that industry is now being sold throughout Australia at an ever-increasing rate. This paint produces a perfect finish; it can be applied to any type of material and its quality is superb. The paint, which is called Acran acrylic enamel, is so dangerous to use and handle that the company that markets it, Dulux Australia Limited, requires a purchaser to sign a declaration that absolves the company from any liability. The declaration is in this form:

Acceptance of Conditions of Application

Dulux Acran Acrylic Enamel

As a means of ensuring safe spray-painting procedures in applying the above product.

We

of

.....

have read and understood the requirements for application of Dulux Acran Acrylic Enamel.

We agree that, in applying this material, we will need to ensure that our staff will use the necessary respiratory equipment and comply with the relative State Spray Painting Regulations.

The type of person that the Hon. E. P. Pickering has referred to could not possibly spray a vehicle with this type of finish unless he had a spray booth, which would cost a minimum of \$4,000 or \$5,000. That outlay is indicative of the money needed to take advantage of new technology. The time has gone when a spray painter could purchase a can of paint and apply it from a spray gun. The new types of finishes available, which are particularly good, require much better equipment. The Dulux company has referred to this type of motor vehicle finish in a glossy book which is entitled "Acran Acrylic Enamel, The User's Guide". The company has acknowledged the dangers of using these chemicals by requiring that a document be signed releasing it from any liability.

I deplore the use of a large amount of lead that is now coming into paints notwithstanding that they enable a good finish to be obtained. I have another document that refers to paint colours with a lead content of 20 per cent and over. Dulon, which is another finish used on motor vehicles, is mentioned. The document discloses that some colours have a lead content of 26 per cent. Apparently some people, operating in backyards, are spraying with paints with that high lead content. That type of paint should be handled only by persons using the right equipment and protection, which includes a proper spray booth. I commend the legislation as it will enforce these precautions. I regret that some persons who handle these types of paints without spray booths and safety equipment may be unable to continue their operations.

The Hon. F. M. MacDiarmid: The honourable member is saying that the small businessmen may have to leave this industry?

The Hon. J. S. THOMPSON: That is not as a result of the activities of the unions, the Government or myself. I am saying that modern technology is making it increasingly difficult for the person who operates a small business to continue. That is the way the industry is going. One should not expect a person to spray with a paint with a 26 per cent lead content unless he takes proper safety precautions. Manufacturers are placing these types of products on the market as they are particularly good. Their proper use must be ensured. I refer the House to another book that I have which is entitled "Technological Change in the Retail Motor Industry and its Effects on Training". It is a report based on a national survey that was funded by the Commonwealth Government. It dealt with many aspects of the industry. The particular part of the report to which I wish to draw attention is the conclusions and recommendations, which were:

Conclusions

The past few years have seen more rapid changes in technology associated with the manufacture and servicing of motor vehicles than at any time in the past.

By comparing the technological changes that have already been experienced by the industry and the view of the industry, in general, on future changes with the subcommittee's predictions about future changes, it can be concluded that there is a great lack of awareness of near and distant future changes and their implications.

Recommendations:

That an on-going organization be established with representation and financial contribution from vehicle and component manufacturers and importers to further investigate and keep under review the training needs of the retail sector of the motor industry resulting from changing technology.

That provision be made for interested parties to be made aware of current changes in this field and be kept aware of future changes.

That, in general, a greater awareness of technological changes and their effects must be created within the industry, hopefully by the greater co-operation of vehicle manufacturers and the dissemination of appropriate literature from other industries, especially electronics and plastics.

That report is saying that the motor vehicle that is about to come on to the Australian roads will have such complicated electronic devices that the days when an automotive electrician is able to carry out repairs are gone. This change is not coming in the next ten years; it will come next year. Although I deeply regret it, because the technological change requires such expensive equipment there is no possible way that repair work and servicing can be undertaken in the small establishments that trade in many country towns. I have no doubt that the larger country towns will be able to cope with the improved technology. The equipment necessary costs many thousands of dollars and unless a workshop has a fairly high throughput of work, as is the case in the larger workshops, it will not be able to afford it, particularly in small country towns where there may be only one service station. The legislation acknowledges a fact of life and demonstrates that the Government is not putting its head in the sand.

The Hon. R. B. Rowland Smith: What would the honourable member suggest should be done about the small country towns to which he has referred?

The Hon. J. S. THOMPSON: It is not of my doing.

The Hon. R. B. Rowland Smith: But it is the Government's bill.

The Hon. J. S. THOMPSON: The honourable member could not have been listening. I said that the cost of buying the equipment necessary to cope with the improved technology incorporated in motor vehicles will mean that the proprietor of a garage in a small country town will not be able to afford it.

The Hon. R. B. Rowland Smith: But they have been carrying out these types of repairs for years.

The Hon. J. S. THOMPSON: No they have not.

The Hon. R. B. Rowland Smith: For years these repairs have been carried out in the small country town of Surat in Queensland, which has a population of some 600 people.

The Hon. J. S. THOMPSON: The honourable member is living in the horse and buggy days and is reacting like a typical farmer. He must be referring to the stage coaches of Cobb and Co. Whether one likes it or not, one cannot turn back the clock so far as new technology is concerned. It is indicative of the type of technological change that is taking place throughout the world. It is an irreversible process.

The Hon. R. B. Rowland Smith: Perhaps we should return to the horse.

The Hon. J. S. THOMPSON: If some honourable members opposite had their way that is what we would be doing. I refer the House to the recommendations of the House of Representatives Standing Committee on Road Safety on licensing mechanics and repair premises which followed submissions by the Institute of Australian Mechanical Engineers, a responsible body. It is certainly not a trade union organization but consists mainly of employers. The committee's recommendations numbered 587 and 588 were in these terms:

587. A number of witnesses drew the Committee's attention to the licensing requirements for employees in other trades, e.g. building, electrical, plumbing etc. Such analogous situations referred to in many cases had not the significant safety importance compared with vehicle maintenance and repair.

588. The Committee considers it unusual that the vehicle repair industry has not been subjected to some form of licensing as in other trades and other countries e.g. Canada and New Zealand. Licensing could cover any or all of the following: mechanics, repair premises, proprietor of repair premises, specialist repair premises and smash repair premises.

That is an impressive recommendation as it comes from a responsible employer association. Again to be fair, I quote from a report on heavy vehicle safety by the House of Representatives Standing Committee on Road Safety:

Nine per cent of accidents involving a commercial vehicle were identified as being a consequence of a failure of a mechanical component. Brakes, tyres, drawbar connections and steering failures were the most significant. Appendix 9 shows details of component failure by accident type and accident severity arising from failure of mechanical components.

Those who advocate that we stay in the horse and buggy era and have unqualified people servicing motor vehicles capable of travelling at 160 kilometres an hour should consider the safety aspect. I find their point of view difficult to understand. The building industry and plumbing industry have licensing requirements. I fail to see why a person carrying out major repairs to steering mechanisms and braking systems—where people's lives are at stake in vehicles travelling at possibly 160 kilometres an hour—should not also be licensed to ensure that they carry out proper work. I shall qualify that statement.

This legislation is not being introduced to put people out of the industry. That is the last thing the Government would wish to do. I assure the House that I would strongly oppose such a view. It seeks to review the industry for the benefit of those in it. A tradesman who had been indentured will have no difficulty in obtaining a licence. Statistics show that the vast number of tradesmen who were not indentured picked up their trade as best they could. They will not be put out of work. They can be trade tested or take further steps to meet the standards set by the legislation. What is wrong with that? That provision makes a lot of sense.

Much has been said about small country garage proprietors who seek licences as motor repairers. There will be no difficulty with that. Demand will determine the level of services to be offered. The small business owner may have to subcontract. Difficulties in country areas where a job requires the use of a modern spray booth to handle the poisonous paints that are coming on the market are easily overcome. It is not practicable for each of four or five businesses to purchase a booth costing \$5,000 or \$6,000. The logical solution is for a number of small businesses in a town to use the one booth on a subcontract basis. No doubt that will be done. The difficulties of businesses in small country towns have been exaggerated. There will be many ways to overcome the difficulties that have been mentioned. This morning the Hon. E. P. Pickering asked who will control the staff. I repeat that he could not have read the bill. Clauses 12 (2) (a) and 12 (2) (b) clearly provide that the Minister will have power to regulate the staff. That is as it should be.

The Hon. E. P. Pickering: I was inquiring as to the number of staff. The honourable member has not answered my question.

The Hon. J. S. THOMPSON: I shall now talk about the apprenticeship system. This legislation will ensure a continual increase in the number of apprentices being trained. In the past month or two serious discussions have taken place between certain trade unions and employer associations in the industry for the express purpose of setting up a co-operative. The intention is that a number of apprentices will be apprenticed to the co-operative. This will provide an opportunity to move apprentices around, resulting in the sort of stability that is being talked about. I cannot see anything wrong

with that provision. It is an area that should be examined. It disturbs me that many businesses employ a small number of apprentices. More apprentices should be employed in the industry. Over many years an insignificant number of apprentices have been trained. Boys coming into the industry have to learn the trade the best way they can, usually in a backyard operation. That is one reason why thousands of people practising as motor mechanics, doing comprehensive repairs to brakes and steering systems, are without proper qualifications.

The Hon. R. B. Rowland Smith: Will the increased technology ensure an increase in the number of apprentices employed?

The Hon. J. S. THOMPSON: Yes.

The Hon. R. B. Rowland Smith: Or will the work be done by machines?

The Hon. J. S. THOMPSON: The technology requires people to control it. Much of it will require apprentices with a higher degree of training and skill than is at present required. Some of that machinery is quite complicated. Another part of the bill that gives me great pleasure is that dealing with the licensing of loss assessors. As the industry has been squeezed over many years by what I call shady insurance companies, small business operators have tended to try to recoup some of their losses. One way of doing this is to take into their confidence unscrupulous loss assessors who will approve unreasonably high quotations to repair damaged vehicles. The loss assessor and the employer share the inflated cost. Ultimately the public must pay that additional cost as premiums are increased by insurance companies. I agree with the Americans who say there is no such thing as a free lunch. When a loss assessor and employer agree to inflate the cost of repairs, the general public must pay for it. The legislation will tighten up an area that badly needs it.

The legislation contains measures to prevent the very thing that the Hon. E. P. Pickering was concerned about—that a government bureaucracy will control the industry. That will not occur. It is proposed that the system be self-controlled. It will be industry-controlled and not bureaucratically directed. It will therefore be self-regulating, self-supporting and self-motivating. I cannot see anything wrong with that. The bill is commendable. I would not agree with the industry's being controlled by bureaucrats. That would cause problems.

Questions have been asked about the number of staff employed by the council. The council will use the existing resources of the Department of Industrial Relations. As there will be no increase in that area, separate departments will not be created. I must put paid to the false belief that the establishment of the council will create a bureaucratic empire employing vast numbers of public servants. This will not happen. The information I have is that an additional twenty-five people will be required for the staff of the council.

Surely an additional staff of twenty-five is not too much to ask for so that the Government will be able to do what it has set out to do. I commend the Government. It is a tremendous thing that it seeks to achieve. The prime objective of the licensing scheme for the motor vehicle repair industry is to improve the work standard in that industry. Who would quarrel with that? The Government is setting up the council to improve work standards, to train apprentices, and to provide for appeals by persons who believe they are disadvantaged. The Government seeks to take the necessary initiatives in regard to new technology so that when it is introduced people will be able to cope.

The legislation is the most progressive in Australia. As a point of interest, to my knowledge, at least three State governments—the Victorian Government in particular—have expressed keen interest in the legislation. South Australia is interested. Within the next three years Victoria, South Australia and possibly Tasmania will introduce similar legislation. The Government is attempting to break new ground to ensure that the citizens of New South Wales will be able to drive motor vehicles that **have** been serviced by people with the necessary training. The Government seeks to provide training for apprentices and to ensure that persons in the industry will be able to meet modern requirements. I congratulate the Government on introducing the legislation. It is good legislation and has the unqualified support of the broad spectrum of the trade union movement, employers and consumers.

The Hon. N. M. ORR [3.21]: First, I shall state the reason for the legislation. The community has been concerned about snide operators in the industry. There are a small percentage of such operators, and many good operators. A simple legislative procedure could have been used to handle that problem. In Victoria a committee has been set up to oversee and handle complaints by persons who have had work done that did not come up to standard. This legislation is typical of modern-day attitudes. A dependent society is being created. It is the Big Brother attitude with everyone wanting someone to do something for him. However, when a bureaucracy is set up, it costs someone something. When we get away from the private enterprise system our troubles begin. The legislation is bureaucracy gone mad. There is no other word for it. What the legislation seeks to do and what it will do make no sense at all.

I have been amazed to hear a leading member of the Labor Party spending so much time, in putting forward the objectives of the bill, supporting big business. The Hon. J. S. Thompson spoke of the Black Hawk Company and read an excerpt from material from that company which said that garages should be better equipped. If one is selling equipment, what other statement would one make? The Hon. J. S. Thompson's concern for the future was so great that he completely overlooked the present. This amazes me. At present a person can get work done for \$10 an hour at the local corner service station. In future he will have to go to a big complex and it will probably cost him \$20 an hour. He will have to book a vehicle in for repair a week in advance. God help a person if he is more than 20 miles from a major centre; only businesses in major centres will be able to afford to have the service stations or repair shops required by this legislation. It is incredible that the ordinary man on the street could be overlooked by the legislation.

Technology is certainly developing. Hundreds of thousands of cars travel on our roads—and will do so for the next ten years—and at the moment they are being capably repaired by the repair and maintenance industry. Having been in the army in the Australian Electrical and Mechanical Engineers. I have some knowledge of electrical and mechanical repairs. Though new automated systems will be introduced into the automotive industry, they will be of minor significance. I disagree with the Hon. J. S. Thompson on the length of time before their introduction.

Honourable members have spoken about backyard mechanics. The bill proposes to eliminate them. As I have said, there are a few snide operators in the industry but 80 per cent of the people who work at weekends are already qualified mechanics and are only picking up extra money on the side. These people sometimes work in their own garage and unless they create a noise nuisance contravening the local government ordinance, they are able to work on motor vehicles. They often do a first-class repair job. Because of the small overhead involved, they are able to do the work at minimum cost.

The Hon. P. F. Watkins: Do they pay tax?

The Hon. N. M. ORR: Yes. Under the legislation these people will no longer be able to operate. They are part of the repair industry that enables many **unskilled** workers on minimum wages to own motor vehicles. Many of these people can **afford** the \$6 or \$8 an hour they may be charged, but when they have to take their vehicles down the road and pay \$20 an hour, many cars will be put off the road. Let there be no error, the Government will lose many votes by introducing this legislation. I disagree with figures quoted by the Hon. J. S. Thompson. I quote figures from the Institute of Automotive Engineers. There are 40 000 practising mechanics in New South Wales. The Service Station Association of New South Wales has approximately 2 800 members and 4 182 retail outlets in New South Wales, a big percentage of which do small mechanical repairs. When one considers that, one realizes the effect of the legislation on those service stations. At present a person may drive into a garage and, while having a globe replaced, he can also have brake fluid topped up and a fan belt changed for a few dollars. Clause 22 of the Motor Vehicle Repairs Bill provides:

On or after the relevant day, no repairer or commercial vehicle owner (other than an exempted person) shall permit a person employed by him to do any repair work unless the person so **employed**—

- (a) holds a tradesman's certificate in respect of a class of repair work that includes that repair work; or
- (b) is an apprentice and does that repair work in the course of his apprenticeship . . .

Honourable members know very well there are no apprentices in local service stations. Also they do not have an automotive electrical mechanic or an automotive brake mechanic. The provision practically eliminates 80 per cent of the work for which a person takes a vehicle to a repairer or garage. What is the usual repair work that is done on a vehicle? Is it work done on the exhaust system; the replacing of a fan belt; and probably the renewing of the flasher system from time to time. That work can be performed by unskilled mechanics. The flasher system is operated on a two or three-prong system. The legislation restricts the work to an expert.

The Hon. J. R. Hallam: The honourable member just about qualifies.

The Hon. N. M. ORR: I shall stake my qualifications in my field against those of the Minister. Clause 4 of the Motor Vehicle Repairs Bill defines repair work as the work of, among others, a motor cycle mechanic. That is a field that has been completely overlooked. Many thousands of people ride motor cycles in New South Wales, and with the present fuel shortage there will be many more.

We have not yet reached the stage where the average service station can employ a qualified motor cycle mechanic. So if a person buys a motor cycle and goes away from a major centre and something goes wrong with the motor cycle, he is finished. That will be one result of the provisions of this legislation if it is passed. If the provisions are not applied, what will be the point of having them? This legislation is using a sledgehammer to crack a peanut. Someone in the Labor Party has said the Government needs to tidy up the motor industry, so the Government has put many of the enthusiastic people who live in ivory towers to work on it, but it did not

talk to any practical people. The result of this legislation will be that tremendous problems will arise. The Minister said that the legislation will not result in people being forced out of the industry. Let me read from clause 18:

(1) The Council shall not grant a licence in respect of any class of repair work unless it is satisfied—

(a) in the case of an application by an individual, that the individual—

(i) is of or above the age of 18 years and is a fit person to hold a licence; and

(ii) has sufficient material, manpower and financial resources to carry on the business of a repairer in respect of that class of repair work;

Once again we have the Labor Party introducing legislation that will put the small man out of business. He will not have a chance. This measure panders to the combines. It will force every small operator out of the motor repair industry. It will preclude anyone coming into the industry and it will cost the community a fortune. All this is being done by the Labor Party that is supposed to be concerned about the person that is battling. This absolutely amazes me. I really cannot take it in. I said a little earlier that there are thousands of top grade mechanics who do weekend work in their backyard or their garage and do a good job. A person who has not got enough intelligence to find out the qualifications of a backyard mechanic before he takes his vehicle to him should, in my view, put up with the result. When the Government accepts the responsibility of looking after every member of the community it ends up with consumer protection. It is trying to act as nursemaid to a generation of zombies by introducing regulation after regulation. If clause 18 is brought into operation it will preclude any person coming into the industry unless he is a major operator.

The Hon. N. L. King: Are these backyard operators registered?

The Hon. N. M. Orr: Does it matter whether they are registered or not?

The Hon. N. L. King: Would they not be undercutting people?

The Hon. N. M. Orr: What is wrong with that?

The Hon. N. L. King: And the honourable member wonders why we have unemployment!

The Hon. N. M. Orr: If one multiplies the number of people who use the backyard operator—that is a wrong term, really—the small operator to do their repair work and save \$10 an hour, by the number of hours involved in that repair work and by the number of motor vehicles in New South Wales, it would run into many millions of dollars. That is the sum that the honourable member and I and all other motorists will be paying in the future when we want something done to our cars.

The Hon. N. L. King: It will still cause unemployment.

The PRESIDENT: Order! The Hon. N. M. Orr does not require assistance from either side of the House.

The Hon. N. M. Orr: The assistance I am getting is so far off the mark that I appreciate your intervention, Mr President. Clause 24 (2) provides for a fee of \$25 or some other fee that may be prescribed. But nothing is said about what the fee will be for a person who has multiple qualifications. Is he to pay \$25 for a licence

as a front end specialist and a brake specialist as well as a licence as a motor mechanic? Motor mechanic is not defined in the Motor Vehicle Repairs Bill, so one does not know where this area of operation begins and ends. There is a definition of transmission specialist, so I take it a motor mechanic can work only on the engine block. One of the greatest problems in the bill concerns clause 25 which provides:

(1) The Council may grant to an individual a tradesman's certificate in respect of any class of repair work notwithstanding that the individual has not met the requirement referred to in section 24 (3) (b) if it is satisfied that the individual has acquired or is capable of acquiring the skills that will enable him to meet that requirement in respect of that class of repair work.

One thing that should be borne in mind when considering the implications of this clause is the number of motor mechanics involved. The Hon. J. S. Thompson told us there were 25 000. The Institute of Automotive Engineers has told me there are 40 000. At least one-third of that number are not qualified, in the sense that they do not possess a certain piece of paper. I have read a clause of the bill which provides that from a certain day no one will be able to employ any individual who has not got a licence. The Hon. J. S. Thompson said that twenty-five additional officers would be able to police the legislation. I ask, how could a government department check on and administer a test to and eventually issue a certificate to about 20 000 mechanics by employing an additional twenty-five people? I do not have to convince anybody. It is obvious to any thinking person that that is simply not possible. The concept is ridiculous. It will require a fantastic bureaucracy to put it into operation. The cost will be enormous and it will have to be borne by the motorist. We were told that there would be no cost to the motorist; the scheme will be self-supporting and will cost the taxpayer nothing. I predict that it will be paid for by individual motorists. Someone has to pay. If a person running a workshop has to pay various licence fees for a variety of mechanics, who are employed only half of the time they are at work because they are permitted to do one category of work only, the additional costs will be added to the price of the repair jobs.

The Hon. H. B. French: The main organizations in the industry welcome the legislation.

The Hon. N. M. ORR: I have telephoned the NRMA and put to representatives of that organization a couple of the questions I have raised in this Chamber today. I do not know what has gone wrong in the main organizations. Either they have been brainwashed or they have not seen the legislation or given it sufficient consideration. When I raised the points I am raising now I was told that there will be a few problems. These organizations will discover the problems in the near future when they examine the legislation carefully. It is terribly sad to realize—and I do not say this personally for I have high regard for the Hon. J. S. Thompson—that he was really saying "To hell with the country areas". That is what this legislation is about. It provides that the small country operator will be required to employ various categories of tradesmen or go out of business. If a motorist hits a kangaroo twenty miles the other side of Cobar, what will he do? If there is no front end specialist and auto-electrician in the local garage because there is not sufficient work in the area to warrant the employment of tradesmen in those categories, the vehicle will have to be towed to Orange to be repaired. That is what this legislation will mean. As I said before, in these measures the Government is concerned for the future and is ignoring the present. A great proportion of the vehicles on the roads today do not need the sophisticated technology that garages will be required to install. This legislation completely ignores that fact. The Government is telling the small operator that he is out of business because he cannot cope with the future.

The Hon. D. R. Burton: But advanced equipment is required to deal with many vehicles that are on the road now.

The Hon. N. M. ORR: It will be ten years before two-thirds of the vehicles on the road in New South Wales require the type of equipment envisaged in the bill to repair them. The legislation will put the small operator out of business and we shall finish up with a few large workshops in the motor industry.

The Hon. D. R. Burton: The car of the future is here now.

The Hon. N. M. ORR: The proportion of cars the honourable member is talking about is small. I say, as a person qualified in the area, that there is little work on modern cars that cannot be done at existing workshops by the mechanic who knows what he is doing. If new and unreasonable standards are set, many motor vehicle repairers will be put out of business, with the result that car repair costs will be exorbitant. Car repairs may be expensive now, but the bill will result in them becoming higher.

The Hon. H. B. French: The honourable member is making an assumption that is not based on fact.

The Hon. N. M. ORR: If the bill results in one-third of car repairers being compelled to leave the industry, car repairs will eventually be carried out by a small number of firms that have heavy overheads. This will result in car repairs being much more expensive than they are at present. Car repairs will be so expensive that the low-income earner will not be able to afford to maintain a motor vehicle. Doubtless government supporters will agree that every worker is entitled to have the opportunity of maintaining his motor car at a reasonable cost. This bill will prevent many low-income earners having motor vehicles. The bill contains one good provision. I believe in giving credit where it is due. Clause 11 deals with the objects of the proposed council. It is in these terms:

(1) In this section, "motor vehicle repair work" includes loss assessor's work.

(2) The Council shall—

- (a) keep under review the standard of motor vehicle repair work;
- (b) promote improvement in the standard of motor vehicle repair work;
- (c) keep under review the manpower and training requirements in the motor vehicle repair industry;
- (d) make reports and recommendations to the Minister and the Minister for the time being administering the Technical and Further Education Act, 1974, with respect to the manpower and training requirements of the motor vehicle repair industry;
- (e) promote and undertake research into the motor vehicle repair industry; and
- (f) whenever it considers it necessary to do so or it is requested by the Minister to do so, make reports or recommendations to the Minister with respect to the motor vehicle repair industry.

Those objects are sensible and I agree with them. I disagree with that part of the bill which seeks to do away with the small operator. I suggest that the Government should allow the bill to lay on the table of the House for six months so that adequate consideration can be given to its ultimate effects. Clause 20 (7) is in these terms:

A corporation that is the holder of a licence may apply to the Council for the approval of a person whom it is proposed to appoint or elect to be a director of the corporation and, subject to the regulations, the Council may refuse or grant the application.

That provision represents an interference with a person's right to carry on business. Its effect will be that, if a person wishes to employ someone in an administrative capacity, he must first apply to the council for permission to do so. That provision has nothing to do with the motor repair industry; it is another example of bureaucracy gone mad.

I propose now to deal with clause 23, which deals with the provisional tradesman's certificate. At present the motor vehicle repair industry provides employment for a large number of persons who have no trade qualifications. Many of them commenced work in the industry years ago and they have since gained a great deal of experience. Not many persons in that category would be able to pass the relevant examination that would entitle them to a provisional tradesman's certificate. Clause 27 provides:

- (1) A tradesman's certificate has effect from and including its date of issue.
- (2) A tradesman's certificate continues in force—
 - (a) except as provided in paragraph (b)—until it is revoked or surrendered; or
 - (b) in the case of a provisional tradesman's certificate—until and including the date determined by the Council and specified on the certificate, or until it is revoked or surrendered, whichever first occurs,

The effect of that clause will be that the holder of a provisional certificate will have no future. It certainly does not recognize that the holder of a provisional tradesman's certificate may be carrying out an efficient operation. I ask the Minister to deal with that aspect in his reply. The Hon. E. P. Pickering dealt at length with the disputes committee. I am concerned about the provision that will preclude the committee from making an order if the value of the work in dispute exceeds \$3,000. Disputes over work of a greater value will be decided by the Consumer Affairs Tribunal.

Much has been said in this debate about only fifteen people administering the provisions of this measure. It is obvious that once the legislation becomes law a great number of claims will come before the council. The result will be the establishment of another great bureaucracy. The bill provides that the disputes committee will consist of five members. Item (1) of schedule 4 is in these terms:

- 1. The number of persons which constitutes a quorum at any meeting of the Disputes Committee is 2, of whom 1 shall be the Chairman of the Council or, if he is absent, the alternate member for the Chairman appointed under clause 11 of Schedule 1.

In effect the chairman of the committee could be the sole arbiter of any dispute. I fail to see the justice of that provision. It is obvious that the bill has not received adequate consideration. I do not accept the Government's claim that the bill has received strong support from the motor vehicle repair industry. Obviously the industry has not been able to appreciate certain aspects of this measure. Moreover, the public has not been given the opportunity to assess the ramifications of the bill.

Many motorists will be shocked when they learn that after the passage of this bill their local garage will not be able to do a simple brake adjustment. This measure provides that certain categories of motor vehicle repair work can be done only by specialists. A great number of inspectors will be needed to police the provisions of the bill, at a great cost to the community. The bill will result in fewer cars being sold, and that will have an adverse effect upon employment. Further, the motor vehicle repair industry will become controlled by big monopolies. As a member of the Liberal Party, perhaps I should say that is a good idea. However, I have always been concerned about the ordinary citizen. I believe that every person should have the opportunity to work in the area in which he is qualified. I find it difficult to accept that members of the Labor Party are willing to endorse this legislation. I suggest that the wisest course would be to allow the bill to lie on the table of the House for six months, during which time those who are more expert in this field can further consider it.

The Hon. D. R. BURTON [3.51]: The bill is a welcome addition to the long list of innovative legislation brought down by the Labor Government, particularly during the present session. For many years the motor vehicle repair industry has been crying out for regulation. It has been a hot bed of shonky traders and corruption. I welcome the Government's grasping the nettle and endeavouring to bring regulation to an industry that has been unregulated for such a long time. I pay due recognition to the role played by the Hon. J. S. Thompson in bringing this piece of legislation into reality. If this Parliament were to follow the practice adopted in the United States Congress of naming bills after their originator I suggest that this measure should become known as the Thompson Act. I acknowledge the tremendous amount of work and the long hours of research that the honourable member put into the legislation, involving research of the industry in Australia and overseas.

The industry to which we are referring is not of a backyard nature, as many honourable members opposite contended; it is a multi-million dollar industry involving thousands of tradesmen and workshops in New South Wales, and millions of dollars worth of insurance which motor car owners and other consumers hold. Surely they should be entitled to some regulation of the product that they purchase. Some honourable members opposite spoke at length about the small backyard operator, the person to whom one takes one's car on a weekend to have a fan belt replaced or some similar work done. The whole thrust of the bill is not towards that sector of the industry but towards the part of the industry where most of the major repairs are being carried out.

The Hon. E. P. Pickering mentioned that about 50 per cent of the industry was associated with smash repairs. As a former employee of the motor vehicle industry and organizer for the motor vehicle builders union, I have some knowledge of the motor vehicle repair industry. Particularly when I was organizer with the union, I had an opportunity to observe the conditions under which motor vehicle repairs were carried out in not one but in dozens of small repair businesses in New South Wales, particularly in Sydney. If the average motorist saw the conditions under which repairs were carried out in some workshops he would never take his vehicle there. The repairs are carried out under the most primitive conditions without the necessary equipment, often with disastrous results to the vehicle. As the Hon. J. S. Thompson put most forcefully to the House, much sophisticated equipment is needed for a modern motor vehicle repair shop. I am referring not to some minor repair work but to major alterations or repairs to motor cars, which are sophisticated pieces of machinery. As I said, unless these workshops have the proper equipment to be able to carry out the repairs, the result will inevitably be substandard work.

There is a good reason for my assertion. If one traces the history of the motor vehicle industry, one will learn that it has developed in two parts. Some years ago there were two groups of people, one working on the manufacture of motor vehicles and the other engaged in their repairs. In those days the manufacturing side of the industry was much larger than the repair side. From my knowledge gained as a panelbeater I know that at that time the two sections of the industry worked in different ways. If one worked on the manufacture of vehicles, when panels were manufactured by hand, one did not usually engage in repair work. Those engaged in the manufacture of motor vehicles in those early times in the 1930's were regarded as one group of tradesmen. Contrary to the opinion of many people, panelbeating is not merely knocking a couple of dents out of a mudguard. It is a sophisticated art requiring highly qualified and skilled tradesmen, particularly those engaged in the bodybuilding and manufacturing side of the industry.

Over a period of time a change occurred from a hand-built body, with the framework largely made of wood, to steel bodies of unitary construction, for which the panels are pressed. With this change the repair industry started to run off the rails, if I may express it in that way. A motor vehicle that was built in the 1930's was not difficult to repair. All that was required was to take out one part of the body and put in another part. If one was able to shape and weld the panel one was able to do a fairly good job. In most cases the alignment, shape and performance of the vehicle was not substantially damaged. That technique cannot be adopted with unitary constructed vehicles. If a Holden or Ford motor vehicle requires repairing, particularly if it has been involved in an accident, it does not require merely the dents being taken out and the paint made shiny again; it involves truing up the whole vehicle so that it will run correctly. Small repair shops cannot do this type of work. If they attempt it, the result is a vehicle that is dangerous on the road.

I commend the provision of the bill which make it obligatory to have specialists carrying out particular aspects of motor vehicle repair work. The change from a hand-built car body to a motor vehicle that is of unitary construction, combined with an enormous increase in the number of motor vehicles on the road brought about a proliferation of motor repair shops. This proliferation brought with it shonky dealers and many unskilled tradesmen. The industry was not able to cope with the large number of vehicles coming onto the roads, the increased number of accidents that were occurring and the insufficient number of tradesmen. As I said, a large number of unqualified and unskilled persons entered the industry, with various results, some quite disastrous.

The motor vehicle repair industry now being firmly established, every effort is being made to train apprentices. The legislation will achieve some success in that respect by enabling people to become qualified in the trade. The average consumer will be able to expect his vehicle to be repaired in a tradesmanlike manner. The quality of work done by the vehicle repair shop should be of the utmost interest to members of the House and the motor car owner because the safety of the motorist and those who travel in his vehicle depends on the ability of tradesmen to perform their work skilfully and competently. If the tradesman does not carry out proper and safe repairs to a vehicle, the likelihood of an accident or some unfortunate happening is increased. Prime importance should be given by all honourable members, when dealing with a bill such as the Motor Vehicle Repairs Bill, to the safety of those travelling in vehicles. They should consider also the satisfaction of the consumer, who pays a considerable amount of money in insurance premiums to have his vehicle covered in case of accident.

Few honourable members who have owned motor cars for any period have not been involved in an accident. Few honourable members have not been to a panelbeater or repair shop to have their vehicles repaired as a result of damage caused by accidents.

When I take my vehicle to a repairer I am anxious that the work is carried out by a highly skilled tradesman and that it is restored as nearly as possible to its original state. I am entitled to demand that, because of the high insurance premiums that I have paid over many years to insure against loss of or damage to my vehicle.

I hark back to some of the skills necessary to turn out a properly repaired motor vehicle. I repeat, it is not just a matter of taking one's car to a backyard dealer, mechanic or panelbeater to have a few dents knocked out. Almost anybody who can use a hammer can knock a minor dent out of a vehicle, but only a skilled tradesman can effect proper repairs. Qualified people, especially those qualified in the safety of vehicles and the proper carrying out of repairs, understand that a knowledge of composition of metals is essential. They realize that all motor bodies are not built of the same metal. A tradesman should not have to scrape some paint from the body of a vehicle to ascertain whether it is made of an alloy or some other metal. It is necessary to know also how metals will react when being repaired, to have knowledge of the malleability of metals in order to properly shape body parts. Such a knowledge enables the repairer to ascertain how much stress can be placed on the metal, whether it has to be annealed and how much heat can be applied or needs to be applied during the annealing process to avoid damage to the metal. Also, it is necessary to have a knowledge of welding and brazing. They are necessary skills for repair industry tradesmen to turn out a successful job. An untrained person does not possess such skills.

As the Hon. J. S. Thompson has said, persons who have completed trades courses are attracted to going into business for themselves. In my experience as an organizer with the Vehicle Builders Union I have on a number of occasions seen people with starry eyes set themselves up as motor body repairers. They have to choose between one of two things. The first choice is to do minor repairs. In that instance they will not attract business in many categories of the vehicle repair trade. They will be the backyard operators to whom a person takes his car on a weekend to have a simple dent knocked out of the mudguard and to spray paint it. Though the customer may be happy with the job, it may not be done properly; the paint may not be matched; or the job may not be fully planished off or contain the correct amount of filling. His other choice is to accept bigger jobs, which requires purchase of proper equipment and employment of trained persons to perform the task.

Another matter raised in relation to backyard operators concerned the new technology. The Hon. J. S. Thompson made his point clearly, but apparently it **was** not understood by some Opposition members. What he was saying was that **small** country businesses would not suffer as a result of this legislation. He stated that it is impossible for those persons who own cars with sophisticated electronic **equipment**—and there are many of them—to have their vehicles repaired in a **small** country garage that does not have the throughput of repairs because of the high outlay required for the sophisticated equipment.

The Hon. N. M. Orr: What percentage of cars come within that category?

The Hon. D. R. BURTON: There is a large **and** growing number of them. The Hon. N. M. Orr stated that the Labor Party through this legislation was attempting to put motor traders and mechanics out of business. The legislation will regulate the industry and those in it to ensure that they keep pace with developing technology. That happens in other industries as well. It is not the fault of the legislation if **those** in the industry cannot keep pace with advancing technology.

The Hon. E. P. Pickering: They will not be allowed to change a fan belt.

The Hon. D. R. BURTON: The honourable member knows that that is a different brand of sauce altogether. The bill will set up a motor vehicle repair council to lay down standards for the entry of people into the industry, that is, the tradesmen who will work in it. It will also set standards for employers or operatives and afford protection to the consumer, who will be able to expect his vehicle to be repaired by an authorized repairer who has the facilities and ability to carry out a reasonably good job.

The bill will provide for the separate licensing of various classes of repair. I mentioned in my earlier remarks that this was a necessary feature of the bill as modern motor cars demand specialist work, as modern machinery demands specialist work. For instance, if electrical work needs to be performed on a motor car and a city garage is approached to do that work, it will usually have an electrical tradesman employed. A country garage proprietor asked to do some sophisticated electrical repairs would direct the potential customer to the nearest main regional centre or city garage. Alternatively, he would fit a new part. An instance is where one wants an armature wound.

The licensing of various classes of work will prevent the enthusiastic amateur from tinkering with something he knows little about. When I get into my motor car I hope first of all that the mechanic who last repaired it or checked it over was a qualified man. I know he is. I also hope that the brakes operate correctly, that the steering is in perfect condition and that the body will not fall apart or the doors fly open. The bill provides special measures to ensure the safe operation of motor vehicles. In this day and age the motor car demands the attention of specialists, such as steering specialists, brake specialists, motor body specialists and mechanics. The garage proprietor that I go to usually tells me that specialist repairs are a little out of his line even though he employs persons who are highly qualified. He says, "Send it down to so-and-so and get him to do it because he is a specialist in that area".

Another feature of the legislation is that it provides for the resolution of disputes between the customer and the repairer. The customer has been entitled to this for a long time. It is expensive not only to own a motor vehicle but also to insure it. Surely a customer is entitled to have a dispute settled. The procedure spelt out in the legislation for the resolution of disputes between customers and repairers is a welcome addition to the rights of the vehicle owner.

It would be remiss of me not to comment on the remarks of the Hon. E. P. Pickering. He spoke about the Government having simplistic ideas of solving problems by legislation. I wish he would talk to Prime Minister Fraser about that when he introduces industrial legislation. I hope some of the New South Wales Government's legislation will rub off on him because he seems to have been pursuing the line of simplistic legislation for some time. As usual, the Hon. E. P. Pickering was long on rhetoric and short on logic. He spoke about the registration of operators within the industry and said that the legislation would put them out of business. He cried crocodile tears about backyard operators. Many legitimate body repairers have hundreds of thousands of dollars invested in the industry. Honourable members on the other side should be concerned about this. The legitimate repairers are being undercut by the shonky backyard operator. If one spoke with the legitimate repairers, one would have different ideas from those put forward by honourable members opposite.

The people whom I know in the industry, and have been in contact with, would welcome the backyard undercutting operator being put out of business tomorrow. However, this is not the real intention of the legislation. One would think after listening to Opposition members that that is the main thrust of the legislation. That is not

so. Honourable members opposite said that registration would put all these people out of business. Many trades and professions in this country are regulated. They seem to have thrived for a long time. No one would suggest that in this day and age one would go to a backyard dentist. In Singapore one is taken in off the street, sat down on a banana case, and has one's tooth pulled out with pliers. Those operators do not get many customers, except those who do not know any better. No one would suggest that the legislation seeks to return to that type of thing. No one would suggest that a person would go to a backyard medical practitioner on a Saturday morning, get a cheap needle and then go to the races because it would not cost as much as going to a practitioner who has to be registered.

Plumbers and electricians have had to be licensed for many years. Registration does not seem to have put them out of business. I could go on and on giving examples. The false fears of the Opposition have been drummed up in an effort to gain a little political advantage.

The Hon. J. J. Doohan: Does the honourable member think they are false fears about small country garages?

The Hon. D. R. BURTON: They have nothing to fear from this legislation. All that is required is that qualified people are there to do the job with the necessary equipment. Surely the customer is entitled to that. The small country operator will be licensed. There is nothing in the legislation to suggest that the licensing council will not license such people provided they meet the required standards. Surely that is not too much to ask. Is not a customer entitled to protection and to have some say?

The Hon. N. M. Orr: How can that equipment be installed unless the workshop has a large number of customers?

The Hon. D. R. BURTON: The backyard operators that honourable members opposite have been so concerned about are not the whole industry. The points of view put forward by honourable members opposite would not be supported by the legitimate operators in the industry—who may have invested thousands of dollars in equipment and have employed thousands of people. They are the people who would put the snide operators out of business tomorrow. I suggest, as I did previously in my speech, that it is not the Government's intention to put the small backyard operator out of business; all he has to do to become legitimate is to be registered. If he can prove to the licensing council that he has the qualifications, the equipment, the ability and financial resources to carry out the work, he can become licensed. Honourable members opposite have been overlooking this point time and again in their remarks. A person may take his vehicle to the backyard repair shop and say, "I am a commercial traveller. I want it back on the road by next Wednesday because I earn my living with it." The repairer starts to paint the car, runs out of paint and cannot afford to buy more. He says, "I have to get my wages next week before I can finish painting it."

The Hon. N. M. Orr: That does not happen.

The Hon. D. R. BURTON: It does happen. The legislation has been introduced to regulate this type of thing because backyard operators do not have the capacity to carry out repairs, particularly of a major kind. Anyone who has been a tradesman and has worked in a workshop—as I have—knows that a workshop has all the equipment and materials necessary to do a job. If a person tries to do a similar job at home with his own kit of tools, he realizes that it takes five times as long to do it and it is done only half as well. The person who does a job at home does not have the necessary equipment. The legislation is framed to remove from the industry people who cannot do the job. It is designed also to protect the consumer.

During the debate it has been said that a person working at a local service station would have to have a licence to put petrol in a vehicle. The Minister for Industrial Relations and Minister for Energy blew that suggestion out of the window in about five seconds. The suggestion is complete nonsense. The legislation is not intended to do that.

The Hon. E. P. Pickering asked, why did not the Government provide for some representatives of technical education to be on the council? Thirty years ago I was the Vehicle Builders Employees Federation representative on the technical college advisory council for vehicle trades. I have spoken with the Hon. J. S. Thompson about this because it is a long time since I was with that organization, and he advised me that that is still the position. The technical college has representatives from employer and employee groups on all of the advisory panels. The Vehicle Builders Employees Federation was one of the bodies instrumental in setting up the vehicle repair section at the Sydney Technical College many years ago. To say that organizations do not have any recourse to technical education is nonsensical. The Hon. E. P. Pickering said that these people have not been consulted. Consultation has taken place for thirty years.

The Hon. E. P. Pickering: I did not say that. I said a representative of the Department of Technical and Further Education should be on the committee.

The Hon. D. R. BURTON: The council has proper recourse to the industry. There is close liaison between all the employer and employee interests and the Department of Technical and Further Education. The final argument that was put by the Hon. E. P. Pickering was that the industry did not know anything about the bill. I do not know where the representatives of the industry have been if they did not know anything about the bill. Either they have been walking round with their eyes and ears closed or their employer organizations have failed to communicate with their constituent members. It has been said during the debate that 98 per cent of the people in the industry belong to either the Motor Traders' Association or the Service Station Association. Both of those organizations were represented on the committee of inquiry and both will be represented on the council. To say that the industry did not know anything about this measure is preposterous.

The Hon. E. P. Pickering: I said they had not seen the bill.

The Hon. D. R. BURTON: They may not have seen the bill. Many honourable members may not have seen the bill. Nobody saw the bill before it was drafted. But we knew what was to be in the bill. The organizations I am speaking about knew what the text of the legislation would be. For a long time an inquiry was carried on into this matter. The Motor Traders' Association and the Service Station Association have been well and truly involved in all the negotiations, as has the major employer organization—the Metal Trades Industry Association. The representation on the council was as wide as one could have expected it to be. The Hon. J. S. Thompson pointed out in his contribution to the debate that the council was representative of the industry and not of bureaucracy. The Government is to be commended for its approach to this matter.

The Hon. N. M. Orr said that this legislation is bureaucracy gone mad. He said that the Government was putting all the unfortunate backyard people out of business and that the only places left would be the large workshops. He said the small businesses in country towns will be put out of business by this legislation. It has been pointed out on a number of occasions during this debate that if those people go out of business it will be because of technological change. It is quite a reversal of form to hear members of the Opposition talking about small business operators.

The Hon. R. B. Rowland Smith: We started the small business operation.

The Hon. D. R. BURTON: Members of the Opposition usually are more inclined to be on the side of the big operators. It is good to see them having a change of heart. It is good to see a repentant sinner now and again. However, I point out that the change of heart has been evident only in relation to the motor vehicle repair legislation. The legislation before the House is good. It will bring regulation into an industry that has been an *ad hoc* industry, one that has been shot through—as I said in my opening remarks—with corruption in some areas, with poor tradesmen and poor service to the consumer. I am particularly concerned about the consumer and the legitimate operator within the industry. They are the kernel of the industry. They are the ones that keep the industry going. This legislation will do much to bring regulation to an industry that has been crying out for it for many years.

The Hon. VIOLET LLOYD [4.24]: At the risk of being repetitive and notwithstanding the expertise of the Hon. J. S. Thompson and the Hon. D. R. Burton, I must make some comment about the bills. Much has been said during the debate about the backyard operator in the country. I am concerned about the backyard operator in the city. If this legislation becomes law, what will happen to that man? I am talking about the small businessman. I am not talking about the man who employs 100 or less. I am talking about the very small operator. I know there has been a good deal of criticism of the man who works from his backyard. Surely criticism is not limited to him. Many members in this House who have had work done by garages and big workshops have had many reasons to complain about the quality of the work that has been done. I do not believe for one moment that complaints are limited to the small operator.

I think we are tending to overlook a basic thing. The Hon. D. R. Burton referred to it when he said he was amazed that members of the Liberal and Country parties should be thinking in terms of protecting the small businessman. It would seem that Government supporters expect members of the Opposition to think only in terms of the big businessman. Has it not occurred to all honourable members that many persons who are big businessmen today started off as small businessmen? That is the only way many of them were able to start. Not everyone who has the energy and the ideas is able to get hold of the finance to start off in a big way. I am concerned about clause 18 of the Motor Vehicle Repairs Bill which provides:

- (1) The Council shall not grant a licence in respect of any class of repair work unless it is **satisfied—**
 - (a) in the case of an application by an individual, that the **individual—**
 - (i) is of or above the age of 18 years and is a fit person to hold a licence; and
 - (ii) has sufficient material, manpower and financial resources to carry on the business of a repairer in respect of that class of repair work;

If one thinks in terms of what the Hon. D. R. Burton has been saying one realizes that that does not apply only to finance for sophisticated equipment to handle unitary construction. If, as the bill suggests to me, the council will consider the grant of an application only when the applicant has sufficient financial resources to carry on the business with advanced technology for the advanced type machinery that has to be repaired, what chance has a small man of getting a licence?

The Hon. D. R. Burton: What about dentists?

The Hon. VIOLET LLOYD: I am not talking about dentists. This bill is not concerned with dentists; it is concerned with motor vehicle repairers.

The Hon. D. R. Burton: Do not dentists need finance to start off?

The Hon. VIOLET LLOYD: The Hon. D. R. Burton made the point, with which I do not disagree, that the vehicles that are coming on to the market are highly sophisticated. But does he suggest that they will be the only vehicles available from now on; in other words, that the Government proposes to abolish the secondhand car market? That is the implication I find in his remarks. If the Government does that, it will prevent many people from having cars. Many people cannot afford a new car, and for many of them it is not good to have a new car. That applies particularly when one is learning to drive or is driving on P plates. I have been through that experience. In addition, in many families today there are two cars and most second cars are secondhand. In most cases the technology that is being referred to does not come into the picture. I agree that advanced technology is being introduced quickly into the motor industry, but I cannot believe that it will be necessary for every vehicle on the market unless the Government intends to abolish secondhand cars.

The Hon. P. F. Watkins objected to backyard operators charging less than big motor vehicle repairers. He referred to this practice as undercutting. Any efficient business seeks to keep its overheads as low as possible and to pass on the cost benefit to consumers. Surely Government supporters would not object to that. I do not agree that a person is undercutting merely because he operates a backyard business and is able to operate at a lower cost. The bill will result in many backyard operators being put out of business.

The Hon. P. F. Watkins: Large reputable employers will employ more people to cope with the extra work.

The Hon. VIOLET LLOYD: That is not the answer to the problem. Many people delay having minor repairs done to their motor vehicles because they cannot afford the cost involved. No one could convince me that such a situation helps roads safety. Many large businesses commenced their operations in a small way. I know one person who started in business fifteen years ago as a backyard operator. He now has two large workshops, one employing nineteen persons, the other giving work to twenty-five people. If the provisions of this bill had been put into effect fifteen years ago, those forty-four employees would not have had the opportunity to work in that business. The Hon. D. R. Burton said that we should be concerned about the consumer, and I agree with that. My point is that the consumer has not been consulted about the provisions of the bill. The Government has claimed that the large organizations in this field agree with the provisions of the bill.

The Hon. J. R. Hallam: Does the honourable member suggest that the National Roads and Motorists Association does not represent motorists?

The Hon. VIOLET LLOYD: If the former Government had adopted the same attitude about measures it introduced and said that a particular industry had agreed with them, honourable members opposite would have claimed that consumers had not been consulted about that legislation. I have been asked by a number of people to explain the effects of this bill. After I have done so, I have been invariably asked what will be its effect in terms of cost to them. I think that is a reasonable question.

The Hon. J. R. Hallam: The certificate will cost \$25.

The Hon. VIOLET LLOYD: I am not talking about the cost of a licence. I believe that only qualified people should repair and service machinery. If a qualified person wishes to set up a backyard operation, he should not be prevented

from doing so. If the Government wishes to weed out unqualified people from the industry, it should do so not only in small organizations but also in large firms. For those reasons, I move:

That the Question be amended by the omission of the word "now", with a view to the addition at the end thereof, of the words "this day six months".

The Hon. J. R. HALLAM (Minister for Agriculture), [4.35] in reply: This debate has highlighted the incredible lack of knowledge in Opposition members. It has been a classic example of the blind leading the blind. They have followed slavishly the Hon. E. P. Pickering, who led for the Opposition in this debate. The principal thrust of the Opposition's attitude to the bill was that the industry has not had sufficient time to examine this measure. It has claimed that the organizations affected by the bill have not had sufficient opportunity to understand it. It has even been alleged that industry leaders have not been consulted to the extent that they should have been. The members of the advisory council saw the draft of the bill before it was presented to Cabinet. The National Roads and Motorists Association, which represents one million motorists in New South Wales, has examined the bill during the past three weeks and has said that it is satisfied with the Government's proposal. Mr Neil Arena, national president of the Institute of Automotive Mechanical Engineers stated, in that body's most recent journal:

I am pleased also to announce it would appear our relentless pursuit of a licensing scheme is about to be realised. There is more than a reasonable chance that legislation will be introduced into the New South Wales Parliament by Mr P. D. Hills, Minister for Industrial Relations and Technology, during the August parliamentary session.

At least that association had high expectations that the bill would be introduced at an early date. The official journal of the Motor Traders' Association of New South Wales, which supports the bill, contains an article entitled "Government moves to clean up the repair industry". The Hon. J. S. Thompson and the Hon. D. R. Burton both made an articulate, well-informed contribution to this debate. Both honourable members are skilled in this field; they possess a deep knowledge of the industry, and they demonstrated this during the course of the debate. The Motor Traders' Association, which was established in 1910, held its 70th annual meeting at the Boulevard Hotel on 4th February. After that conference it released a statement in the following terms:

The M.T.A. has been most happy to be part of the Motor Vehicle Repair Industry Advisory Council which has brought the concept of the Minister, the Honourable P. D. Hills M.P., to the current stage of impending legislation.

The goal of better standards, more understanding and co-operation in training tradesmen, and seeing the wisdom of allowing the industry to take part in its own destiny, are praiseworthy views of the Minister and the Government.

Another article written by Mr V. Nash, chairman of the Motor Vehicle Repair Industry Advisory Council also demonstrates the support that organization gives to the bill.

The Hon. W. J. Holt: They have not seen the bill.

The Hon. J. R. HALLAM: I said a few moments ago that all members of the advisory council have seen the bill, which gives effect to the express wishes of the industry. From as far back as 1936 many organizations involved in the motor repair industry have made approaches to various governments seeking legislation of this

nature. It follows, with only one alteration, the report of the Motor Vehicle Repair Industry Advisory Council, on which were representatives of all the bodies referred to in proposed section 8.

Honourable members opposite disclosed their lack of comprehension of the legislation. The Hon. N. M. Orr said that it would cause great problems in the form of the cost of implementing the scheme. I remind the House that the cost of the certificate required by a tradesman—that is the person who actually picks up the tools—is \$25, and that is payable once only, at the time of applying for the certificate. The licence fee payable by a person who carries on the business of a repairer will be \$100 a year. Honourable members opposite spoke about the cost to backyard operators. There is a requirement for mechanics who conduct businesses of this nature within New South Wales to be registered under the Factories, Shops and Industries Act. There is no new principle involved in the proposed fee. I fail to understand how the fees to be paid by tradesmen and others involved in the industry will seriously inhibit trade and commerce.

The Hon. N. M. Orr suggested that the legislation will restrict access to repairers in small country towns. That will not necessarily be the case when a motor mechanic is employed there. The definition of motor mechanic includes a person who repairs the engines or transmissions, or the fuel, induction, exhaust, electrical, steering, suspension or braking systems of motor vehicles, and that would include motor cycle mechanics. The mechanic is the general practitioner in the industry and he has wide-ranging skills that will be recognized by certification by the proposed council. The motor vehicle repair industry is the province of the small businessman. The average repair shop employs only three to five people. I do not accept the arguments advanced on those matters by the Hon. N. M. Orr.

The Hon. E. P. Pickering asked whether a front end specialist, as referred to in the definition of "repair work" could be considered also as a back end specialist. I assure the honourable member that the definition covers repairs performed on all sorts of suspensions both front and back. In some instances a mechanic can cover the work performed by specialists. The honourable member submitted also that disputes could be dealt with by the Consumer Claims Tribunal rather than by the proposed disputes committee. The reason for having a disputes committee as defined by the bill arises from the nature of the industry, which requires a complicated technical knowledge by experts of mechanical standards and the equipment that is used.

The Hon. N. M. Orr referred to the \$3,000 limit for work to be done or money to be paid following the determination of a dispute. The Government considered that any dispute involving a sum above \$3,000 should be resolved by a jurisdiction that has greater authority, in all probability the District Court. The comments by the Hon. E. P. Pickering illustrated the Opposition's lack of research into the legislation and provided some indication of its real motive. For purely political reasons Opposition members have been racing round the countryside trying to cause concern within the industry where there is no concern. The Hon. E. P. Pickering asserted also that hundreds of people would be required to administer the legislation. An additional staff of only 25 will be required and they will not be employed in a new department but will use the facilities of the Department of Industrial Relations.

The Opposition ignored completely the important aspect of public safety, which has priority so far as the Government is concerned. As most honourable members would have had experience of the smash repair industry, they would appreciate the need in regularizing the industry to require the certification of assessors to ensure that quotations for smash repairs are reasonable. I am advised that the average cost of smash repairs in New South Wales is about \$750. The legislation will reduce the

likelihood of bad repairs, improve safety standards, and probably effect major cost savings. My colleagues the Hon. J. S. Thompson and the Hon. D. R. Burton made a comprehensive contribution to the debate on many aspects of the legislation and exhibited their expert knowledge when answering matters raised by Opposition members. The surplus funds that are expected to accrue from the licensing scheme will be channelled into research to assist the Government on planning for tradesmen of the future and the needs of the industry. I commend the bills.

Question—That the word stand—put.

The House divided.

Ayes, 20

Mrs Anderson
Mr Baldwin
Mr Burton
Mr Dyer
Mrs Fisher
Mr French
Mrs Grusovin

Mr Hallam
Mrs Isaksen
Mr Kaldis
Mr King
Mr McMahon
Mr McPherson
Mr Melville

Mr Morris
Mr Thompson
Mr Turner
Mr Unsworth
Tellers,
Mrs Kite
Mr Watkins

Noes, 18

Dr de Bryon-Faes
Mr Calabro
Mrs Chadwick
Mr Connellan
Mr Doohan
Mr Duncan
Mr Freeman

Mr Holt
Mr Kennedy
Mr Lange
Mrs Lloyd
Mr Orr
Mr Pickering
Mr Sandwith

Mr Rowland Smith
Mr Solomons
Tellers,
Mr MacDiarmid
Mr Philips

Question so resolved in the affirmative.

Amendment negatived.

Motion agreed to.

Bills read a second time.

In Committee

The CHAIRMAN: The Committee will deal first with the Motor Vehicle Repairs Bill.

Part III

[Licences and Certificates]

The Hon. N. M. ORR [4.53]: The Minister mentioned that all workshops and repairers must have the prescribed suitable equipment. Does not that amount to interference with personal human rights? Will not the main purpose of the council be to ensure the quality of repairs and not to concern itself with equipment used to effect them? I ask the Minister to elaborate on his previous statement.

The Hon. J. R. HALLAM (Minister for Agriculture) [4.54]: During the inquiry it was established that the cost of minimum equipment would be about \$5,000. It is not intended to set a standard of equipment above basic equipment, which allows a

certain amount of flexibility. It was found that most poor repairs resulted from lack of equipment, skill and knowledge on the part of tradesmen. I thought the Hon. D. R. Burton clearly demonstrated that it will be absolutely essential, if standards are to be maintained, that quality repairs be carried out in a workshop that has equipment of proper standard.

The Hon. W. L. Lange: It does not necessarily follow that good equipment makes for good repairs.

The Hon. J. R. HALLAM: The inquiry made definite findings in that matter, and was sufficiently forceful in presenting them to persuade the Government to acknowledge the point. Also, there is a responsibility under the Factories, Shops and Industries Act. Certain equipment is essential for the proper performance of repairs. This is not difficult to measure or assess. Inspectors will be fully equipped to make decisions on that matter. I instance pulling equipment. It is necessary that a vehicle be returned to its original geometric dimension, which requires sophisticated equipment not normally found on the premises of a backyard operator. Who would argue against the necessity for the wheel alignment and body alignment to be as near as possible to perfect in order to enhance the safety of the driver and road users.

The Hon. F. M. MACDIARMID [4.58]: I understood the Hon. J. S. Thompson to say that when this legislation comes into force clause 16 will enable repair mechanics in country areas to be licensed automatically.

The Hon. J. S. Thompson: Provided they have the qualifications.

The Hon. F. M. MACDIARMID: I ask the Minister to clarify that point.

The Hon. J. R. HALLAM (Minister for Agriculture) [4.59]: About 25 000 persons are employed in the industry; two-thirds of them are already licensed. They would be automatically included. Some 8 000 persons do not have any formal qualifications and it will be necessary to process them to establish whether they should be granted certificates. One should take into account the transition. The dentistry profession is a good example. In the 1930's when dentistry legislation was formalized—and the same attitude was taken with the dental technician bills—those persons who did not have formal qualifications but who had been in the industry and could clearly demonstrate to a tribunal that they had sufficient skills were granted certification. This will not be a question of city or country. It is not exclusive to the country.

The Hon. F. M. MACDIARMID [5.1]: I am not sure what the Minister meant by "process". Does he mean that a mechanic or backyard operator has to go back to a technical college to do a short course, or does an inspector come and check **his** work to see whether he is capable of performing the work? It is ambiguous and I want it to be made clear.

The Hon. J. R. HALLAM (Minister for Agriculture) [5.2]: My understanding is that an inspector will make an assessment of a person who **is** not technically qualified. The inspector's report would be examined by the council, which would then issue the necessary instrument of certification.

The Hon. E. P. PICKERING [5.3]: Will the Minister clarify whether the fee of \$100 that is provided for in clause 17 is paid annually for a licence that will cover a multitude of occupations or is the fee to be \$100 for each trade classification?

The Hon. J. R. HALLAM (Minister for Agriculture) [5.4]: The fee of \$100 per annum is to apply whether a person carries on one or more than one class of repair work. It could cover a multitude.

Part agreed to.

Schedule 3

The Hon. E. P. PICKERING [5.5]: This schedule 3 contains provision for the membership of the disputes committee. Is the Minister in a position to give the Committee an assurance that one of the members of the committee will be knowledgeable in what I describe as the collision repair industry?

The Hon. E. P. PICKERING [5.5]: This schedule contains provision for the provides that the disputes committee shall consist of a person appointed by the Minister on the nomination of the Minister for Consumer Affairs from a panel of three persons; one shall be a person nominated by the council of the National Roads and Motorists' Association; one shall be a person appointed by the Minister from a panel of three persons, one of whom is nominated by the council of the Motor Traders' Association of New South Wales; one of whom is nominated by the general council of the Service Station Association of New South Wales; and one who is nominated by the national executive of the Metal Trades Industry Association. Item 2 (1) provides that the chairman shall have power to co-opt or invite persons to participate in the proceedings and deliberations of the disputes committee. Reference is also made to specific experts. That would cover the point raised by the honourable member.

Schedule agreed to.

Schedule 4

The Hon. N. M. ORR [5.6]: The number of persons which constitutes a quorum at any meeting of the disputes committee is two, of whom one shall be the chairman, who shall have a casting vote as well as a deliberative vote. In other words, one man could control the committee. I ask the Minister to comment.

The Hon. J. R. HALLAM (Minister for Agriculture) [5.6]: It was considered necessary to insert that provision to enable the chairman—particularly in country areas—to commission local experts.

Schedule agreed to.

Adoption of Report

Bills reported from Committee without amendment, and report adopted, on motions by the Hon. J. R. Hallam.

ASSENT TO BILLS

Royal assent to the following bills reported:

- Valuation of Land (Broken Hill Water Board) Amendment Bill
- Warkworth Flood Mitigation and Water Conservation (Repeal) Bill
- Crown Lands (Amendment) Bill
- Closer Settlement (Amendment) Bill
- Returned Soldiers Settlement (Amendment) Bill
- Prickly-pear (Amendment) Bill
- Western Lands (Amendment) Bill

LEGAL PRACTITIONERS (AMENDMENT) BILL

First Reading

Bill received from the Legislative Assembly and, on motion by the Hon. J. R. Hallam on behalf of the Hon. D. P. Landa, read a first time and, on motion by the Hon. J. R. Hallam, ordered to be printed.

Suspension of Standing Orders

Suspension of certain standing orders agreed to on motion by the Hon. J. R. Hallam.

LOCAL GOVERNMENT (AMENDMENT) BILL

MUNICIPAL COUNCIL OF SYDNEY ELECTRIC LIGHTING (AMENDMENT) BILL

PUBLIC HEALTH (LOCAL GOVERNMENT) AMENDMENT BILL

LAND AND ENVIRONMENT COURT (AMENDMENT) BILL

Bills received from the Legislative Assembly.

Suspension of Standing Orders

Suspension of so much of the standing orders as would preclude these bills being considered simultaneously, except in Committee, agreed to on motion (by consent) by the Hon. J. R. Hallam.

First Reading

Bills read a first time, and ordered to be printed, on motions by the Hon. J. R. Hallam.

PRINTING COMMITTEE

Sixth Report

The Hon. R. G. Melville, as Chairman, brought up the Sixth Report from the Printing Committee.

Ordered to be printed.

SPECIAL ADJOURNMENT

Motion (by the Hon. J. R. Hallam) agreed to:

That this House at its rising today do adjourn until Tuesday next at 2.30 p.m., *sharp*.

ADJOURNMENT

Moscow Olympic Games

The Hon. J. R. HALLAM (Minister for Agriculture) [5.14]: I move:

That this House do now adjourn.

The Hon. M. F. WILLIS (Leader of the Opposition) [5.14]: I rise to speak on a matter that I regard most seriously, which can be rectified by a simple administrative act of the Government. It relates to one of the most important public issues to confront this State and this country in many years. I refer to the action of the New South Wales Government, reported in this morning's press and reported dramatically on the front page of the *Daily Telegraph*; namely, the pledge of the Wran Labor Government to support financially athletes from this State to enable them to attend the Moscow Olympic Games in defiance of any boycott that may be imposed by the national Government.

The Hon. B. J. Unsworth: The federal Government has no right to impose such a boycott. It is a matter for the Australian Olympic Federation.

The PRESIDENT: Order! The Leader of the Opposition has the call.

The Hon. M. F. WILLIS: My plea to the Government is that it give the most serious consideration to reversing the decision that it has taken. It is appropriate that the Government of this State be reminded of its action reported in this morning's press. I quote from the *Daily Telegraph*. A front page headline states: "Wran offers Games Cash". The article reads as follows:

The Wran Government has pledged financial support to see that NSW athletes get to the Moscow Olympic Games in defiance of the Federal Government's boycott.

The Hon. R. B. Rowland Smith: Shame.

The Hon. B. J. Unsworth: When will they stop sending wool over there?

The PRESIDENT: Order!

The Hon. M. F. WILLIS: The article says later:

But secretary of the NSW Olympic Federation, Mr Phil Coles, said the target to send a full State team had almost been reached.

"We are now only a few thousand dollars short of the \$250,000 target thanks to the support of the NSW public," he said.

"This move by the State Government is a great morale booster for us."

There are two elements of great significance in this press report. First, according to the words of the secretary of the New South Wales Olympic Federation, Mr Coles, the Government's announcement is a hollow gesture financially. The second and most critical commentary—and I again quote Mr Coles—is this:

This is a great morale booster for us.

In other words the Government—I hope unwittingly—by its action in intruding into a field that under the federal Constitution is clearly the exclusive foreign policy field of the national Government, is flying in the face of the stated policy of the national Government. Does the Government of this State realize the implications of taking this overt stance, and its apparent defiance of the stance at present being taken by the national Government which has sole responsibility in this matter? I remind ~~the~~

Government, when it considers my request to reverse its decision, that on page 2 of the same edition of the *Daily Telegraph* to which I refer there appears an article headed, "Carrick to Table Massacre File". I shall quote two extracts from that article. The first is this:

Intelligence reports confirming the slaughter of 1 200 men and boys
in the——

The PRESIDENT: Order! The Leader of the Opposition is bringing into the question that he originally raised on the adjournment matters that are not the province of this Government. He is attempting to bring into this debate matters that are clearly within the province of the federal Government. The Leader of the Opposition has said that the State Government is impinging on a matter that is the sole responsibility of the federal Government. A number of rulings by former Presidents of this Chamber indicate that discussions on a motion to adjourn the House are, by their nature, irregularities. However, a great deal of latitude in this respect has been given not only in the Parliament of the United Kingdom but also in both Houses of this Parliament. It has been held that the only matters proper to be raised on a motion to adjourn the House are those in respect of which an administrative act can be exercised by the Government of the day. I take the view that what the Leader of the Opposition is seeking to introduce is outside the purview of this debate; it is the sole responsibility of the federal Government. I entreat the Leader of the Opposition to proceed no further.

The Hon. M. F. WILLIS: Mr President, may I assume from your ruling that you require me to speak no further on the motion to adjourn the House?

The PRESIDENT: I thought my intentions were clear. On numerous occasions I have examined rulings of former Presidents of this House on matters pertaining to a motion to adjourn the House. A member speaking on such a motion must deal with something that can only be dealt with by an administrative act. This Government can execute no administrative act that would give effect to what the Leader of the Opposition has said.

The Hon. M. F. WILLIS: Mr President, with great respect to you, the point of what I have been trying to put is that this Government has indicated publicly that it intends to provide funds for a certain purpose. In this debate on a motion to adjourn the House, I am requesting the Government, by an administrative act, to reverse its decision. I am in the process—if I have your permission to continue—of putting the reason why I believe it is incumbent upon the Government to consider taking administrative action to reverse the decision it has already indicated it has taken.

The PRESIDENT: The Leader of the Opposition is anticipating a proposition that may come before the House. A number of decisions have been made to the effect that one cannot anticipate something that may come before the House. At this stage, the question before the House is, That this House do now adjourn. That is the only motion upon which the House can reach a conclusion at this stage.

The Hon. M. F. WILLIS: Mr President, with great respect, I am seeking a change in action taken by the Government. You have clearly indicated your opinion and, out of respect for you, I shall abide by it. However, in doing so, I indicate that I hope that the Government and the House will give consent to a procedure I shall introduce next week to air this matter fully.

Motion agreed to.

House adjourned at 5.25 p.m.
