

HOUSE OF ASSEMBLY.

Wednesday, September 19, 1956.

The SPEAKER (Hon. B. H. Teusner) took the Chair at 2 p.m. and read prayers.

QUESTIONS.

YOUTH ORGANIZATIONS.

Mr. TAPPING—On September 4 I asked the Premier a question concerning subsidies for youth organizations. Has he a reply?

The Hon. T. PLAYFORD—During 1955 the income of the National Fitness Council of South Australia was made up as follows:—

a. Annual Commonwealth grant ..	£5,742
b. State grant	£4,500
c. Income from hire of camps, youth hostels and promotional equip- ment together with leader train- ing course fees	£1,816
	<hr/> £12,058

From this total, amounts were set aside for grants to:—

a. Voluntary youth organizations ..	£438
b. Local National Fitness Committees	£654
c. Sports organizations	£150

The Port Adelaide project, as it is sponsored by the Port Adelaide City Council, would be entitled to assistance from the £654 for local National Fitness Committees. During 1955 payments under this heading were made to nine committees.

PORT ADELAIDE WOOL STORAGE.

Mr. BOCKELBERG—Recently the *Yandra* arrived from the far West Coast with 2,500 bales of wool which were unloaded, but a considerable amount was dumped on the wharf in pools of water. When the firm concerned came to remove the wool it discovered that water and rain had affected 1,600 bales, which represented about £150,000 worth of wool. Will the Minister representing the Minister of Marine ascertain whether the *Yandra* can unload at a wharf where there is a shed, or, if not, can the wool be covered to protect it from the rain?

The Hon. B. PATTINSON—I shall be pleased to refer the matter to my colleague and let the honourable member have a reply as soon as possible.

MOUNT MEREDITH ESTATE.

Mr. HARDING—Can the Minister of Lands indicate the position concerning the settlement of Mount Meredith Estate?

The Hon. C. S. HINCKS—This is an area of about 1,600 acres which was purchased for soldier settlement, but because of the extremely wet nature of the country the Lands Development Executive has not yet commenced development. I anticipate that a drainage system will be installed, after which the area will be developed for soldier settlement.

DISMAL SWAMP DRAINAGE.

Mr. FLETCHER—This has been an exceptionally wet winter and has resulted in a considerable flow of water on to the Dismal Swamp area. Can the Minister of Lands say whether anything further has been done about draining that land?

The Hon. C. S. HINCKS—The honourable member has asked this question on three or four occasions. We were recently advised by the Victorian Government that its officers would confer with South Australian officers and a meeting has been arranged for October 2-3 in Melbourne. Mr. Anderson, chairman of the South-Eastern Drainage Board, and Mr. Johnson will represent this State.

INDUSTRIES FOR ELIZABETH.

Mr. DUNNAGE—Has the Premier a reply to the question I asked on September 5 concerning industries for Elizabeth?

The Hon. T. PLAYFORD—So far, General Motors Holdens, Clyde Industries, Fairey Aviation, Philips Electrical Industries, Nursery Supplies and Combe and Kramer have taken up sites at Elizabeth. There are several other industries interested in sites and inquiries are being received weekly.

MURRAY RIVER FLOOD RELIEF.

Mr. STOTT—As a result of the flood much damage has been caused in the Pyap area. This is not a Government irrigation scheme, but is operated by a trust which has lost its pumphouse. Representations have been made for a drain to connect the existing irrigation channels to a new pumping line, but the irrigation officers have suggested that the trust should approach banking authorities to secure the necessary finance for that purpose. I point out that in the Government irrigation areas the pumping houses will be put in order, but under a private or trust scheme they will not be. Unless growers at Pyap can get water on to the vines on the highland they will suffer serious losses. Will the Premier consider the application to finance the building of a drain into their existing channels with flood relief money?

The Hon. T. PLAYFORD—I will have the matter examined and advise the honourable member.

Mr. LAUCKE—As the magnitude of the rehabilitation requirements of flooded Murray River areas, may be well beyond the Commonwealth and State resources, will the Treasurer consider the flotation of a loan for the specific purpose of rehabilitation on favourable terms of repayment by flood victims?

The Hon. T. PLAYFORD—I presume the question relates to a loan to be raised by this State by public subscription. If that is so I point out that under the Financial Agreement this State has no borrowing powers whatever, except through the Loan Council. It is not constitutionally possible for the State to float a private loan on the market. I assure the honourable member that the Loan Council will be approaching the market for the utmost money it can supply this year. The flotation of loans is not the problem; it is getting subscriptions to the loans offered to the investing public. In this regard South Australia has a good record, but the fact still remains that the amounts provided by the market this year are below those already approved by the Loan Council.

Mr. KING—Yesterday I asked the Premier a question about the operations of some of the committees that have been set up to deal with problems arising out of the Murray River flood. Mr. Arthur Gordon is chairman of a flood liaison committee to deal with the assembling of machinery and manpower in combating the flood. Then there is a finance committee to assist local government bodies fighting the flood. It works through the Treasury and administers Government funds and approves certain expenditure. Then Sir Kingsley Paine has been authorized to deal with matters of distress arising out of the flood and subsequent rehabilitation. We have also a State Irrigation and Drainage Committee. The local government bodies have fought the flood strenuously. Some of them have been successful, others not so successful, but they have reached the stage where they are a little uncertain as to the way they should go. Their foot-steps were firm up to the crisis, but they are now wavering, and they need further direction as to what they can do with safety, bearing in mind that we do not know how much money we shall have to spend. Will the Premier consider redefining the duties of the committees set up and perhaps fix some order of priority so that the local government and irrigation authorities will know how far they can proceed in the

preliminary matter of meeting contingencies arising out of difficulties caused by the flood?

The Hon. T. PLAYFORD—As to the way local authorities shall go, no local authority can spend money on the assumption that it will be automatically refunded by a Government activity. The amount of money available to the State in connection with this enormous amount of damage will be relatively small. Whatever claim we can get acknowledged by the Commonwealth, and however generous the public may be, and considering the amount the State has provided, which was the limit, the amount available will still fall far short of the total claims that will be made. Probably in the final analysis it may not exceed 20 per cent of the damage done. It is obvious that anyone who assumes that the funds available will automatically clean up everything on behalf of everybody will find ultimately that that assumption cannot be sustained. I suggest that local authorities having a problem similar to that mentioned by the honourable member for Ridley in connection with Pyap send it along and it will be examined immediately to see to what extent help can be given. The formulation of any project, therefore, should be in the hands of the local authority, who knows where the shoe is pinching most at the particular time, and if it is sent to Sir Kingsley Paine it will be promptly dealt with: it will be rejected, or wholly or partly accepted. No authority should spend any money unless it is either willing to foot the bill itself or the expenditure has been approved. Any urgent problem falling within the ambit of relief work and sent to Sir Kingsley Paine, care of the Lands Department, will be examined by the appropriate officers, and within the limits of finance prompt decisions will be made.

Mr. SHANNON—The Premier has rightly admitted that the problem facing this State is one beyond our financial resources, and I suggest to him that at the next Premiers' conference he raise the possibility of this State's being granted the right after the Commonwealth Government has been on the loan market and secured all the money it considers is available, to float a loan in South Australia for the specific purpose of rehabilitating the flood damaged areas. I am a strong believer in the patriotic sentiments of South Australians, of which we have strong evidence in the result of the present Lord Mayor's Flood Relief Appeal, for nobody expected that that appeal would be supported so wholeheartedly by such a wide field. A

local loan floated for this specific purpose would probably bring in money not normally contributed to Commonwealth loans. Will the Treasurer consider this suggestion?

The Hon. T. PLAYFORD—That is in accordance with what I believed the question of the member for Barossa to be, and it was that question I was answering. This State, however, is forbidden by the Commonwealth Constitution to raise any loan, not even with the permission of the Loan Council. The only loans that may be raised in Australia on behalf of the States are those raised through the Loan Council by the Commonwealth Government and approved unanimously by all States. Public support of ordinary Commonwealth loans will have results for South Australia but, under the Constitution, we would get only our share of the money raised. Regarding the general position, the Loan Council has already approved of advances to the States this year on the basis of loans totalling £190,000,000, and up to the present one loan of about £30,000,000, which I think was oversubscribed by £1,000,000, has been raised towards that, but for the full year probably only £100,000,000 will be raised. I assure members, however, that the loan market will be visited again and again. Only this morning I telegraphed approval for an interstate semi-governmental loan (No. 365) for this year.

MAIN NORTH ROAD.

Mr. COUMBE—The Main North Road which passes through part of my electorate is considered by authorities to be one of the busiest roads in this State because it is the principal outlet for most of the traffic to the north. In the next few years the volume of traffic will certainly increase, particularly as more semi-trailers are used. I draw the Minister's attention to Prospect Road, which runs parallel with the Main North Road, but which comes to a dead end at Grand Junction Road, Kilburn. Will the Minister of Education draw the attention of his colleague, the Minister of Roads, to the fact that this road could provide an additional outlet to the Port Wakefield road, which is now Highway No. 1, following the connection through from Port Wakefield to Redhill and up to Port Pirie and Port Augusta? This extra outlet could be provided if the Prospect road were extended through some stock paddocks to the vicinity of the Cavan Arms Hotel. Will the Minister take up the matter with his colleague to see if it is practicable to extend the Prospect road in this way?

The Hon. B. PATTINSON—Yes.

MILANG JETTY.

Mr. JENKINS—A fortnight ago I visited the Milang area to look at flood damage, and amongst other things I found that the jetty had been washed away except for a few piles. Recently the Minister of Works approved of repairs being made to the jetty, but in view of the extensive damage now done by the flood will the Minister consider reconstructing the jetty, or at least a portion of it?

The Hon. B. PATTINSON—I will be pleased to refer the matter to my colleague.

FRANKTON BUS ROUTE.

Mr. HAMBÖUR—Will the Minister of Education take up with the Minister of Roads the question of the Frankton bus route? I do not think there is any need for me to give the details. I seek support for financial assistance for the necessary bus route to be put in operation.

The Hon. B. PATTINSON—Yes.

TRAFFIC ACCIDENTS AND POLICE REPORTS.

Mr. MILLHOUSE—On August 14 I asked the Premier a question regarding the supply by the Police Department of reports of road traffic accidents. I understand that since then there has been some liberalizing of the conditions under which the reports are made available to legal practitioners and others. Can the Premier say if that is the case and, if so, what are the present arrangements?

The Hon. T. PLAYFORD—I took up the matter with the Chief Secretary, and the Commissioner of Police now advises that the matter was considered recently by the Crown Solicitor. As a result, steps are being taken to enable certain information from police reports to be supplied to solicitors, insurance companies and other interested parties.

REAR REFLECTORS ON MOTOR VEHICLES.

Mr. QUIRKE—Recently on a number of occasions while driving at night I have narrowly avoided an accident only because the brakes of my car were effective. Two occasions concerned motor cycles and another a utility, all without tail lights showing. I choose to believe that in every case the drivers were unaware that their tail light was out, but in one case a motor cycle was equipped with a luminous strip that reflected the light from my car and overcame the obvious disadvantage of not having a tail light. As I understand that in some other States the provision of such a strip has been

made compulsory, can the Treasurer say whether a similar provision has been considered in this State?

The Hon. T. PLAYFORD—I do not know whether the honourable member suggests that these strips take the place of the compulsory tail light?

Mr. Quirke—Not at all.

The Hon. T. PLAYFORD—At present a tail light is compulsory and, if the police catch any vehicle without one, appropriate action is taken under the Road Traffic Act. As far as I know the strips frequently used on motor cars, motor cycles and trucks are purely a voluntary effort to avoid accidents and have no legal significance under this Act. I do not know whether the honourable member suggests that a luminous strip as well as a tail light should be made compulsory, but if that is so, I personally think it unnecessary.

CRASH HELMETS FOR MOTOR CYCLISTS.

Mr. QUIRKE—I have been greatly concerned, as I am sure all other members have, at the fatality rate among motor cyclists. I understand that in England the rider of every motor cycle is made conscious of his responsibility for his own life by wearing what is there called a "skid lid," an appropriate name for a crash helmet. Further, I understand that there are proposals here to make the wearing of crash helmets compulsory. As most motor cycle fatalities are caused by fractured skulls or other head injuries, the compulsory wearing of such head protectors would be an advantage. Can the Treasurer say whether their compulsory use has been considered in this State, and if not, whether it will be considered in the light of the number of fatal accidents to motor cyclists?

The Hon. T. PLAYFORD—I will have the honourable member's question referred to the State Traffic Committee for report.

SEMI-TRAILERS ON MOUNT BARKER ROAD.

Mr. SHANNON—We are duly thankful for the work being done on widening the section of the Mount Barker Road from the bottom of Eagle-on-the-Hill to Crafers, but from the Big Gum Tree, Glen Osmond, to the approach to Eagle-on-the-Hill there are a number of blind corners, and this is one of the worst sections on the road. These corners have been protected by double lines, but big semi-trailers, mostly interstate transports, have to put their front wheels over the double line to get the rear wheels to clear the inside

of the road. I use this road regularly, and frequently on-coming traffic has to stop while the semi-trailer moves away over the double line to get back to its right side of the road. I raised this matter on one occasion before the State Traffic Committee, but could not convince the committee that this actually happened. The committee did not think the front and rear wheels would be so far out of track on these bends, but I assure members that what I am saying is correct, for sometimes they overlap the double line by 4ft. Big vehicles carrying telegraph or stobie poles are piloted through the hills, and I ask the Minister representing the Minister of Roads whether he will consider the piloting of long semi-trailers to overcome the risks now being run by general road users?

The Hon. B. PATTINSON—Yes.

LOCAL BORROWING.

Mr. DUNNAGE—Is there any maximum or minimum amount that local government authorities may apply for in raising loan money, and do they have to apply through the State Treasury or the Federal Treasury?

The Hon. T. PLAYFORD—Under the Constitution State Governments may borrow money only through the Loan Council, and the Commonwealth is the loan raising authority. Not long after the Loan Council was established some States conceived the brilliant idea that by creating semi-governmental authorities they would be able to raise money through them as well as through the Loan Council. This matter was considered by the Loan Council, and it was agreed by all States that not only would the official loans of the States be subject to the approval of the Loan Council, but that semi-governmental authorities would have to get its approval to borrow money, and that the Loan Council would exercise the same oversight over their loans as regards interest rates, the duration of the loan, conditions of repayment, conditions of underwriting, and all the other features of loans.

South Australia has never been a large semi-governmental borrower. In the first place, the Local Government Act places considerable restrictions upon councils, for they have to get the approval of their ratepayers before going ahead with projects involving much borrowing. Secondly, it has been the practice of this State to provide for semi-governmental loans through the State's loan programme, and this has the advantage of getting the sinking fund contributions in respect of those loans paid by the Commonwealth.

COUNTRY WATER SUPPLIES.

Mr. HAMBOUR—Has the Premier any information to give the House with regard to water supplies for Manoora, Waterloo and Black Springs?

The Hon. T. PLAYFORD—I have received the following report:—

Investigations have been made and alternative schemes designed for a water supply to this area from the Morgan-Whyalla pipeline. In each case it would be necessary to pump the water. The Engineer-in-Chief considers that the most satisfactory proposition (and the least unfavourable in regard to capital and annual costs) would be a scheme which provides for a pumping plant at No. 4 pumping station, from which water would be pumped to a tank and reticulated therefrom to the areas requiring a supply. The cost of the proposal (1955 estimate) using cement-asbestos pipes where practicable would be £388,000. Annual operating expenses would amount to more than £23,000 while revenue would be approximately £5,000 per annum, leaving an annual deficit of over £18,000.

A total of 156 farms, aggregating 55,000 acres would be served by the scheme, and to meet working expenses and interest on capital at 2½ per cent, the average contribution required from each farm would exceed £86 per annum. Even if rating at 1½ times the ordinary country lands scale were agreed to, revenue would still fall far short of annual operating expenses and interest. One of the big difficulties associated with this scheme is that for a return of even 2½ per cent, consumers would be entitled to a total allowance of 77,600,000 gallons of water per annum, whereas the cost of the scheme is based on a design to supply less than one-half this amount, viz., 37,500,000 gallons per annum for stock and domestic purposes. If, therefore, ratepayers used their full water entitlement, or a major portion of it, for growing lucerne and other farm projects, it would inevitably happen that the scheme as designed would be in immediate difficulties. In view of the unfavourable financial position, the Engineer-in-Chief does not desire to recommend the heavy expenditure involved. The matter has not received consideration by Cabinet. There is no financial provision for the scheme on this year's Estimates.

COUNTRY ELECTRICITY SURCHARGES.

Mr. JENKINS—Two days ago I read a statement that the Electricity Trust had achieved a profit of £400,000 for the past year, and I ask the Treasurer whether a portion of that sum could be applied towards a reduction in surcharges on electricity tariffs in the country?

The Hon. T. PLAYFORD—No. The position has been continually under observation and I made a full report on it to the House. Members may read my remarks in *Hansard*, but at present the trust is running into additional interest costs and it desires to avoid

putting up the tariffs generally throughout the State. It is not in a position to subsidize extensions more heavily than at present.

COURSING RESTRICTION ACT
AMENDMENT BILL.

Mr. JENKINS (Stirling), having obtained leave, introduced a Bill for an Act to amend the Coursing Restriction Act, 1927. Read a first time.

INDUSTRIAL CODE AMENDMENT BILL.

Second reading.

Mr. O'HALLORAN (Leader of the Opposition)—I move—

That this Bill be now read a second time.

This is a short Bill providing for the repeal of the penal provisions contained in sections 99 to 119 of the Industrial Code. These sections constitute Part VIII of the Code and provide penalties for strikes and lock-outs. At the outset, I want it to be clearly understood that the Labor Party's policy is arbitration and conciliation; but at the same time we believe that in the absence of a just system of settling disputes—and it is problematical whether a perfectly just system can be devised or at all times implemented—a workman should not be penalized for withholding his labour if he would otherwise be compelled to submit to unfair conditions of employment. It must be remembered that a workman has only his labour to sell, and in the last resort he should retain the right to strike.

A lock-out was originally regarded as being the logical and natural counterpart of a strike; and it was apparently so regarded at the time when Part VIII of the Code was enacted. Thus it is only logical to provide also for the abolition of penalties in respect of lock-outs. Part VIII was included in the Statutes in 1912. There was considerable Parliamentary action at that time concerning the question of conciliation and arbitration. In 1911 a Labor Government, led by the Hon. John Verran, introduced a comprehensive Bill dealing with this subject. If some members engage in research they may find that the provisions of the Bill introduced by the late Hon. W. J. Denny, Attorney-General in the Labor Government in 1911, were somewhat similar to those in the Bill and were implemented by a Liberal Government—in which the Hon. H. Homburg was Attorney-General—in 1912. I mention this to point out the

great difference between the penalties provided in the Labor measure of 1911 and those provided in the 1912 Bill, which still remain part of the Industrial Code. In the Labor Bill the only penalty provided in the case of either a strike or lock-out was a monetary one, but in 1912 the then Liberal Government introduced a new principle by providing imprisonment as an alternative to a monetary penalty. That provision was strenuously resisted by the industrial movement at that time and has been opposed by it ever since. The Opposition does not believe that a worker who refuses to sell his labour under unjust conditions should be regarded as a criminal and punished as such.

The penalty provided for "doing any act in the nature of a strike" is a fine not exceeding five hundred pounds in the case of a union or association, or imprisonment, with or without hard labour, for a term not exceeding three months in the case of an individual. The penalties for lock-outs are the same. The penalty for "picketing" is a fine not exceeding £20 or imprisonment not exceeding three months; while for disobeying any injunction granted following a conviction in respect of a strike or a lock-out an individual may be imprisoned for up to six months and an association may be fined £500.

Section 5 of the Industrial Code defines a "strike" as:—

The act of any number of employees, who are or have been in the employment either of the same employer or different employers, in discontinuing that employment or any work or kind of work connected therewith, whether wholly or partially, or in breaking their contracts of service or in refusing or failing after any such discontinuance to resume or return to their employment or any work or kind of work connected therewith, the said discontinuance, breach, refusal or failure being due to or in pursuance of any combination, agreement, or understanding, whether expressed or implied, made or entered into by the said employees with intent—

- (a) to compel or induce any such employer to agree to terms of employment or comply with any demands made by the said or any other employees and whether such other employees are employed in the said State or not; or
- (b) to cause loss or inconvenience to any such employer in the conduct of his business; or
- (c) to incite, instigate, abet or procure any other strike; or
- (d) to assist employees in the employment of any other employer (whether such other employer carries on his business or undertaking partly within and partly outside the State or wholly within or wholly outside the State) to

compel or induce that employer to agree to terms of employment or comply with any demands made by any employees.

Section 5 also contains the corresponding definition of "lock-out." It will be seen that, according to the Code, any strike is illegal and therefore subject to the penalties provided; and on this point it is interesting to note that the British Act of 1927, while providing penalties for certain strikes, differentiates between legal and illegal strikes. Section 1 of the British Act defines an illegal strike as one which has "any object other than or in addition to the furtherance of a trade dispute within the trade or industry in which the strikers are engaged" and which is "designed or calculated to coerce the Government either directly or by inflicting hardship upon the community". The Act goes on to define "trade dispute" as a dispute between employers and workmen (or between workmen and workmen) connected with the employment or non-employment or the terms of the employment or with the conditions of labour, of persons in a particular trade or industry. For the purposes of that definition the Act also provides that workmen shall be deemed to be within the same trade or industry if their wages or conditions of employment are determined in accordance with the conclusions of the same joint industrial council, conciliation board or other similar body, or in accordance with agreements made with the same employer or group of employers.

It would appear, therefore, that the British Act exempts purely industrial disputes, which may be expressed either as strikes or lock-outs, provided they are confined to individual trades or industries and are not generally called "sympathy" strikes or lock-outs, and provided, of course, they are not designed directly or indirectly to coerce the Government. Our Industrial Code, on the other hand, declares any strike or lock-out to be illegal. As I have said, lock-outs were originally considered to be the natural counterpart of strikes. That was a long time ago, however, and while, logically, they may still be regarded as such they have not been resorted to, in actual fact, for many years. Employers have, of course, threatened to "do an act in the nature of a lock-out" from time to time and have taken court action as a means of preventing or breaking a strike. Whereas there are numerous instances of the imposition of fines on individual employees and on unions arising out of strikes there

are very few of the corresponding imposition of fines in respect of lock-outs. The most recent instance is the case in which the Plasterers' Society was fined £75. A direction by the executive of that society to the effect that solid plasterers were not to work for employers paying less than 9s. 3d. per hour was deemed to be an action "in the nature of a strike."

It is obvious that whilst the present penalty clauses of the Industrial Code remain it is comparatively simple to prove that action taken by a group of workers is in the nature of a strike. It is difficult to defend action taken under this provision, but with employers who might be charged with having caused a lock-out the position is different because they are fortunately in control of their businesses and for reasons which cannot be considered to be illegal can close them down to the detriment of their employees. Resort to lock-outs is, of course, far less likely and far less practicable than resort to strikes, and for that reason employers run little risk of exposing themselves to the penalties provided in the Industrial Code than do employees.

It has been contended that under a system of arbitration and conciliation, such as we have in South Australia, there should be no cause for strikes; although I would say in passing that it is sometimes necessary for employees to strike before a dispute is deemed to have arisen and before the machinery provided by legislation commences to move. The theory of our arbitration and conciliation system is that industrial justice is done through the various agencies, such as industrial boards, the Board of Industry and the Industrial Court; and we on this side of the House have repeatedly attempted to improve the Industrial Code in order to render those agencies more effective in this respect.

Despite our efforts, no important amendments have been made to the Industrial Code in the last 30 years, which is to the everlasting shame of this Parliament and the Liberal Party, which has always dominated it for during that period Labor has had a majority in this House on only three occasions and then was subject to decisions by the Liberal Party in another place. I have supported Labor Governments in this House in days gone by. I remember the Gunn Labor Government introducing comprehensive amendments to the Industrial Code designed to improve it in the light of the experience gained between 1912 and 1924. Some machinery amendments

were agreed to but the main provisions were not changed. We frequently urge people to improve their means of production, yet we have made no effort to bring our industrial machinery up to date. That is not the purpose of this Bill but I refer to it because the penal clauses have been in the Act for 44 years and are now due for an overhaul. The most satisfactory method of overhaul is their elimination from the Act.

When the system of arbitration was introduced—and I make no apology for the fact that it was introduced by a Labor Government many years ago—it was thought that it would be efficient as well as effective. But the confidence then expressed has since been shown to be idealistic rather than justifiable. That is not to say, of course, that the whole arbitration machinery should be scrapped. The fact that there have been strikes at various times since its adoption merely proves that it is not entirely adequate and that there is still scope for strikes.

We might go so far as to say that only if our arbitration system were perfect would strikes be unjustifiable. The Industrial Court has become an institution befogged with the subtleties of legal argument; and if the criticism implied in the expression "the law's delays" was originally meant to apply to the processes of chancery, it now applies with even greater force to the processes of industrial arbitration. There are other features of our industrial system—relics of the past—which are still being retained not to serve industrial justice but to obstruct it.

The reactionary policy expressed in the recent arbitration legislation passed by the Federal L.C.P. Government—not to mention the fact that the person responsible for it has been appointed Chief Judge of the newly constituted Court—is another cause of industrial unrest taking the form of strikes. Still another is the vacillating policy of the old Arbitration Court in freezing the basic wage, thereby denying or intending to deny wage justice to all workers in Australia.

In further amplification of what I have said about the confidence with which the Labor Party approached the matter when it introduced its Industrial Arbitration Bill in 1911, I desire to quote from the speech delivered by the late Hon. W. J. Denny, who was then Attorney-General in the Verran Government:—

It is a truism that war is a barbarous method of settling international differences; and it is a truism also that the strike is a barbarous method of settling disputes between employer and employed. But just as no

nation dares safely to throw away its arms unless indubitably assured of some independent tribunal empowered to adjudicate upon international differences, and empowered at the same time to enforce its decrees, so labor dares not throw away the right to strike unless assured of an independent tribunal to which its claims can be submitted with confidence Speaking generally, it may be said without fear of contradiction that every amelioration in the lot of the worker has been accomplished by means of strikes or threatened strikes. To throw away such a weapon without securing reasonably satisfactory substituted protection would be madness on the part of the workers. But, with all its disadvantages, the strike, apart from the slow method of remedial industrial legislation, is the sole effective protector of labor against the consolidated power of capital.

We have heard much about the necessity for better employer-employee relationships and I agree with the fine sentiments expressed from time to time by those desiring to secure such relationships; but if we are to improve them we have to view the employees' interests from a more humane viewpoint than we have done in the past. We must recognize that the employee is a human being the same as the employer, and that if we want to inculcate the spirit of co-operation between employer and employee it must be done by the true process of conciliation and not backed by the iron fist of a gaol term if the workers are not satisfied with the conditions offered them.

The Hon. T. PLAYFORD secured the adjournment of the debate.

FEDERAL CONSTITUTION.

Adjourned debate on the motion of Mr. O'Halloran—

That in the opinion of this House it is desirable that the Premier should approach the Premiers of the other States with a view to arranging for the submission to the Commonwealth Government of a joint request by the Premiers of all the States for the representation of each State, on the basis of one representative of the Government and one representative of the Opposition, on the Constitution Committee now considering proposed amendments to the Federal Constitution.

(Continued from September 5. Page 540.)

Mr. DUNSTAN (Norwood)—The debate on this motion has taken a somewhat strange course, for the Premier would have us think that he believes in some form of constitutional reform, but that the activities of the committee did not suit him. Analysing the activities of the committee, he says it is inevitable that it will bog down, for there will be a clear divergence of opinion about what should be done about Commonwealth powers and the

only thing the committee is likely to achieve is some kind of discussion on a Senate deadlock. He considers, however, that that is a purely domestic issue for Federal Parliamentarians and that therefore no useful purpose could be served by our participation in the committee's work.

It is not true, of course, that the committee is only discussing matters of domestic interest to Federal Parliamentarians; in fact, I have been informed by some committee members that in preparing its agenda the committee has gone fully into matters likely to come up for discussion relating to changes in the Federal Constitution. Various sections of the Constitution have been discussed and further items placed on the agenda for discussion. It is vital for Australia's good government that we discuss the amendment of the Federal Constitution because the whole history of the Constitution has made it perfectly plain that federalism in Australia has been a dismal failure. In fact, it is no longer real federalism here: Professor Wheare calls it quasi-federalism. Indeed, because of the integrating of Australia's economy that has naturally taken place with development there has inevitably been a centralizing of powers.

The people requiring the maintenance of State powers today are not those who really believe in government at all. I suppose an argument may be advanced by people such as Professor Bland, the leading protagonist for the maintenance of State powers in Australia and of the original compact; but his attitude to politics is simply that we must maintain the original nineteenth century liberal idea that to govern better is to govern less, that in fact the less Government intervention there is the better, and that the best way to ensure the least Government intervention in the political and social life of the country is by maintaining State rights under the original Federal Constitution, but this means that modern Governments are unable to carry out the duties obviously devolving on them if they are to maintain the welfare of their peoples.

Professor Dicey wisely said that a Federal Constitution means divided allegiance, weak government, the predominance of legalism, the strengthening of conservatism and insufficient flexibility for the purpose of good government of the people. All those things have flowed from our Federal Constitution. In fact, members opposite often fail to realize the inevitable concomitants of federalism when

they talk about maintaining the nineteenth century *laissez-faire* ideal. Many of them talk about it at one stage and then contradict their statement in the next breath. Only yesterday we had from the member for Burnside (Mr. Geoffrey Clarke) one of the best arguments I have ever heard against Liberalism. The very foundation of Liberalism is the maintenance of as little government as possible, simply using it as a police power and nothing more, but that goes by the board once you eliminate perfect competition, and Mr. Clarke made clear to his colleagues what had been perfectly clear to members on this side from their cradles—

The SPEAKER—The honourable member must not refer to another debate in the same session.

Mr. DUNSTAN—Members opposite may learn, if they wish to do so, by reading elsewhere some excellent comments made by a member on the opposite side of the House who told his colleagues what Labor members have known since their cradles: that perfect competition has gone down the drain and will never be restored. Today the Government's concern, therefore, must not be merely to keep the ring, but to take the necessary action to see that justice is done in every sector of the economy. In certain sectors, despite the lack of competition, the social needs of the people may be met, but that will not be necessarily so and Governments must be free to take the necessary action to see that justice is done to its people. Yet under a federal form of government today no Government has adequate powers to cope with an economic emergency in Australia.

As Professor Greenwood (History Professor at the Brisbane University) has wisely pointed out, few Parliamentarians today seem to appreciate sufficiently the extraordinary emergency facing Australia. If our wool market were to collapse tomorrow we would be faced with a situation which no Government could take the necessary action to cope with. We would have 1929 all over again and our hands would be tied. No member of this or the Federal Parliament could take any effective action, for the economic measures that have been shown to be necessary by modern economists cannot be taken under our Federal Constitution.

Mr. Millhouse—What measures cannot be taken?

Mr. DUNSTAN—We cannot take measures of central economic planning; we can do no more than use budgetary control, which is quite

inadequate to meet an emergency of the type I mentioned. In fact, we have no enhanced powers other than those possessed by the Federal Parliament in 1929. Under the circumstances I have mentioned we would have to have a tight economic control over Australia if we wished to return to stability and to see at the same time that justice was done to all sections. Yet we could not do that because it would require the same tight economic control that was exercised during the war and the Federal Constitution does not provide for the handing over to the Federal Parliament in a peace-time emergency of the same powers that it has in a war-time emergency. We would be faced with a situation that would be appalling, and it would be a long time before we could do anything about it. The plain fact is that if we are to have effective government here we must have greater Commonwealth powers. It is about time we got down to considering what greater Commonwealth powers we should have short of unification, although I believe that ultimately effective unification will be forced upon the Australian people with some form of decentralized local government, subordinate legislatures to bring the Government as close as possible to the people.

Mr. Millhouse—What do you mean by "ultimately?"

Mr. DUNSTAN—I do not know when that time will come because I do not know when it will be brought home sufficiently to the people that that is what is needed. I hope and pray that they will realize it before they are overtaken by some economic disaster that forces them into that opinion. I also hope that members opposite will examine the position and inform the people of the situation, for what are the alternatives? The alternative advanced by some members opposite, and particularly espoused by the Premier (although he knows he will never get a chance to put it into operation) is the return of taxing powers to the States. No-one can say that the present system of government is satisfactory under which taxes are raised by people who are not responsible for spending the money. Every State Premier protests about the system, and every State member of Parliament must protest about it too, for it places State Parliaments in an impossible situation. This is only natural because we have no longer the basis upon which the Federal system can work satisfactorily.

What would happen if the States' taxing powers were returned to them? In an emergency how in the world could effective economic measures be taken when there were seven different State taxing powers? Budgetary controls are not the only means; in fact, they are quite inadequate by themselves to deal with a situation of economic emergency, but they are a *sine qua non*. We must have effective budgetary measures to deal with an economic emergency, and the only way to get them is to have one policy-making body, but what happened in the days of the Premiers' Plan? What would happen if we had another economic emergency? We would have a Federal Government that might take measures in a situation of economic emergency which required no extension of taxation, for that might be its over-all view of dealing with the situation. However, the States would be charged with maintaining their services and might well choose to increase their taxation to do so. There will be no guarantee that the States could co-operate and arrive at a uniform decision. Let us consider what happened recently in Canberra. There was a great beating of drums when the Federal Treasurer summoned the State Premiers to a conference. We were to hear of a great economic plan to cope with the present alarming inflationary situation, but what happened? The conference was a miserable fiasco, and nothing could have been more abortive. Unfortunately, the Federal Treasurer himself had nothing concrete or sensible to put forward, but even if he had there was no indication that the State Premiers would agree, and we should have a similar situation facing us in an economic emergency.

What happens now that the Labor Party here asks the Government to participate in a committee comprising members from both sides of the Federal House and which is trying to get down to some fundamental thinking about the Federal Constitution? All the Premier can say is, "I do not think it will amount to much, so we will not take part." Actually, that was not his reason for opposing the motion. The basic fact is that he does not want greater Commonwealth powers, for while he is quite prepared to intervene in South Australia in many parts of our social and economic life to do justice as he sees it, nevertheless, basically he is wedded to the principle of non-interference by Governments, and therefore he remains a rabid States' righter because the only basis of States' rightsism these days is not decentralization, for decentralization under the States is laughable. We get no effective

decentralization but over-centralization in each State capital city, and there can be no better example than the city of Adelaide. We have the greatest degree of centralization possible in a city, but we would get far greater decentralization if we had subordinate legislatures much closer to the people than this Parliament.

I urge members opposite not merely to take the word of the man who stands as their Colossus in this place and listen to the master-mind saying, "We cannot do anything about this because I am not interested." I urge them to exercise their own minds because this motion concerns everyone of us. If they vote against the motion and later have to face an economic emergency without power to do anything about it they will have a heavy burden on their conscience. I urge all members to support the motion.

Mr. MILLHOUSE (Mitcham)—I have a great deal of sympathy with the principle behind this motion, the principle that there should be some reform of the Commonwealth Constitution, but this motion goes about it the wrong way. My sympathy for the motion does not stem from the same causes as those which have obliged the Opposition to bring it forward. I believe the Opposition has brought it forward for two reasons: firstly, in its endeavour to drive a wedge between the Federal Government and the State Government and, secondly, in the fond hope that it may help the Labor Party towards its ultimate objective, which has been mentioned by the member for Norwood (Mr. Dunstan), of centralization and unification. Of course, I have no sympathy with those aims, but I have sympathy with the motion for just the opposite reason because I believe that Federalism is the form of government best suited to Australia and I want to see it continue and flourish. The essence of Federalism is that people in a particular locality feel that they have interests in common with those in a wider area, but at the same time they feel also that they have their own local community interest. That being so, government must be upon two levels.

Conditions in Australia warrant the continuation of Federalism, for three main reasons. Firstly, the diffusion of power in government is a safeguard to the liberty of the individual. The more we concentrate power in the hands of one Government the greater the danger to the liberty of the subject, and as a Liberal I believe we should be very tender in our regard for individual liberty. Federalism brings about

diffusion of government. Secondly, we have such vast areas and distances in this continent and the population is spread so unevenly that Federalism, or the Federal system of government, unwieldy though it may be, is a more efficient form of government than a unified Commonwealth could ever be. Thirdly, the six States that form the Commonwealth have a long tradition of responsible self-government going back, except in the case of Western Australia, for nearly 100 years. The various States have developed separate economic interests and local institutions and also, to a large extent, separate legal systems. In the interests of the people of Australia those traditions and interests should be maintained. However, and here I could not agree more with the member for Norwood, there is no doubt that the Federal system of Government is in a sick state.

It is undeniable that the balance of power between the Federal and State Governments has been upset over the last half century. It has been tilted heavily in favour of the Commonwealth and to the detriment of the States. It is not too much to say, as the member for Norwood said, that if we allow the position to drift as we have in the last few decades, within 10 or 15 years our Federal system will be a mere shell. State Parliaments may continue to exist in form, but every vestige of their power will have disappeared. They will become, as one person said, mere ghost governments, and that would be a disaster. How has this unbalance come about? To find the answer we must go back to the discussions of the Federal Conventions which were held in the 1890's, and which drew up the Commonwealth Constitution.

At that time practically all the delegates, from whatever political parties they came, were convinced of the virtues of *laissez faire* because that was the political tradition of those days. It is not surprising, though it may have been done unconsciously, that there has been written into the Commonwealth Constitution those political assumptions upon which the draftsmen acted. Those assumptions were formed and held by men who were not in sympathy with the aims of the Labor Party because, although this has not been mentioned in debate, the Labor Party took no part in the Federal conventions. At that time the Labor Party was not interested in Federalism or Federation, which was just as well. There was enough wrangling as it was, and had the Labor Party intruded into the

scene we would probably never have had a Federal Constitution.

Mr. O'Halloran—We would have had a better Constitution.

Mr. MILLHOUSE—I disagree. The Constitution is steeped in the political thinking of the 1890's and, for good or ill, our political thinking today is vastly different from that of those times. It is indeed fortunate that Australia's Constitution is not regarded as the sacrosanct document that the United States Constitution is.

Mr. John Clark—It is almost.

Mr. MILLHOUSE—I admit that it is difficult to alter, but that stems from the provisions of the Constitution itself. In America, of course, the Constitution is regarded as almost a holy document which should not be altered except under the greatest of stress or strain. In fact, it has been altered less than any other Constitution in the last 150 years. Whatever the cause may be, it is undeniable that our Constitution has definitely got out of balance for one reason or another. What are the forces that have caused the Constitution to lose its balance? Firstly—and members opposite have referred to this—there is the question of referendums. As the Leader of the Opposition said, there have been 26 referendums, 24 of which were to alter the Constitution, but only four have been approved by a majority of electors in the majority of States. However, that is one way in which the Constitution has been altered. Secondly—and perhaps this is a more important way in which the balance has been lost—we have the interpretations of the various sections of the Constitution by the High Court. Of course, one of the concomitants of any Federal Constitution—be it Australian, American or Canadian—is a certain tendency to legalism. A Federal Constitution must be rigid and must be written and, as a result, will be legalistic. The High Court judges cannot be blamed for the provisions in the Constitution that they have to interpret. They are simply doing their duty. The hard fact remains that the interpretations placed on various sections of the Constitution have led to an increase in the powers of the Federal Government at the expense of the States.

The third cause of the unbalance is the financial and legislative power contained in the Constitution and given to the Federal Parliament. I refer particularly to the loophole—or that is what I think it was—which allowed the Commonwealth Government to grab the

taxing powers of the State at the beginning of the last war. There is the financial supremacy of the Commonwealth through its legislative powers; the tremendous increase in power which has come about because of wartime conditions—in other words defence power; and there is the power the Commonwealth has over external trade. These factors have led to a strengthening of the Commonwealth's position at the expense of the States.

Of these factors, by far the most important for our purposes is the power the Commonwealth has gained in the realms of finance. It is undeniable that the Commonwealth now has a large measure of control over the actions of the various State Governments. "He who pays the piper calls the tune" is a true saying. The Commonwealth Parliament is becoming the supreme body in Australia because of the power of the purse strings and the States are becoming more dependent upon it. They frequently have to go cap in hand to the Commonwealth and every year the position becomes worse. It will continue to deteriorate unless something is done to alter the Constitution and to restore a proper balance between the Commonwealth and the States. One only needs to consider the number of times on which the Premier has had to confess that unless money was forthcoming from the Commonwealth something could not be done. I think that of the £60,000,000 expended by the State in the last financial year, one-third came directly from the Commonwealth Government, either under the provisions of the Financial Agreement, from income tax reimbursements or from the grants made as a result of the Grants Commission's recommendations. If it were not for Commonwealth assistance the State could not carry on. While this position continues the States are mere puppets of the Commonwealth.

I often compare the position of the Premier with that of Queen Victoria, and I am not being disrespectful to either of those persons. Queen Victoria was one of our most glorious monarchs and she occupied the throne longer than any other, but the power of the British monarchy never declined so much during any reign as it did during hers. Because of the matters I have been discussing I fear we may have a similar situation and the power of the Premier will never decline so much as from the time he took office until he relinquishes his position. That, of course, is not only the opinion of people engaged in State politics. In the June publication of *The Australian Quarterly*, Mr. W. C. Wentworth, M.H.R., in respect of uniform tax, stated:—

Uniform tax is still with us. The States, glad to escape the odium of imposing taxation are happy enough to accept the situation, though they maintain pro forma protests, and in the case of Victoria, the main milch cow for the claimant and under developed States, the protests may even be genuine. They are glad to see their deficits an automatic charge on Federal funds, while they have the added sanctimonious satisfaction of blaming them on Canberra which "starves them of money."

When referring to the increased powers of the Federal Government, he stated:—

By contrast, the State Parliaments faded into the background. Nobody could listen to them on the air, and few bothered to listen to them in the flesh. Their proceedings which once almost verbatim, had filled the columns of the press, were now almost unreported, except when scene or scandal rendered them memorable. Discouraged by the lack of popular attention, State politicians themselves lost some of the old enthusiasm. State capitals have become political villages and are in danger of becoming political deserts.

That article hurts, but the present position justifies those views. I believe that this is a bad thing for the people of Australia.

Mr. CORCORAN—How do you propose to alter it?

Mr. MILLHOUSE—I believe the only way to alter the position is by a wholesale revision of the Constitution and that can only be brought about by a properly constituted Federal convention. I do not believe that the method suggested by the Opposition could be effective. The Leader of the Opposition painted a rosy picture of co-operation between all parties for the good of the Constitution. He said:—

The first essential seems to be that both Parties in both the Federal and State spheres should go to the people with a proposal which has received their wholehearted agreement.

He did not say how that wholehearted agreement could be reached. This afternoon the member for Norwood (Mr. Dunstan) debated this matter. I agree with him that the Constitution needs revision, but on the one hand he wants to revise it so as to further increase the powers of the central Government while on the other I desire to redress the balance in favour of the States. If he and I—for the sake of argument—were the two delegates from this Parliament to the committee proposed in the resolution, we could never agree upon what we wanted. He would be running one way and I the other. The wholehearted agreement to which the Leader referred is an illusion. It is difficult to attain. I believe it will never be attained while a conference on the Constitution consists solely

of members of the various Parliaments of this country. The only way to do it is to have a full-scale Federal convention, which is already in the platform of the Party to which I belong.

Mr. Quirke—What are your ideas on how the convention should be constituted?

Mr. MILLHOUSE—I do not want to go into that now. I have some vague ideas at the back of my mind and I must confess I have not worked them out in detail.

Mr. Quirke—It is all-important.

Mr. MILLHOUSE—Yes, and it is something we should do quickly if our Federal system is to be maintained. A revision of the Constitution is absolutely vital, but I shall not support the motion because I do not think that doing it as proposed would do any good. A committee has been set up by the Federal Parliament, but if it is operating it is doing so in a most haphazard way. I do not know that it has held one meeting. When it was constituted I thought that it was an insult to the States that they had not been invited to participate, and I still hold that view. I do not think any committee composed solely of politicians from the various Parliaments would be effective, and for that reason I shall not vote for the motion. In April next year South Australia will celebrate with pomp and ceremony the centenary of responsible government in this State. The record of South Australia over the last 100 years is a very good one in this sphere, but the record of South Australia and the other States in the future will disappear altogether unless something is done quickly to redress the unbalance into which our Constitutional arrangements have fallen because responsible self-government will otherwise be dead within two decades.

Mr. FRANK WALSH secured the adjournment of the debate.

METROPOLITAN LOCAL GOVERNMENT ADMINISTRATION.

Adjourned debate on the motion of Mr. O'Halloran:—

That in view of—

- (a) the great and increasing problems associated with the construction and maintenance of roads, the provision of drainage, the control of transport and other functions of local government in the metropolitan area;
- (b) the financial difficulties encountered by the metropolitan councils in their attempts to solve these problems; and

- (c) The untoward consequences of the existing system of local government now obtaining in the metropolitan area—

His Excellency the Governor be requested to appoint a committee consisting of four members of the House of Assembly and three members of the Legislative Council for the purpose of investigating these matters and recommending such amendments of the Local Government Act as it may deem desirable for the better administration of the affairs of the metropolitan area.

(Continued from September 5. Page 550.)

Mr. TAPPING (Semaphore)—I support the motion which has no reference to a Greater Adelaide. It is obvious that Government members referred to Greater Adelaide rather than to the kernel of the motion, which provides for the setting up of a committee comprising four members of the Assembly and three of the Council. If that were done we can assume that most of the members of the committee would come from the Government side. There is no mention of a Greater Adelaide in the motion, but it is a plank of the Labor Party and we make no apologies for it. The committee could investigate whether something could be done to surmount the difficulties that will be encountered by councils unless action is taken to rectify the position. The 21 metropolitan councils have been trying to raise money per medium of loans to carry out capital works. The Port Adelaide municipality has made several attempts to raise loans and in the last two years in some instances the loan has been under-subscribed. A move is now being made by the Woodville Council through the Municipal Association to request the State Government to permit councils to go on to the open loan market like the Electricity Trust and the Gas Company. Today's *News* contains the following statement by a Woodville councillor:—

Our council feels we will soon have to go to the public for money for local government requirements.

The *News* said also:—

Councils are worried that their sources of institutional borrowing from banks and insurance companies are fast drying up.

This shows how necessary it is for a committee to be appointed. It has been suggested that Labor members have under-written the efforts of mayors, aldermen, and councillors. Some members of this House have been associated with council work. I served for six years with the Port Adelaide City Council and I know what its financial position was in 1946. It is now much worse. The Port Adelaide Council, like other councils, is finding it difficult to get

nominations for the positions of aldermen and councillors. For the first time for 47 years in 1955 all councillors at Port Adelaide were returned unopposed. It occurred again this year. This shows that people find it impossible to give the necessary time to council work and I can visualize the day when it will be difficult to get men to take an interest in council affairs. The Labor Party asks that the motion be carried so that a committee can investigate these things.

I am convinced that there is much amiss with councils. It is said that they have never approached Parliamentarians for this inquiry. Not one member of the Port Adelaide Council has opposed the motion. They have not approached me about supporting it, so because of their silence I take it they support it. They must realize there is good in it. There are too many metropolitan councils. If there could be an amalgamation the economy of the councils would be safeguarded. I suggest that four or five councils be zoned and then administration costs would be considerably reduced. Port Adelaide could combine with Woodville, Hindmarsh, Henley Beach, and possibly West Torrens. In these days it is costly to buy plant and zoned councils could buy it more cheaply than could five individual councils.

The Woodville council is talking about installing an incinerator, but the cost of £100,000 is beyond its financial resources. If five or six councils were combined and they bought one the position would be more satisfactory. Because of a shortage of incinerators the health of the people is jeopardized. In Port Adelaide there is a system of dumping rubbish and then covering it with earth, but that does not prevent rat infestation. The proposed committee could consider an amalgamation of councils by the zoning method, which would lead to a Greater Adelaide with greater economy. Amalgamation of Councils is not new. The *Centenary History of Port Adelaide from 1856 to 1956* shows that back in 1899 there was a Semaphore Municipal Council and a Port Adelaide Corporation. In those days the city fathers realized it was wrong to have two councils because the cost was too great for each of them. After much discussion by the members of the two councils in 1900 Semaphore and Port Adelaide amalgamated. The reasons for the amalgamation were solely economic.

As I am reminded by the member for Port Adelaide, there were councils at Alberton and Queenstown and they were amalgamated with the Port Adelaide City Council. Because of

the lack of finance and the difficulties associated with raising loans, roads and footpaths in many council areas are in a shocking condition. The councils are doing their best to patch them up, but they are only deferring the day when they will be faced with a huge expenditure. It may be that Federal and State Governments should advance money to councils and this is a matter that could be considered by the proposed committee. When I was a member of the Port Adelaide council there was difficulty in getting sufficient money through loans and the council had to resort to borrowing from its cemetery fund. Strange to say that was the only fund that was showing a profit. From time to time wards borrowed money from it in order to do important work. That money was paid back to the cemetery fund over a period of 20 years.

For many years I have been perturbed by the unfairness of the fire brigade contributions imposed on the 21 metropolitan councils and have often pointed out that the Port Adelaide Council is severely over-loaded financially in this respect. This year, as indeed was the case last year, that council will contribute £12,300, although the population of its district is only 38,000, whereas Unley, with a population of just over 40,000, will subscribe only £1,100. The councils that suffer because of this unfair system have protested over the years, but those favoured by the system are happy that it continues. Because councils cannot agree in this matter the Port Adelaide Council must suffer until the Government ensures a fair deal for all councils.

Why must the Port Adelaide Council pay such a tremendous sum? In the Port Adelaide municipality there are two fire stations and a fire-fighting launch known as the *Fire Queen*, which is stationed on the river to combat any fire that may break out aboard vessels. The local council must pay a heavy sum to protect the merchandise on the steamers and in the sheds and therefore ratepayers must pay a higher rate despite the fact that 90 per cent of the merchandise is transported for use in other parts of the State. For this reason the cost of maintaining the *Fire Queen* and the two fire stations in the district should be borne more equitably by all citizens of this State. This matter is causing the Port Adelaide Council much worry, and if a committee were set up pursuant to the motion evidence on it could be called. The committee might even recommend to the Government that the Act be overhauled and a fairer system of fire brigade contributions inaugurated.

Woodville with a population of more than 57,000 pays a contribution of £3,100. If the contributions were based on water works assessments—a fair criterion—Port Adelaide would pay £4,300 instead of £12,300, the City of Adelaide £15,500 instead of £32,600, and Unley £4,600 instead of £1,100. Such a system would be far more equitable and far less burdensome to Port Adelaide than the present one. It would mean local government in the best interests of the people and not some form of discrimination. In his message to Port Adelaide on the occasion of its centenary last year, His Excellency the Governor of South Australia (Sir Robert George) said:—

The passing years have seen Port Adelaide become the third largest port in the Commonwealth of Australia, handling a huge volume of shipping each year. But, apart from that, the city as a whole has developed. It is the centre of our valuable wool trade and its principal shipping port. Within its boundaries are located chemical, motor assembly, paint, sugar, and power generation plants, oil installations, flour mills, foundries and other industries which individually play a vital part in all our lives, and collectively make a significant contribution to the State's economy.

His Excellency realizes that the work done in Port Adelaide is in the interests of the State as a whole. Fire protection is essential, particularly on Le Fevre Peninsula with its oil storage installations and industrial plants such as the Imperial Chemical Industries and Electricity Trust undertakings. Some years ago there was a move to close the Semaphore fire station, but a wave of resentment caused almost everybody in Semaphore to sign a petition asking that it remain open, which it did. That petition was supported by the Port Adelaide Council, but had the council been weak the Semaphore fire station would have ceased to function and the council would have been saved much money. Despite the economic disadvantages, however, the fire station continues as a means of protecting and saving property.

I urge members to consider this matter and to forget that the Labor Party has sponsored the motion: it has been sponsored for the benefit of all South Australians. All members appreciate the excellent honorary service given by councillors, in some cases for thirty or forty years, and in fairness to those men an inquiry should be held. The committee may deem a change in the present system unnecessary, but from my experience councils need more money and greater consideration from the Government. For these reasons I believe that an inquiry is necessary.

Mr. FRANK WALSH (Edwardstown)—Today metropolitan councils face many grave problems including the provision of roads and drainage facilities. I have always contended that it was wrong to lend money to councils to buy expensive road-making equipment, because the Highways Department should purchase modern equipment for hiring out to councils embarking on major road programmes.

Mr. O'Halloran—There should be a pool of heavy machinery.

Mr. FRANK WALSH—Yes, and the operators should be made available with those machines. In the early days of its road-making programme the Unley Council purchased a quarry and provided its own metal, but today that quarry is useless because the council is no longer faced with a major road programme. On the other hand, Marion Council is facing a real problem. I have introduced deputations from that council, which asked for money to build roads through Housing Trust areas, but they were told that the Government was unable to assist them. Even had additional funds been provided would the council have had the equipment necessary to do the work? Councils frequently call tenders for roadmaking and in many cases the work is let to sub-contractors merely because councils have not the necessary equipment. In many parts of my electorate the Housing Trust has taken over broad acres on which to build houses. Many Housing Trust homes, even in the Marion area, have been completed for weeks but remain unoccupied, though through no fault of the trust. Tenants are waiting to go into the homes, but the roads have not been made and they are therefore unable to get their furniture into them.

Some parts of the Mitcham corporation area are on high ground, and drainage water is taken to the South Road. Unfortunately, the Marion corporation is unable to get it over the Marion Road, which should be recognized as a highway, but the Highways Department does not recognize it as such. The only outlet for this drainage water is the Sturt Creek. If the corporation wanted to drain the water to the sea it would have to get the Brighton or Glenelg corporations to agree to a drainage system. This proposal could be considered by the committee proposed in this motion. The problem of drainage also concerns the Woodville and Enfield corporations, and a new approach to the problem is needed. Parochial interests should be discarded in considering the problems of the metropolitan area.

Even if the Marion and Mitcham corporations were in a financial position to carry out adequate drainage works they would have to get the agreement of other councils to drain water through their areas. Drainage will continue to be a problem in the metropolitan area until there is a common approach. Roads, streets and water tables have been constructed in many places and housing areas are being effectively drained in many instances, but the factory area of Cudmore Park presents a great problem. Furthermore, big factories will be erected at Tonsley Park, but how will councils dispose of their drainage waters? Would it be fair to suggest that ratepayers pay for the drainage of factories? By carrying this motion we would provide the means of investigating the problem. It is highly desirable to encourage industries in order to provide employment, but there should be some obligation upon the companies to contribute towards drainage costs.

We must ask ourselves whether we need a better system for the construction of roads. I believe that the Government should grant loans to councils for the purchase of equipment for road making. Last winter I discussed with the waterworks authorities whether they could dispose of water caused by their activities in my electorate so that people could get to shops, but they replied that the local council would do the work. The council was prepared to do the work, but it did not have an operator to work the grader. As a result, a gang was sent to do the work by hand. The Highways Department is well equipped to carry out much work in the metropolitan area, but its plant is not being used to best advantage. I often see the department's plant lying idle, whereas it could be made available to councils. If the department cannot find work for all its equipment I can find any amount of work for it in areas that I represent. The purpose of the motion is to have a committee appointed to get expert evidence and make recommendations on the many problems confronting the metropolitan area. I support the motion.

Mr. DUNNAGE secured the adjournment of the debate.

LOTTERY AND GAMING ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 5. Page 554.)

Mr. STEPHENS (Port Adelaide)—I support the Bill, my main object being to prevent

people, particularly women and children, from breaking the law. Years ago we had many illegal bookmakers and the Government appointed a commission to investigate the position. The commission found there was much illegal bookmaking in this State and that the police could not stop it, although they tried hard. The commission also found there was much bribery and corruption in the Police Force. After a long hearing it recommended to Parliament that bookmaking be legalized so that people would not have to break the law.

Mr. O'Halloran—It was the best revenue raiser Parliament ever considered.

Mr. STEPHENS—Yes. I do not think this Bill goes as far as it should, but can we conscientiously oppose it? I doubt if there is a member who at some time or another has not participated in a small lottery. Almost every school committee conducts some type of raffle or lottery in order to procure equipment for a school playground and the police are placed in the invidious position of having to ignore it although they know the law is being broken. Every member of Parliament is a gambler. If he were not, he would not be here.

Mr. O'Halloran—Some members were unopposed.

Mr. STEPHENS—Yes, but they still had to put up a deposit of £25 and lay odds of £25 to nothing that they would receive one-fifth of the votes of the successful candidate. The Government forces members to bet and yet some of them criticise gambling. It is a lot of hooey. The Premier opposed the Bill, but, in effect, said that the wording of some of the clauses was wrong. If he believes that, he can alter the offending words in Committee. Members should not pretend to be goody goodies opposed to gambling. If they are, why do they permit Stock Exchange gambles?

Members know my attitude on matters such as this. I would not permit South Australia to be the only State without a lottery. Annually thousands of pounds are sent to interstate lotteries and that money assists hospitalization there. South Australians unfortunately will no longer enjoy free hospitalization, but if we had a lottery we would be able to provide better services for our sick. I do not think there is any necessity for lengthy discussion on the second reading; it would be better to wait until we reach the Committee stages. Some members think there is no hope of this Bill being passed because it was introduced by an Opposition member. For many years I

endeavoured to persuade this House to approve of a measure to provide free milk for school children. My first attempt was rejected almost without consideration. On the second occasion my proposal was defeated by four votes. Later it was defeated on the casting vote of the Speaker. Ultimately, when carried by a majority of one, the Premier subsequently said he would ignore the vote of this Parliament. Mr. Menzies introduced a similar measure in the Federal Parliament and the free milk scheme was instituted. It was obvious that the Government did not want people to believe that the Labor Party was successful in introducing the scheme.

This Bill should not be considered politically, but members should decide whether it is in the interests of the State. Every day we open with prayers for divine guidance on our deliberations to the advancement of the people of this State. When we take our Parliamentary oath we promise to do what we believe is best for this State. This Bill will help sporting bodies who need assistance. For that reason members should have no hesitation in supporting it. I have been told that the biggest mistake Mr. Walsh made in drafting this measure was to provide that no individual could make a profit from conducting a lottery. It was suggested that had he permitted profits to be made members opposite would have supported it because they believe in profit-making and private enterprise. I wholeheartedly support the Bill and hope it passes the second reading.

Mr. DUNSTAN (Norwood)—I support the Bill, but do not wish to vote on it without clearly stating my reasons for so doing. Much has been said in this House and outside about what the Bill proposes. Statements in no way related to the proposal have been made and it has been suggested that this is the thin end of the wedge for a State lottery. It is not. I do not favour a State lottery because I am doubtful of what this State would gain. There are certain aspects I do not like about the running of State lotteries. My predecessor in Norwood believed in State lotteries, but when I entered this Chamber I had an open mind on the subject. My investigations since do not lead me to believe that a lottery would be in the State's interests.

This Bill does nothing towards the institution of a State lottery: it merely allows small lotteries. The Premier referred to the largeness of the lotteries that could be conducted under this proposal, but the Deputy Leader's

amendment on the file quite clearly restricts the prize money to £1,500. It must be obvious to anybody who reads the Bill that it applies only to small-scale raffles and art unions which are commonly conducted illegally by sporting and charitable institutions in South Australia. The Premier may be able to say that he has never bought a ticket in an illegal raffle, but I suggest he would be the only member who can make such a claim. Members of Parliament are the biggest game in the selling of raffle and small lottery tickets. There are few of us in crowded metropolitan districts who are not carrying around with us a few dozen such tickets all the time. Councillors, officials of league football teams, and many other people in responsible positions are in a similar category.

It is blatant hypocrisy to suggest that this sort of thing ought to be winked at. I believe it should be brought out into the open and strictly controlled. I can see nothing wrong with small-scale raffles: I do not believe they will harm our social set-up. I do not believe that the small-scale raffles conducted at present harm our social set-up, except that at the moment they are illegal. I have seen the system proposed in this Bill in operation in a colony where I practised for two years and there, before a lottery or art union or raffle could be held, an application had to be approved by the Commissioner of Police, and then it was conducted under the strict supervision of the police. It was a much better system and there were far fewer small scale lotteries, art unions and raffles than there are here in proportion to population. The Bill will not mean an increase in these things but a decrease, because they will be out in the open and properly controlled, which will be in the best interests of the State.

The Premier laid down one of his usual smoke screens, so let me try to blow away some of the smoke. His first reason for opposing the Bill was that South Australia had a Royal Commission on lotteries in 1926. Its investigations covered the question of whether there should be lotteries of any kind in South Australia. A close examination of its report shows that although it mentioned that that was part of its terms of reference it did not in fact have submissions on these and did not consider the question of lotteries of the kind proposed in the Bill. The commission considered whether or not we should have a series of large scale lotteries which would be of assistance to Government and semi-governmental finance. The question at issue in this

Bill was not considered by the commission and as far as I can ascertain no evidence was taken on it.

The second objection raised by the Premier was that the Bill was ineffective in its control provisions. He said any one could obtain a permit from the Chief Secretary and then the game would be wide open because the penalty was only £50. What is the purpose of putting in the Bill the matter of a reference to the Chief Secretary for a permit? It is to see that the applicants are fit and proper persons to conduct raffles or art unions. The Premier cannot get out of it by saying that the Chief Secretary should not be asked to do this sort of thing, because he now spends much of his time doing it. For instance, he has to issue permits under the Collections for Charitable Purposes Act. The Premier knows that the provision in this Bill is an adequate safeguard because the Chief Secretary will see that the persons seeking permits are fit and proper persons. The Premier then had some strange objection to the inclusion of the word "knowingly" in the offence section, which means that any person knowing that he is doing something he is not permitted to do is committing an offence. It would be difficult not to know what he was doing. This provision is in other Acts and there would be no difficulty at all about the penal clauses in the Bill. The Premier's objections to the method of control have no substance. The Bill provides adequate safeguards as to the application to be made, the permit to be given, the scale of the lottery to be conducted and the penalty. Such a penalty may not seem great to the Premier but as one who sometimes appears in court for miscreants who have to face penalties I assure him that to the average person a penalty of £50 is a real one.

I cannot see any objection to the measure. It is to the social benefit of the State that legislation such as this should pass. It is to the detriment of the State that we should declare to be illegal a great deal of the activity that goes on now, which we wink at. I recall cases of football and other sporting clubs in the metropolitan area conducting small scale raffles. A case came under my notice not long ago when a football club held a small scale raffle to raise money. The police walked in whilst the raffle book was being written up. There was no real harm in it as far as I could see, but those responsible were charged with a number of other minor offences also and because they pleaded guilty to one of these other offences the charge of holding an illegal

lottery was withdrawn. If it had been the only charge it would have been proceeded with. They were caught but there are dozens of other clubs that are not caught. There is not one member in this place who has not at some time been guilty of an offence under the Lottery and Gaming Act. When that sort of thing goes on surely it is time to put our house in order and see that it is properly controlled and legalized, subject to stringent provision. It is time some of us talked about these things instead of giving a silent vote. Let us all express our views on the matter. It is up to members of Parliament to be honest and straight-forward with their constituents on these matters. I cannot conceive that a man going into court for a minor breach of the Lottery and Gaming Act, as provided for in this Bill, would be a person who ought to be fined. As we now wink at these things we should see that the provisions of the law comply properly with existing social conditions.

Mr. GOLDNEY (Gouger)—I oppose the Bill. It is said that Australians are perhaps the biggest gamblers in the world. Recently I read in the press a comparison between the amount of gambling in Australia and that in the United Kingdom. Australia with 9,000,000 people had almost as great a turnover in betting as the United Kingdom with 50,000,000 people. We know that football pools are conducted in England and they have reached terrific proportions. For a small outlay there is a chance of winning many thousands of pounds.

Mr. Dunstan—Have you looked at the proposed amendment to the Bill limiting the value of the prize to £1,500?

Mr. GOLDNEY—No. Mr. Stephens said that prospective members of Parliament have to put up a deposit of £25 with their nomination. I do not think the ordinary person would put up £25 if he had no chance of winning the election. He does it only because he thinks he has a reasonable chance of being returned.

Mr. Stephens—He takes a chance and that is a gamble.

Mr. GOLDNEY—He depends upon the will of the electors, and if he does not get a certain number of votes he loses his deposit. No-one can deny that Australians are a gambling people. It has been said that the Olympic Committee needs funds with which to train athletes for the Olympic and Empire Games, but surely a lottery is not the proper way to raise money for such a purpose. I believe our citizens have enough patriotic sentiment to

contribute to such a cause. Personally, I would sooner donate money to such a fund than take a ticket in a lottery to help it.

Mr. STEPHENS—Haven't you ever taken a lottery ticket?

Mr. GOLDNEY—Not in a lottery of the nature envisaged in the Bill. I have taken a ticket in a raffle, but I have not done so for years because I believe that raffles are not in the interests of the community. Citizens have certain obligations in return for the benefits they receive from the protection afforded by the law and their share in the development of the community. Proof of our people's patriotic sentiment is the way in which money has been donated to the Lord Mayor's Flood Relief Appeal, and charitable institutions should be able to get the necessary funds by subscription. Further, many people give not only cash but their voluntary services in charitable causes. Do the majority of people attending race meetings go to watch the horses or to gamble? Indeed, some gambling takes place on our national game of football, which is not in the best interest of the game. In return for the many privileges we enjoy we should help charitable institutions by donating money rather than having to take a ticket in a lottery. For these reasons I oppose the Bill.

Mr. JENNINGS (Enfield)—I support the Bill principally as a protest against the arrant hypocrisy that has become the pattern of public life in South Australia, particularly in regard to gaming. Although I admit that I suffer from many sins of the flesh, I cannot be accused of being an advocate or a devotee of gambling, but I believe that the House should vote for the second reading of this Bill to allow its improvement in committee. Raffles are rife throughout the State, both for good purposes and purposes not so good. Not many Saturday afternoons pass but at some function or other I am obliged, because of my public position, to take a good many tickets in a raffle and consequently leave myself open to prosecution for a breach of the Lottery and Gaming Act. Indeed, members of Parliament, because of their position, probably buy more raffle tickets *per capita* than any other section of the community. The purchase price of such tickets really amounts to a donation because even in the rare event of a member's winning a prize he gives it back to the cause.

Such forms of gambling are going on every day and in most cases police officers ignore them by tacit agreement. On the other hand, participants in raffles may be lulled into a

false sense of security because of this general overlooking of raffles, for some officious policeman may take action or a policeman who would not otherwise do so may be obliged to lay a charge because of complaints. For this reason people helping charitable organizations and sporting bodies are likely at any time to run foul of the law merely because of their public spiritedness.

There is a grave inconsistency about all this. The very people who are likely to be entangled with the law because of their participation in raffles are those who are doing a good job in the service of the community generally by helping on the committees of school associations and sporting and charitable organizations, whereas the person who does nothing to help the community goes to the racecourse and with the sanction of the law engages in a much more pernicious form of gambling from which the Government gets a rake-off.

Mr. QUIRKE—This Bill may be wrong because there is no rake-off in it.

Mr. JENNINGS—Possibly; this Bill is designed to help worthwhile organizations and there is no rake-off for the Government or any private individual. All members have been lobbied about the Bill, both personally and by correspondence. Some organizations would forbear from holding raffles even if they were legally entitled to do so. I respect their views but I point out that a more tolerant attitude would be to allow those organizations wishing to raise funds in this way to do so. After all, no organization is to be forced to raise funds by means of a lottery; the Bill merely permits the raising of money in that way. If the conscience of an organization is such that it cannot accept money from such a source no one wants to compel it to do so. I hope that Parliament will be broadminded enough to pass the second reading and allow the Bill to be tidied up in Committee.

Mr. DAVIS (Port Pirie)—I support the Bill because it gives the people the right to do something for which they can be penalized today. The member for Gouger (Mr. Goldney) said much about raising funds for religious and charitable bodies, but today some people opposed to this Bill conduct raffles in a different form. They call them guessing competitions, and I suppose every member has at some function or another been approached by a young lady with a bottle containing a few yards of string or a number of peas and asked to guess the length of the string or the

number of peas. It is wrong that people should have to do that. They would hold up their hands in horror if they were told they were conducting a raffle, but there is no difference between a guessing competition and a raffle.

As the member for Norwood (Mr. Dunstan) said, this Bill is not the thin edge of the wedge for a State lottery, though I would favour the establishment of a State lottery because I realize that thousands of pounds that should be used for the benefit of our own institutions are going out of South Australia. It is foolish to allow all that money to go out of the State. The Government will not allow a lottery here, yet it permits people to support lotteries in other States. When big racing meetings are held many sweepstakes are conducted. Even the member for Gouger (Mr. Goldney) might invest 2s. 6d. in a sweep, but he might not do that more than once or twice in 12 months. He would not be any the worse for investing 2s. 6d. in a sweepstake. We should not do anything to increase gambling, but we should give people the right to raise money by legal means. When members attend social functions they often find raffle books placed under their nose and are asked to support a certain cause. If the Bill is passed only people who have been authorized will be able to run raffles.

The member for Gouger also said that people go to trotting or racing meetings to watch the horses, but they also go to invest money. Few people go to race meetings without investing a few shillings at least or get any interest out of racing unless they have a bet. Every time I go to the races I put a few shillings each way on a horse. Furthermore, every Saturday I invest money on the races because I am allowed to do so at Port Pirie under the law of the land. Most race meetings are held in the metropolitan area. Those who attend are able to bet, but people throughout the State should be able to bet. It is wrong that only those who attend race meetings should be able to do so. I hope the House will take a broadminded view of the Bill and vote for the second reading. Then, if they wish to amend it to suit their views, they can do so in Committee.

Mr. CORCORAN (Millicent)—I, too, support the Bill wholeheartedly, but I do not think it goes far enough. If I had my way I would introduce a Bill for a State lottery. I do not want to increase gambling, but we must realize that gambling goes on in our community.

People in Victoria and Western Australia can invest money in their State lotteries, and what is good enough for them is good enough for us. The gambling spirit is well in evidence, but I am not worried about that because I have sufficient faith in the people of this State to do the right thing. I have a big family and have never had any worries about gambling. If people go astray we cannot very well stop them, but I place my faith in their good judgment and if they have any respect for their families and homes they will not go too far astray.

I support the Bill because by doing so we shall legalize something that is prevalent everywhere. Practically all members at various times invest in sweepstakes, though we do not want to gain anything by doing so. Like the members for Norwood and Edwardstown, if I win I give the prize back. I give every member the right to vote according to his own opinion of this Bill and I do not think it is wrong in principle. I hope the House will see eye to eye with me and pass it and thereby legalize the practices that are going on today. People who conduct raffles do so for no personal benefit but to help a good cause.

The member for Port Pirie (Mr. Davis) said he goes to a betting shop in Port Pirie every Saturday to place his bets. The people of that town have legalized betting shops, but if I went to Mount Gambier and had a bet with an illegal bookmaker I would be regarded as a degenerate who ignores the law of the land. What is good enough for Port Pirie is good enough for Mount Gambier, and if it is not good enough for Mount Gambier it is not good enough for Port Pirie. People in the metropolitan area can go to a racecourse and place their bets, but in the country, unless there is a race meeting in the locality, the people there cannot bet legally. If a man is caught for betting illegally he is fined heavily. Why should country people have to take that risk when city people can bet legally? Does that encourage people to go outback? I hope the Bill will be passed.

Mr. QUIRKE (Burra)—I do not desire to cast a vote on this Bill without explaining my views. I support the measure, though it will not have any nation-rocking effects, but it is an attempt to solve a problem of considerable magnitude. I use the word "problem" because, as the member for Millicent (Mr. Corcoran) said, we are a peculiar people. We

say, "If you go to a racecourse in the metropolitan area and have a bet with a licensed bookmaker that is a perfectly moral thing to do, but if you have a bet with a bookmaker in a country town or off the racecourse you commit an offence for which you can be heavily fined." I do not see how anyone can justify that line of thought. All members give considerable sums through raffles and guessing competitions, though we are told that guessing competitions require skill. I cheerfully give to raffles, and so do most members.

There is one argument I have never been prepared to use in favour of lotteries, and that is that if we had a State lottery we would get more money for our hospitals. If a Bill for a State lottery were introduced that argument would be sufficient to make me vote against it. If a hospital is without money that is the gravest reflection on the so-called culture or intelligence of any people in any country.

The member for Mitcham (Mr. Millhouse) referred to our system of government in another debate this afternoon. Obviously, we do not control our finances here. Money can be raised by a lottery, but I do not agree with lotteries providing astronomical prizes. If we want to raise money for charitable organizations we should set up an authority to give people the opportunity to do here what they can do in other States. A trust could be set up in South Australia to administer some form of lottery with small prizes. Instead of a £10,000 prize there could be 10 prizes of £1,000, and a definite list of institutions to which that money is to go. That would obviate the discontent which exists in this State at the attitude of the Government in making it illegal to have a raffle and at the same time winking its eye at the fact that money is going out of the State for lotteries. Presumably it thinks that because that money is invested somewhere else it is not a crime in South Australia.

From time to time we hear announcements over the air to the effect that listeners are not allowed to send soap wrappers and such things with competition entries because they will be penalized if they do so. That, too, is a reflection on the sanity of this State. For Heaven's sake, let us grow up! The Bill introduced by the Deputy Leader of the Opposition provides for an organization to be allowed to have one of these competitions yearly with the consent of the Chief Secretary and, as amended, with the prize not exceeding a certain figure. I cannot see anything against it, because it is pre-

cisely what is happening every day of the week throughout the State. The mere fact that it is not legal does not mean that it is stopped, and in fact it could not be stopped. We all know the attitude of the Australian people on this point, and know what takes place prior to coursing matches anywhere in the country, when the Calcutta is an inseparable part of the proceedings. Everybody knows that these things take place, and yet when a measure like this comes before the House it is said to be wrong, and the thin edge of the wedge. I say that is nonsense. It is only legalizing a perfectly harmless thing that is going on day after day and giving support to perfectly worthy institutions.

This business of giving a shilling with a chance of winning, say, a turkey, is a perfectly harmless little activity which takes place in a civilized community. At dance halls in the country somebody may pick out a certain spot on the floor and when the music stops the nearest couple to that spot get a prize. Are we going to stop that too? We are responsible people, legislators for the State of South Australia, and we sit here and talk a lot of drivelling nonsense about the simple little pleasures of everyday people everywhere in the country. I support the Bill.

Mr. LOVEDAY (Whyalla)—I welcome the opportunity to state how I feel on this measure, and without traversing the ground at length I would like to say that the opposition to this measure seems to be particularly silent. It also appears to me to be the greatest hypocrisy, not only because members themselves undoubtedly take tickets in lotteries, but because this House closes down for the Adelaide Cup and thereby gives a lead in that direction.

The Hon. T. Playford—When has this House closed down for the Adelaide Cup?

Mr. LOVEDAY—It does not sit on that day, and it seems to me that it thereby condones going to a place where gambling is rampant. The opposition to this measure appears to be quite inconsistent. I worked amongst men for many years who consistently took tickets in lotteries, and I did not notice that their morals suffered as a consequence. In fact, for many of them it was the one bright spot in their dull, monotonous lives. There is no comparison between taking a lottery ticket, particularly as outlined in this Bill, and what might be called gambling. I can see very little parallel, and the objections on that score seem to me to carry no weight at all. This Bill is designed to provide some means whereby bodies which

need financial help will be in a position to get it legally instead of being put in the invidious position that they are in today. We know that these things are going on, and I think that people should be able to carry them on in the open light of day. I support the Bill.

Mr. FRANK WALSH (Edwardstown)—I recently attended a fund-raising function where people were invited to buy pieces of road metal to throw at various breakable objects. I was reminded of that function by the Premier's speech in which he created many Aunt Sallies in connection with this Bill and then found something to knock them over. The Premier of this State did not do justice to himself in his criticism of this Bill. In his speech he said:—

Apart from the fact that I do not believe lotteries are desirable, the provisions of this Bill are so wide that they should be rejected by Parliament.

The provisions are not wide, but very meagre indeed. The Lottery and Gaming Act provides for Art Unions, and no objections have been taken to that Act. As it stands today, an Art Union must at least provide a work of art as a prize, it must be drawn by chance, and there must be some contribution. Surely these three things combined must constitute a lottery.

The Premier had a lot to say with regard to clause 10 of the Bill, which provides:—

A lottery conducted under this section shall not be an illegal lottery within the meaning of any provision of this Act relating to illegal lotteries.

What the Premier was happy to omit was that the provisions contained in this Bill ensure that if there were any attempt by a person to run a lottery without having first obtained permission from the Chief Secretary, the Lottery and Gaming Act would still prevail. That being so, all the Aunt Sallies the Premier was able to introduce into the debate fall by the wayside. He had a lot to say with regard to the £50 fine mentioned in another clause, but I maintain that £50 is a substantial amount of money in anybody's language. I hope that members who have not yet made up their minds about this Bill will adopt a reasonable approach to the matter. It is not my intention to discuss the value of the amendment which provides that £1,500 shall be the maximum prize, but I think that alone should at least dispel from the Premier's mind any thought of very grievous mistakes we could make by the adoption of this Bill. The Bill provides that a lottery may

be conducted under certain conditions which are set out in the Bill. It also makes provisions for certain regulations, and in the event of the Bill becoming an Act of Parliament the Chief Secretary would have the right to make regulations under it. I assume that with a sensible and constitutional Government there would be a regulation to provide for a form of application. I can see no possible objections to a provision that an application to conduct a lottery must be endorsed by at least three executive officers of the organization concerned, nor to a declaration being made before a Justice of the Peace, if necessary.

The Bill provides that no person shall be gainfully employed in conducting a lottery. Most of the Premier's objections could easily be met by making certain regulations. The Premier referred to a hotel value at £450,000 being offered as a prize in an interstate lottery, but it is utter stupidity to suggest that I intended that such colossal prizes should be offered in the raffles and art unions approved by this measure. As a result of promptings from a member of his Party he also referred to the magnificent prizes offered in interstate art unions.

I approached senior police officers and asked their opinion of the provisions of this Bill and they believed them quite fair and in line with the existing provisions in the Act relating to the conduct of art unions. The Premier referred to the provision that a person must not "knowingly" devote monies raised from a lottery to a purpose other than that for which the lottery was organized. He suggested that might present a loophole, but how could it? Before a person can be convicted of a criminal offence it must be established that he knowingly committed the crime with which charged.

The Government permitted me to consult the Parliamentary Draftsman about the provisions of this measure and after hearing my desires that officer prepared this Bill. Any criticism of the wording of this Bill is a reflection on his ability. The member for Gouger (Mr. Goldney) referred to the Olympic Council which has circularized members of this House about this measure. He opposed this legislation and said that it would be better for persons to make straight out contributions to that council or its affiliated bodies. I am quite sure the council would be pleased to receive a substantial donation from him and would issue him with an official receipt, but the

bodies concerned with the promoting of competitive sport are faced with raising large sums for that purpose. The Olympic Games will soon be held in Melbourne and it will be necessary for finance to be procured to send competitors there and to arrange for their accommodation. Many of the contestants are employed in industry and some are married. They have family responsibilities and cannot be expected to provide the necessary finance for their fares to and accommodation during the games.

The Edwardstown Football Club—an amateur body—would be happy to be able to provide its three teams with uniforms, insurance and adequate coaching and would appreciate being in a position to foster football in the nearby schools of Edwardstown, Ascot Park, Forbes and Black Forest, but it must have the sinews of warfare—money. The only hope they have of raising sufficient money is by conducting small lotteries as are proposed in this Bill. There should be no legal barriers to prevent it. They desire to encourage sport in young people and that is desirable. I ask leave to continue my remarks.

Leave granted; debate adjourned.

Sitting suspended from 6 p.m. to 7.30 p.m.

STAMP DUTIES ACT AMENDMENT BILL.

Second reading.

The Hon. T. PLAYFORD (Premier and Treasurer)—I move—

That this Bill be now read a second time.

The Bill gives effect to the proposal of the Government that the stamp duty on cheques shall be increased from 2d. to 3d. The reasons for the increase and the estimated revenue have already been explained in connection with the Budget. The explanation of the clauses of the Bill is as follows:—Clause 3 makes a consequential amendment by which a reference in the principal Act to a duty of 2d. is altered to a duty of 3d. Clause 4 alters the line in the schedule to the principal Act fixing the duty on “bills of exchange, cheques, orders payable on demand, coupons or interest warrants.” These documents are all chargeable with duty at the rate of 2d. at present, and the amendment raises the rate to 3d. Clause 5 provides that the Act will apply to all cheques and other like documents drawn or made after December 3, 1956. This day has been selected after consultation with interested parties in order to give the Government, the banks and the public

sufficient time to alter cheque forms and print and distribute the stamps which will be required.

Clause 6 deals with an administrative matter. Under the present law the Commissioner of Stamps is not allowed to impress a document with a stamp unless the amount of the duty represented by such stamp is first paid to him in cash. However, to bring the new rate of duty into force as proposed in this Bill it will be necessary immediately to impress a penny stamp on a very large number of duty paid cheque forms held by the banks on which the duty would not normally be paid until after the books had been issued to customers. It is therefore desirable that the Commissioner should be authorized to place impressed stamps on these forms and collect the duty represented by such stamps subsequently at the time when the duty on the cheques would normally become payable. The Government does not apologize for introducing the Bill. It has a heavy list of definite commitments it must meet this year and is trying to meet them in a way which will not impose on any section of the community, or not in itself start a skyrocketing of price levels which always hit the unprivileged class of the community.

Mr. O'Halloran—How much revenue will result?

The Hon. T. PLAYFORD—I understand that the revenue in a full year will be £105,000, but this year the Government will get approximately £50,000. It is not an exorbitant amount, but at present all amounts are important to us.

Mr. O'HALLORAN secured the adjournment of the debate.

LIMITATION OF ACTIONS AND WRONGS ACTS AMENDMENT BILL.

Received from the Legislative Council and read a first time.

PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 18. Page 619.)

The Hon. T. PLAYFORD (Premier and Treasurer)—Normally I would not rise to speak on this Bill as it was introduced on my behalf by a colleague. After all, this matter has been well debated over a period of many years and it is one upon which the administration has been subject to considerable comment by honourable members on both sides. For some reason that I do not understand some of my friends opposite seem to think that the

Bill provides an occasion to play politics. In the last two or three years when this legislation has come before the House we have heard numerous political speeches. If my friends opposite do not want price control, I can assure them there are also many on this side who do not want it. We had the honourable member for Adelaide (Mr. Lawn) ranting for half an hour to no good purpose except to give what after all was purely and simply a Party political speech.

At the end of the war the Commonwealth Government desired to amend the Constitution to include the control of prices as a Commonwealth function. The matter was well argued by all Parties in all States, but when it was submitted to the people they would not agree to the transfer of the power to the Commonwealth. The reaction of the Federal Government was "If we have no permanent power to control prices we will go out of that field forthwith, but will assist the States to maintain price control by giving them one or two very vital items of assistance." It agreed to make available to the States as a consultant a gentleman with much experience in price control, a man of the highest intellectual and administrative order who at present, I believe, is chairman of the Tariff Board, namely, Mr. McCarthy. The Government also offered to reimburse the States the cost of price control. The system of control set up was very similar to the control exercised during the war, which I believe was just and effective, being carried out by the same officers on the same principles and with the same powers. There was one fundamental difference, and it was that when the States took over price control they considered the items under control and eliminated a large number that had previously been under control, a control which could not be effective and which did not apply in many cases.

When the Commonwealth formulated its regulations in the first place it had a schedule of commodities that had been prepared in America. It contained every known commodity in the world, so that when the States took over price control they found that such items as atom bombs, whales and many other miscellaneous items that had no real bearing were controlled, and upon these items the Prices Branches could not have taken effective action. The States, after very careful regard to economic circumstances, eliminated all of the dead letters from the schedule, which they brought up to date, and proceeded in a methodical way, with the assistance of the Commonwealth, to bring in a uniform price control

and to maintain it. As far as it is possible to maintain prices, I believe that that control was effective, notwithstanding that it was operating at a time when there were many inducements to consumers to encourage black marketing.

Gradually, the States began to shift their ground, and so also did the Commonwealth. Some States desired to take State action to eliminate from price control commodities that were of very vital importance to other States, and one or two States decontrolled items that were very vital. For instance, New South Wales decontrolled potatoes, a commodity on which from time to time there are tremendously large movements from State to State. Another State decontrolled meat. One or two of the States broke away from uniform control and took action upon some particular lines. They proceeded to decontrol certain ingredients in the structure. The legislation that was passed in New South Wales excluded hotel and liquor charges but included meat and potatoes. How a Parliament could justify an exclusion of that description is hard to understand, because they are extremely important commodities that have a big bearing on the cost of living.

There are two States that have stood steadfastly by price control since the war and have faced up to their obligations; one is the Labor State of Queensland, and the other is the Liberal State of South Australia. When I hear the cheap politics of the honourable member for Adelaide (Mr. Lawn) on price control, I remind him that it was deliberately dumped and sabotaged by the Labor Government of New South Wales. The other day, when we had a chance to get back uniform price control in Australia, when the States were fairly unanimous and it was hoped to induce the Legislative Councils of Western Australia and Tasmania to come back into the field again, before Victoria had dealt with the issue the New South Wales Government said it would not do so. Where are my friends with their politics now? The New South Wales Government deliberately sabotaged the attempt to get back to something that would be uniform and somewhat effective, because it flatly declined to do so. There was no question of having difficulty with the Legislative Council there.

The Western Australian Government has done its utmost to maintain price control, but it has had difficulty in its Parliament and has not been able to do so. The Tasmanian Government has also had difficulty with its Parliament. I am not criticizing those Governments, but point out that when the Commonwealth

Government said that it would give some assistance if the States were reasonably unanimous in coming back to price control, which it did say at the last abortive conference, and that it would make available a senior officer to co-ordinate matters between the departments in the various States, this was deliberately sabotaged by the New South Wales Labor Government. My friends opposite got up and talked politics about price control during this debate, but before they start looking around here they should look at what has been done by the senior Labor State of Australia, where price control was deliberately sabotaged, whereas this State has stood up to its obligations.

Price control is not politically popular with my supporters, but this Government has stood up to its obligations. I thought we would have had some support from members opposite in this matter, but instead, on every occasion when price control has come before this House, it has been made the subject of political speeches by members such as the member for Adelaide. I offer this challenge to Mr. Lawn. If his Party does not want price control, all it has to do is to stonewall the Bill. I support the measure.

Mr. QUIRKE (Burra)—I support the Bill, as I have done in the past, not because I like price control any more than Mr. Millhouse, but I would not go so far as he would because we cannot get rid of price control simply by saying we will not have it at all. It has been with us so long that if it is to be abolished it must be done by a gradual process. The Bill merely carries on the present legislation for another 12 months. Our economic structure demands that we continue it. This debate has tended to prove that the economic structure is a rickety edifice and no longer something firmly based on the ground. It is now held up by a system of buttresses. It would be better to allow price control to collapse and then start again because at present there is a feeling of despair about Australia's economic position in relation to halting rising prices and bringing general stability into the economic structure. All goods are not under price control, although under this legislation they could be.

If we allowed price control to collapse it could, like the phoenix, arise from the ashes. The phoenix was a famous bird. The authorities give various periods for its life, but, generally, it was 300 years. At the close of its span it made a nest of spices, sang a melodious dirge, flapped its wings, set fire to the pyre it had built, burned itself to ashes and then came forth with a new life. The phoenix

was adopted as the sign to be placed over chemists' shops, and also it is the symbol of immortality. In view of the number of years we have carried on this legislation we should adopt the phoenix as the symbol of price control, as apparently this is an immortal Bill. In the main it keeps bolstering up a rickety structure and achieves nothing.

In its present form price control achieves very little. It can be applied to goods in short supply, but if extensively applied it is a means of creating shortages. During the war and after shortages were the joy of anti-social pariahs and parasites—under the counter people. We cannot get rid of price control suddenly. I wish we could for I am not a lover of these restrictions. About one third of the lines sold by a grocer have a turnover of less than eight per cent. Have a look at the impossible task of weighing out a 70 lb. bag of sugar into 1 lb. and 2 lb. lots. There is no profit in that, yet sugar is one of the general lines that must be handled by the grocer. The hardware merchant has to handle cement, just for the doubtful pleasure of handling it, for there is no profit in it. Sellers of cement are allowed to get 7½ per cent on the pre-war price, but it is handled by the wholesaler without any profit when freight charges are added. I know that is so because of a business in which I am interested. We handle cement, just as grocers handle sugar, not because of the profit, but because the customers want it.

Some of the worst costs levied on the community are those that the people know little about, such as wages tax and sales tax. They constitute a tremendous burden in the price structure of ordinary commodities. Who would ever have thought that in order to get Australia's own motor car, the Holden, it would be necessary to pay a tax of £250 to the Federal Government? That is part of the ridiculous structure we have built up. The more employees a business man has the greater is the wages tax. It is another charge on the goodwill of the nation.

The longer we have price control the harder it will be to get rid of it, particularly if that control is rigid. Price control can be relaxed gradually by decontrolling items one by one until none is controlled.

Mr. O'Halloran—We have had some unfortunate experiences in that regard.

Mr. QUIRKE—Possibly, but items can always be recontrolled. I have no objection to removing price control gradually, but I believe

the legislation should be left on the Statute Book in the case of emergency for some people will always try to beat anything in the nature of a social law. Further, we should remove the burden of Government costs from the Australian people for these are having a terrific impact. So hard pressed are we in this State, however, that the Government intends to impose a few more of these burdens. The financial structure is so rickety that it might be as well if it collapsed so that we could build a new structure. I do not think that such a task is beyond the capacity of Australian people. I support the Bill.

Mr. DAVIS (Port Pirie)—I rise to support the Bill and not to make a political speech from this side of the House. The Premier said that certain members on this side were playing politics in this debate, and I was rather surprised to hear him accuse the member for Adelaide (Mr. Lawn) in that regard because I understood Mr. Lawn to say that he supported the Bill and that had it not been for price control chemists would be charging excessive prices. I congratulate Mr. Lawn on bringing such valuable information to the notice of members.

Prices should be controlled by the Commonwealth Government. Although the Premier said that Australians had, by referendum, refused the Commonwealth the power to control prices, he did not say that certain Premiers who advised the people at the time to vote against the proposal alleged that the States could control prices effectively. Those Premiers, however, were wrong in advising the people along those lines for it is impossible for a State Government to maintain effective price control. Only on Monday this week a Port Pirie gentleman received a telephone call from a dealer who was buying potatoes in Western Australia for £60 a ton and selling them in Sydney for £180. That shows the ineffectiveness of State price control and is merely an example of what applies in many instances. Indeed, such circumstances applied in this State last year when we were losing potatoes to other States that were paying a higher price than the the local price.

Mr. O'Halloran—It is applying today.

Mr. DAVIS—Possibly, but when members on the other side say that price control is unnecessary I do not think they have given the matter serious thought. Last week I read an article in the press about the business activities of the Windsor Hotel in Melbourne over the last 12 months. During one year the hotel made a net

profit of £42,000 after paying £33,000 in taxation and setting aside £18,000 as a reserve for depreciation. That hotel had made a gross profit of more than £90,000, whereas if it had charged reasonable prices for liquor and accommodation it could not have made such a big profit.

Mr. Shannon—Do you suggest that only one person owns that hotel? It is owned by a limited company.

Mr. DAVIS—It makes no difference whether it is owned by an individual or a company. If one can believe the press a huge profit was made.

Mr. Millhouse—Do you know how big that hotel is?

Mr. DAVIS—That doesn't matter: I am speaking about the profits it made.

Mr. Millhouse—How much capital is sunk into it?

Mr. DAVIS—I don't know: I am talking about profits made and not capital invested. I should say that, although the building might be valued at more today, not more than £90,000 would be invested in the Hotel Windsor. Indeed, when it was built it probably cost nowhere near that price. It is all very well for members opposite to grin at me. They think they are the wise people of this country, that they know everything and that we on this side of the House know nothing.

Mr. Shannon—The more you tell us the more we know.

Mr. DAVIS—The honourable member sells to the highest bidder at all times. Another hotel-keeper in Melbourne was prepared to sell liquor at a lower price than that charged by others, but what was the result? He was not allowed to serve customers in the lounge unless he charged lounge rates.

Mr. Shannon—Tell us something about the hotels in Port Pirie.

Mr. DAVIS—I do not care whether I talk about hotels in Port Pirie or elsewhere. None of them has given too much away, and members opposite know that. Nothing has ever been done to control hotel charges. They always charge excessive prices for their liquor.

Mr. Quirke—They are under price control.

Mr. DAVIS—They are not, because they can serve glasses of various sizes. I know that in Broken Hill the glasses have to be marked, whether they are of five ounces, which is known as the butcher, or 10oz., which is the schooner, or 15oz., which is the pint. There is effective price control there, but not in this State. Many of the glasses used in South Australia vary in size. The smallest, known as a pony, contains

about two mouthfuls of beer, and hotels charge 6d. or more for that. It is wrong for members opposite to say that price control is not necessary, and it is wrong for the Premier to accuse any members on this side of not supporting this legislation. Every member of the Opposition who has spoken has supported the Bill, and will always support price control. If we do not control prices we shall have further inflation, because it is only overcharging that causes inflation. The member for Mitcham (Mr. Millhouse) said the fact that wages had been pegged is not a good reason for continuing price control, but it is a good reason. If we peg a man's wages we should have price control so that he will still have the same purchasing power in his pay envelope. How can a man expect to live decently if we peg his wages and allow prices to soar? It has been announced that the rents of temporary Housing Trust homes will be increased by as much as 12s. 6d. per week.

Mr. Lawn—But there has been no increase in the basic wage.

Mr. DAVIS—That is true. I cannot understand why the member for Mitcham said that wage pegging is not a good reason for continuing price control. He will probably change his views when he accepts the responsibility of raising a large family. He will then know what it means to meet the commitments of a family at the end of each fortnight. People rearing families know what a struggle it is. Some children are such big eaters that they get hungry even while having their breakfast. Many more articles should be brought under price control. The member for Burra (Mr. Quirke) raised an important point when he spoke about a grocer in the country who makes small profits, but to control prices effectively we must go back further than the retailer. It is of no use allowing the person who produces an article to make whatever profit he desires and then control the retailer's margin. The retailer is entitled to a reasonable profit, but I shall give an instance where the producer does not get a fair profit.

Often the middle-man gets the big profits, not the person doing the hard work. Fishermen in Port Pirie have to face all weather conditions to catch fish, but they receive low prices. On the other hand, a person buying fish that has been treated at the plant in Port Pirie must pay 400 or 500 per cent increase on the prices received by the fishermen. That is where price control breaks down. The same thing applies with the men who grow peas and other vegetables, namely, that

it is the middle-man who makes the vast profits. The member for Burnside said that he did not favour the pegging of wages.

Mr. Geoffrey Clarke—I did not say that.

Mr. DAVIS—We on this side of the House have been asking the Government to restore quarterly adjustments, but the member for Burnside did not vote with this side of the House when he had the opportunity to do something about it.

Mr. Geoffrey Clarke—I said that I supported the cessation of quarterly adjustments.

Mr. DAVIS—I am sorry if I misunderstood the honourable member, and in that case he is worse in my eyes, because he said that he believed in the pegging of wages, but not in the pegging of prices.

Mr. Geoffrey Clarke—I said that I accepted the pegging of prices because wages were pegged.

Mr. DAVIS—The honourable member went a lot further and said that only a few articles should be pegged.

Mr. Geoffrey Clarke—I said that I accepted the Bill because wages were virtually pegged.

Mr. O'Halloran—The member for Burnside said that he believed in selective price control.

Mr. DAVIS—Yes. Some members opposite have a habit of saying one thing and contradicting themselves in the next breath, and that is what they have done on this occasion. The tried to tell us that they were sympathetic with regard to the pegging of wages, but they appear to be more sympathetic to the people who sell the goods. They are backing it both ways.

In conclusion I wish to say that I am astounded at the accusations made by the Premier against members on this side of the House, and I think he was most unfair in accusing us of making political capital out of this Bill. The members of the Party to which I have the honour to belong are wholeheartedly behind this Bill, and I have much pleasure in supporting it.

Mr. LAUCKE (Barossa)—I believe in the greatest degree of freedom of the individual that is consistent with an orderly and responsible democracy. My natural and spontaneous reaction to the suggestion of continuation of price control is that the perpetuation of regimentation of free enterprise is a most desirable thing. Our nation has, in the main, been built up on the initiative and enterprise of the individual. I have no doubt that if we are to progress as a nation a fundamental requirement in the

character of our people must be the retention of ability to appraise any situation as rugged individualists and to make personal decisions.

Control such as the one now under review is prone to undermine and sap the thinking capacity of the public. When an article is priced at a certain figure by the Prices Department we accept it without thought or demur as to its value or any other consideration. In a modern, complex society I agree that there is a definite place for State enterprise in the supply of basic utilities such as water, power, roads and railways as the foundation from which private enterprise can apply itself in the production of national wealth, and I have every respect for the manner in which State enterprise has provided these utilities. However, I have no doubt that private enterprise, unfettered by control, is the soundest and best medium for the promotion of national progress and high living standards for all sections of the community.

This, on broad principle, is my feeling in the matter of controls. I will, however, support the Bill now before the House because it would be an injustice to continue the suspension of quarterly wage adjustments and not have a compensating control of the prices of basic commodities. I deplore the injustice of sorting out certain sections of industry for the imposition of control. The grocer who sells one pound of sugar today does not receive double the margin that he received when sugar was half its current price, but the motor car dealer has never been restrained in his margin, and has received a rising margin as a percentage of a greater price. This discrimination as between traders is not fair. A similar injustice arises under price control in a manufacturing industry engaged in the production of basic commodities, as against an industry not engaged in such production, but with both industries producing goods for local and export trade. The uncontrolled industry is able to participate in export trade because of an enabling margin received in the local trade, but the controlled industry does not enjoy similar freedom. I believe that price control will continue as long as quarterly wage adjustments are suspended. All Governments in Australia have much to gain in budgetary expenditure by linking these two factors, because Governments are the largest employers of labour. Much has been said in this debate in derogatory terms of seemingly high company profits, but profits are not the main factor in price rises. The latest national income figures show that net company

income increased by 250 per cent in the past seven years, and that wages and salaries also increased by 250 per cent. Wages at £2,562,000,000 as against company income at £550,000,000 clearly indicate that wages were the bigger factor.

Mr. Stephens—For what period was that?

Mr. LAUCKE—The figures quoted for wages and company income were for the last financial year. I firmly believe in the highest wages to employees that industry can afford to pay and as assessed by an independent tribunal, and I also believe in the just right of any industry, primary or secondary, to make a profit. Company income is put to good use. It incurs a bigger rate of tax than the majority of individual incomes, mainly at 8s. in the pound, and then the individual shareholders pay personal tax on the dividends received. In addition, profits are the only means of obtaining funds for replacing obsolete and inefficient machinery. Then why hold up hands in unholy horror when firms such as General Motors make a substantial and desirable profit and are supplying a vast reservoir of employment and which, in the production of the Holden car, have attained the greatest and proudest achievement in Australia's industrial history for the sure benefit of all Australians? I feel that the nation's best interests are served by free, untrammelled private enterprise. I am opposed to controls, but support this Bill as a matter of temporary expediency.

Mr. DUNSTAN (Norwood)—I did not intend to speak on this subject until I heard the Premier's remarks this evening. We had from him an outburst on the subject of political speeches from this side of the House.

Mr. Corcoran—And a threat.

Mr. DUNSTAN—I will deal with that presently. The Premier proceeded to make one of the most amazing political speeches that I have ever heard on this issue. He made certain allegations about certain other States in relation to what happened at a certain Commonwealth conference. Either in the heat of the political moment the Premier has forgotten what took place at that conference, or he believes members of the Opposition do not know what occurred, because what he said took place did not. It was quite untrue that the Premier of New South Wales sabotaged that conference by saying he would not introduce price control in his State. In order to make it perfectly clear what did take place at that conference and to indicate my Party's attitude on price control, I will make a few

quotations from the proceedings of the conference. The conference opened with a statement from the Federal Treasurer. There were no more than a few words about price control. He referred to the necessity to end the disparity between State and Commonwealth policies upon quarterly adjustments to the basic wage. Mr. Cahill was the first speaker after the Federal Treasurer and he said:—

The next step, after appointing the committee that I envisage, should be in relation to the control of prices. I emphasize that it is necessary for prices to be effectively controlled by the Commonwealth if an attempt is to be made to stabilize wages. Profits also should be controlled. An excess profits tax should be introduced as a check against high prices and as part of a balanced plan to bring inflationary pressures under control and so to distribute the burden more equitably.

He elaborated on that to some degree and then Mr. Bolte, the Liberal Premier of Victoria, spoke. It is difficult, in reading his statement, to ascertain exactly what he was talking about, but I understand from my Victorian friends that that is a common feature of Mr. Bolte's speeches. If one can find his way through the maze, the general impression one gets is that Mr. Bolte was not going to have anything very much to do with the scheme of altering the Victorian attitude on the basic wage because he did not think it important or a contribution to the position in any way. Mr. Gair was the next speaker—and I remind members that he leads a government which has operated price control more effectively than this State. There has been less inflation in Queensland than anywhere else and price control is a permanent feature of its legislation. Mr. Gair said:—

On the other hand, I am conscious of just how ineffectual price control in the hands of six States can be.

He quoted figures to illustrate the necessity for Commonwealth price control. Our Premier spoke about the necessity for price control and was backed up by Mr. Hawke and Mr. Cosgrove, after which the Federal Treasurer replied. He said:—

Mr. Playford has put forward the suggestion that if the States were to undertake price control again they would be very greatly helped administratively by an arrangement somewhat on the lines of that which prevailed some years ago under which the Commonwealth made available a senior official of high standing with a special knowledge of trade and price matters to help State Prices Ministers in co-ordinating their policies and by advising them generally on technical questions. We have considered this question during the luncheon break and we are now prepared to say that if, as a part

of a general scheme of anti-inflation measures, including the abandonment of automatic adjustments of basic wages, the States desire to set up some form of price control on a selective basis within their States, we will be ready to help them.

We did not hear about that tag to the proposal because it must have been perfectly obvious from the outset that with that tag New South Wales would not be interested because Labor States are not prepared to end their quarterly adjustments to the basic wage. Even with price control it is quite clear that it is impossible to put a complete damper on prices. I will give some comparative figures in a moment to show exactly what has been done under price control and how much can be achieved. It was perfectly clear that a tag of that nature was going to affect Mr. Cahill, but he did say, "I am not going to have anything to do with this thing."

Mr. John Clark—Did he sabotage it?

Mr. DUNSTAN—He did not.

The Hon. T. Playford—He went home and sabotaged it.

Mr. DUNSTAN—In reply to the Federal Treasurer's proposal he said:—

If we really accept the fact that price control may be effective in stabilizing the economy, its effect will be minimized considerably if all the States do not adopt a common attitude. Therefore, I suggest that if that were the case, perhaps a model Bill could be drafted. That would take care of those matters.

He did not sabotage the conference as was suggested by the Premier.

The Hon. T. Playford—I said it was a sabotage of price control.

Mr. DUNSTAN—It was not.

The Hon. T. Playford—What has he done? Where is price control in New South Wales?

Mr. DUNSTAN—Mr. Cahill has said that there cannot be effective uniform price control in Australia without Federal price control. If the Commonwealth were prepared to co-operate he was prepared to examine the matter and hold constructive discussions with the Commonwealth upon it.

The Hon. T. Playford—He went home to have a look at it and sabotaged it.

Mr. DUNSTAN—The Premier is now carefully changing his story. He told us that at the conference Mr. Cahill sabotaged the position, but now that the actual facts have been produced he is changing his ground and stating that Mr. Cahill sabotaged it elsewhere. The Premier is indulging in his usual peripatetic evasion of the position into which he has got himself.

Mr. Shannon—You appreciate that Mr. Cahill could only sabotage it in his own State—not in Canberra.

Mr. DUNSTAN—Why not? At Canberra Mr. Bolte made it perfectly clear he was not having anything to do with it.

The Hon. T. Playford—Has Mr. Cahill taken action to protect wages in New South Wales?

Mr. DUNSTAN—The comparative figures produced at the conference as to the wages do not do New South Wales any damage. The Commonwealth Statistician's own figures showed that the lowest level of wages is in this State.

The Hon. T. Playford—Why not tell us about tram fares and a few of those things.

Mr. DUNSTAN—Because I am speaking of the matters in issue, and the Premier cannot drag any more red herrings across the trail. He and his supporters will not get out of it by hollow laughter because the statements he made tonight, as I have proved, were not true. Let us examine the position of uniform price control. The Premier has said that because we had the same officers and took over the Commonwealth price control system and amended it by cutting out various redundant items that in effect kept the Commonwealth price control structure here. It did not and the Premier well knows it did not and could not because the Commonwealth price structure did not rely only on direct price control, but on subsidies and upon the import policy. Those things had to go hand in hand to keep the cost of living down. Subsidies were paid on imports, the prices of which rose so rapidly that if they were not cushioned to the public they would have affected the cost of living. What happened to the subsidy on tea and what has happened to the cost of living since?

Let us examine the position under Commonwealth price control at the time of the 1948 referendum. The most recent figures available were for August, 1947. Taking the base index as 1,000 for 1938-1939, the position was:—Australia 1,470, an increase of 47 per cent; New Zealand, an increase of 55 per cent; South Africa 70 per cent; Canada 76 per cent; Great Britain 93 per cent; U.S.A. 100 per cent; Argentine 144 per cent and France 884 per cent. We had the best system, the least inflation and the least decline in the real standard of living in any Commonwealth country. The position today, for which the Premier as much as anyone else in this country is responsible, is the result of the defeat of the 1948 prices referendum, and is the reason

why we now have the greatest degree of inflation of any western democracy.

Mr. Millhouse—Don't you think that any other factors entered into it at all?

Mr. DUNSTAN—Of course other factors entered into it, but they entered into it in 1939 and 1947.

The Hon. T. Playford—How could they when certain members of the Labor Party were sabotaging the economy?

Mr. Dunstan—No member of the Labor Party in Australia has sabotaged the economy. The Federal Government as a body is most actively sabotaging the economy, and to suggest that because Mr. Cahill is not prepared to cease quarterly adjustments to the basic wage in New South Wales in return for some assistance from the Commonwealth about a nebulous price control system, which is not clear yet, is sabotaging the Australian economy is pure piffle. We were not told about these things earlier. The Premier as usual thought he would be able to get away with something because honourable members did not know about it, but members on this side are given to reading even those artificial pearls which fell from the Premier's lips in Canberra. He made the position quite clear about this tag put on and the difficulty which would face any Federal price system because of the tag. The reason we are facing inflation in Australia is not because of the politics played by any Labor man, but because of the complete lack of policy displayed by the Party represented by members on the Government benches.

Mr. SHANNON (Onkaparinga)—I do not really believe this is a type of Bill on which we need get very hot under the collar. If unbiased members were to take a line on the debates on the Bill they would say there is only one thing to do about it—drop it. There is no concerted view on this side as to what the proper thing is to do. Members opposite allege that because wages are pegged we must also have price control to make the position fair and reasonable for those on wages fixed by the authorities throughout the land. I rather regret that some of my own colleagues are accepting this statement about the pegging of wages as a reason why they should accept the continuance of price control.

I listened to the excellent speech of Mr. Laucke. The principles he enunciated are from my point of view absolutely sound. No-one can deny that the wealth we enjoy in this State was put here by individuals long before we

thought of any kind of control. I listened to the member for Burra (Mr. Quirke) and thought he was on my side. He said in so many words that the longer we continue this undesirable feature of our economic existence the more difficult it will be to get rid of it. I so thoroughly agree that I am prepared to grasp the nettle now and get rid of it forthwith. Price control was introduced to bolster up our economy during the war. It was suggested at the time that with other forms of control which were brought in as war-time measures they were to continue only until the conclusion of hostilities, plus one year. Save me from my friends if they think that the period from 1945 to 1956 is only one year. If that were so, I would be charged with senility. It is very patent to me that we must take a stand on these various forms of restrictive governmental action in all economic spheres in industry and commerce if we are to permit a resurgence of Australia's proper place in the world's economy. South Australia particularly has been proud that it has been able for many years to build up very satisfactory overseas balances over and above its import requirements. Let us hope that we can continue in that position.

I agree with the honourable member for Barossa (Mr. Laucke) that there is no incentive for the individual to excel or to produce something better at a lower cost than his competitor under this system of price control, because he has no need to worry; he can coast along without worrying on the score of economic management, without making improvements in his article and without seeking markets for it, because grandmother government looks after him. That is not the way we will get ahead and compete, as we will have to compete, with people who are working longer hours for lower wages and with lower standards of living than ours, which I do not want to see here. However, if we are to compete with these people we must have a chance to compete.

Much has been said about the fixing of wages. The laws of this land provide for various authorities to examine the working conditions of employees and to assess a fair recompense for their labours. The Arbitration Court is of course the top rung, and we also have various State authorities that give the same service to industries that are purely of a State character. I have perused the May, June and July issues of the *Industrial Information Bulletin* published monthly by the Department of Labor and National Service. The June issue indicates that in that month 18 cases were dealt with,

and in July, 14—all of State application. Sometimes the court granted increases in wages, and sometimes an increase in other benefits, such as sick or annual leave or conditions under which the particular industry worked.

I desire to give only one example which gives a clear indication that there is no such thing as pegged wages in this State, and that example is the nursing profession. I have obtained figures in relation to this profession from the Hospitals Department, and I will only quote those applying to Government hospitals although, if anyone is interested, I have taken out some rough annual figures from the Nurses Board Determination that apply on a State wide basis. I will give the old rates that applied before June this year and the new rates now in force in the Royal Adelaide Hospital, and I will first deal with single certificated nurses. These salaries are based on a 40-hour week, although the nurses actually work 48 hours and are paid time and a half for their overtime. If members want a rough and ready calculation of the weekly wages they receive they need only add 30 per cent to the rates.

Single certificated nursing sisters received under the old rates £615 for the first year, £640 for the second year and £665 for the third year. The new rates now in force are £680, £710 and £740—quite a considerable increase. The old rates for trainee nurses for the first year were £391, second year, £410, and third year, £430; the new rates are £408, £428 and £464. At a number of Government hospitals in country areas special rates apply. In these country hospitals trainee nurses received under the old rates £401 for the first year, £423 for the second year and £436 for the third year; the new rates are £422, £442, and £478.

So that members will realize that responsibility is being recognized, I point out that the matron at the Royal Adelaide Hospital received £1,025 under the old scale and now receives £1,170. That is a concrete example of whether or not wages and salaries are pegged in this State. Any member who is interested can go into the library and check these figures back for many years. Since the discontinuance of quarterly adjustments in 1953 these volumes have not become any less bulky, because just as much business is being transacted and the employees have received some benefits either in conditions of leave or employment.

I do not see that there can be any squeal about the Arbitration Court's discontinuance of quarterly wage adjustments. They are not part of our law and the States now allowing them to operate are breaking the law. It is entirely wrong for any State to violate the law in this way. I have no sympathy for people who look for votes by giving something they should not be giving.

Mr. Jennings—It is worse to promise and then not give it.

Mr. SHANNON—We do not even promise it and I hope that the South Australian Government will do nothing but stand by the law. If there is a justification for an increase in wages in any industry we have the machinery necessary to deal with the matter impartially. The men concerned in this work are specially trained to assess whether or not industry is trying to get more from the employees and paying them a little less money. They can sift all the evidence submitted, and I believe the system is sound in practice. It is patent to anyone listening to this debate that members opposite favour control in everything, but I do not like to be told where I am to go or what I am to do. I like to be free. Mr. Hambour referred to a commodity where if ordered in varying quantities various discounts were received, but if he were the Prices Commissioner how would he approach the fixing of a price for a small buyer who gets about five per cent and a price for the large buyer who gets 30 per cent? It would not be possible, for instance, to tell the small buyer that his price would be 30s. and for the large 10s. How much of this commodity would the small buyer sell under those circumstances? That is the nigger in the woodpile. I want everybody to have a fair go. If people are not pushed around in this matter the little buyer will come into his own. Mr. Hambour knows the difficulty in this matter yet he supports the Bill.

Mr. Hambour—Unfortunately I know too much.

Mr. SHANNON—The honourable member knows a lot but I do not think he knows enough.

The SPEAKER—I ask the honourable member to address the Chair.

Mr. SHANNON—I have had an inquiry from people not far from this building whether in my hills area there are any potatoes to spare for a buyer. There is a history attached to this matter. About three years ago potatoes were under price control in this State, but the price was fixed at a point where it did not pay

the grower to bring his potatoes to the East End market. He could do better business by letting hauliers take the potatoes to another State to be sold. Consequently, this State was robbed of high quality potatoes because growers could not get a fair price and then we imported Western Australian potatoes at a higher price than our potatoes realized in the other States. The potatoes from Western Australia were inferior in quality.

Mr. Hambour—That is admitted.

Mr. SHANNON—Well, if that is the way price control works I don't want to be led up the garden path. On that occasion the Premier learnt by bitter experience that price control was unprofitable.

Mr. Hambour—Are potatoes cheaper now that price control has been removed?

Mr. SHANNON—The member for Light is being facetious. They are cheaper here than in Melbourne, Sydney or Brisbane.

Mr. Hambour—They are cheaper still in Western Australia.

Mr. SHANNON—Yes; they are cheaper there than in any other State. I warn local growers to sell now because as soon as the plains potatoes come in the price will fall.

The Hon. G. G. Pearson—It is the buyer who makes the price.

Mr. SHANNON—Yes, and that applies to every commodity.

Mr. Hambour—In some lines the distributor fixes the price.

Mr. SHANNON—Possibly. The member for Mitcham (Mr. Millhouse) showed by speech on this Bill that he is gaining experience quickly. His predecessor in this House often led the attack on price control and I am pleased to see that Mr. Millhouse is of the same mind. It is a bright thought that we have at least one up and coming young member who thinks that we should be able to carry on the economy of Australia without pushing people around.

Mr. Hambour—Do you think I spoke with my tongue in my cheek?

Mr. SHANNON—I thought the honourable member had two tongues: with one he condemned price control and with the other he supported it.

Mr. Hambour—I tried to sum it up honestly.

Mr. SHANNON—I thought the honourable member like the member for Burra (Mr. Quirke), was having 2s. each way. Indeed, I could read portions of their speeches to their constituents and convince them that the honourable members supported price control, and

then I could read them other portions to prove that they opposed it; but I do not think any part of my speech can be taken as implying that I support it. The time is overripe for a return to a state of affairs where Governments took to heart the old adage: "Leave the individual alone as much as possible and make as little law as possible." Obviously there are fields of activity that the Government should occupy because in those fields it renders a service to the whole community, but where an individual can manage for himself, leave him alone. That is the policy on which the British Empire grew and on which Australia has been developed. After New South Wales dropped price control, prices did not sky-rocket, which convinced me that no harm would be done if we dumped this legislation overnight.

Mr. JENNINGS (Enfield)—This Bill was debated fairly fully yesterday and, as I thought it would pass easily, I did not intend to speak on it. It was only the lamentable exhibition by the Premier this evening that inclined me to say a few words on it. I am sorry that on a matter such as this, on which the Premier has the fullest support of Opposition members, he should take the opportunity to make a violent political speech indicting Opposition members while fully realizing that whatever he says to them or about them they are bound by their principles, which Government members neither understand nor sympathise with, to support the Bill. Indeed, Labor members can do nothing, but support the Bill irrespective of the cavalier treatment received from the Premier. His was an irresponsible, rumbustious, ranting speech. He tried to take a shot at the member for Adelaide (Mr. Lawn); indeed, I thought that was the only purpose of his speech. Mr. Lawn had—quite properly—answered the arguments advanced by the member for Mitcham (Mr. Millhouse) against the Bill. Members on this side are in the habit of arguing cases on their merits and Mr. Lawn was justified in rebutting—as he did so effectively—what purported to be arguments made by Mr. Millhouse. Then the Premier, because he knew that members on this side were bound by principles and must support the Bill, felt quite safe at this late hour in the debate to enter into a diatribe of abuse against Mr. Lawn. In doing so he gave us his version of what happened at the Premiers' Conference but I must confess that his version is not confirmed by the official report of the conference. Indeed, it is illuminating to read that report and compare it with what we read in the South Australian newspapers of

what goes on at these conferences. We are always told by the press here—and I think both sections of the press are equally culpable—that these conferences revolve around one Thomas Playford, Premier of South Australia. He is the axis around which everything revolves, and the others are only there to make up the numbers, according to the press.

Mr. Hambour—You must be proud of that.

Mr. JENNINGS—If it were true we could be proud of it.

Mr. Hambour—It is true.

Mr. Dunstan—Was the member for Light there?

Mr. JENNINGS—I must admit that being innocent and unsophisticated I had to some extent fallen for these press stories of what goes on at Canberra.

The SPEAKER—Order! I cannot allow the honourable member to proceed on that line. The press does not enter into the debate here. The honourable member is wide of the mark when he develops that argument.

Mr. JENNINGS—I feel I am entitled to allude to the Canberra conference because it was mentioned by the Premier in his remarks. I was saying that it is interesting to read the official report of what happens at these conferences and that South Australians, if they had the opportunity to read it, would be sadly disillusioned because we are struck by the very insignificant part played at these conferences by our Premier, whereas we have been led all the time to believe he has been the No. 1 man there for the past 18 years. The member for Onkaparinga (Mr. Shannon) referred to inflation and consequent price rises, and said that those States which granted automatic adjustments to the basic wage were breaking the law because we believe in arbitration and the Arbitration Court said there should not be any more such adjustments. Do members imagine that Mr. Shannon believed that? I do not think he could believe it. Only this afternoon, when speaking on another matter, he claimed we were sovereign States and hoped that the sovereignty of the various States would never be prejudiced, yet tonight he tells us that because the Commonwealth Court decides that basic wage adjustments should be suspended on Commonwealth awards the sovereign States themselves are not in a position, if necessary, to direct their own industrial courts to continue those adjustments. Of course, most of the States have not instructed their courts.

Mr. O'Halloran—He was saying the sovereign States cannot protect their own people.

Mr. JENNINGS—I think a rough interpretation of the honourable member's remarks is that the sovereign States should not protect the wage earners but that they should not have their sovereignty challenged in the matter of protecting the profiteers in the community. Most States have not issued instructions to their various wages tribunals. In most cases the wage fixing authorities have acted on their own initiative. I have here the official report of our Premier's remarks at the Canberra Conference when he was speaking on wage pegging. He said (referring to wage pegging):—

I was very impressed with what Mr. Cahill said on the matter this morning.

It is interesting to note that Mr. Cahill, who has been treated with scant respect by the Premier this evening, impressed him considerably at the conference. Our Premier then went on:—

This conference has not been at all negative in one or two directions. From it emerges the fact that the States generally are prepared to co-operate with the Commonwealth. Not one State has refused to consider the proposals (on whether the States should issue instructions to their wage fixing authorities for the suspension of quarterly adjustments). In point of fact, four States are already giving effect to what the Commonwealth has suggested. In those four states, the courts are not directed in any way. In my State, no legislation relating to the State Industrial Court has been passed for many years.

We know that, unfortunately, but that report explodes completely the erroneous and irresponsible statement made by Mr. Shannon tonight that the States that are continuing cost of living adjustments are breaking the law, as those States could break the law within their own boundaries. I believe the member for Barossa (Mr. Laucke) spoke sincerely this evening, as no doubt he always does, but his argument was the old one that private enterprise should not be interfered with, that it should be unfettered to do just as it thinks fit in the interests of private enterprise. If we had private enterprise, or anything remotely approaching it, there would be much more validity in that argument than there is in the circumstances existing today, but how can the the honourable member claim that the rights and freedom of private enterprise should prevent any need for price control in South Australia where we have not got private enterprise or anything like it? Only last night we heard the member for Light (Mr. Hambour) saying, in complete opposition to what the member for Barossa said this evening, that one of the great difficulties confronting our

economy was that there was really no such thing as private enterprise today. He said that that was the reason which encouraged him to support this Bill.

Mr. Hambour—Who said that?

Mr. JENNINGS—The honourable member said it. He is a successful businessman, and deservedly so, and yet one of his reasons for supporting this Bill is that private enterprise does not exist. Private enterprise must be private enterprise and must be competitive, because the two things are synonymous. We have something that masquerades as private enterprise, and it is merely a number of associations which, as the honourable member for Light said, prevented him on one occasion from selling goods cheaper than he would have preferred to sell them. We have no private enterprise, but something that is the very antithesis of private enterprise. It was J. Pierpont Morgan, the great monopolistic capitalist of America, who said, "Where combination is possible competition is impossible." I do not doubt that the remarks of the honourable member for Barossa were sincerely made. As I indicated, I would not fully agree with him even if we had genuine private enterprise, but his remarks have no legitimacy whatsoever under a system such as we have now in the modern capitalistic world.

Mr. Hambour—If the honourable member gets into power I will sell him a business.

Mr. Davis—At an exorbitant price, too.

Mr. JENNINGS—I had intended to say something about the remarks of the honourable member for Mitcham, but several infinitely better speeches have intervened so I will allow his remarks to remain—

Mr. John Clark—Unwept, unhonoured, and unsung.

Mr. JENNINGS—That is perhaps put better than I was going to put it. I will leave his remarks to rot away in *Hansard* with the other remarks he has made. We were told by the Premier this evening that price control throughout the Commonwealth was sabotaged by Mr. Cahill, the Premier of New South Wales. I have a verbatim report of the Premiers' conference at Canberra, and after I read what Mr. Cahill said I do not think any member here will claim that the Premier's remarks with regard to Mr. Cahill's attitude to price control were justified. Mr. Cahill said:—

I formed the opinion from the discussions around this table yesterday that there is almost unanimity of thought that prices control would help to stabilize wages. That being so, I

think that the Commonwealth, as a contribution to the solution of the difficulty, ought to give its blessing to the control of prices. If, because of a constitutional difficulty, you do not feel that you can make arrangements for the Commonwealth to enter into prices control, I believe that there is a means of overcoming that position. If you do not want to go that far but you are prepared to indicate that the Commonwealth believes that the prices structure today is such that it is contributing to the inflationary spiral, and to urge the various States to introduce prices control, I am sure—and I have not yet had an opportunity to discuss the matter with Mr. Bolte, but I have mentioned it to the other Premiers—that the Premiers would give very serious consideration to doing what you suggest. Of course, we remember that the administration of prices control by the various States was not satisfactory, but we would be prepared to give serious consideration to its re-introduction if you desire us to do so. However, I emphasise that the Premiers do not consider the quarterly adjustments to be the cause of the present difficulty.

That is directly opposite to what the Premier told us tonight. I point out that this speech was made immediately following that of Sir Arthur Fadden, the Federal Treasurer. Mr. Cahill is Premier of the senior State, and therefore he made his contribution immediately after the Federal Treasurer. I repeat that he said:—

We would be prepared to give serious consideration to its reintroduction if you desire us to do so.

At no later stage in the conference did the Federal Treasurer give any encouragement to the States to reimpose any sort of price control.

At a later stage it becomes obvious that the person who sabotaged prices control was the Liberal Premier of Victoria, Mr. Bolte, because he made it clear that he did not want to embark on any system of price control and that he was absolutely determined that no powers would be ceded to the Commonwealth. At a later stage in the debate Mr. Cahill went further and said that his Government would ask Parliament to cede price control powers to the Commonwealth.

Mr. Hambour—Why didn't he impose it himself?

Mr. JENNINGS—Because he believes that State price control is unsatisfactory.

Mr. Hambour—Do you?

Mr. JENNINGS—Yes, but I believe it is considerably better than nothing. Mr. Cahill is consistent. In 1948 he said that price control would be unsatisfactory, but he believed in its continuation, and as a result of that he did everything in his power to persuade

the people of Australia to transfer from the States to the Commonwealth the right to legislate in regard to prices and services. In this State we have a hypocritical attitude, with a Government claiming that it believes in price control and, in order to curry public favour, continuing some half baked measure which it knows, by the very limitations of the Constitution itself and the conflict between the six States of the Commonwealth, cannot be effectively managed. Fundamentally this Government does not believe in price control at all, and in 1948 it urged the electors of Australia to vote against the only proposal which would continue price control on a satisfactory basis throughout the Commonwealth. I regret that the people listened to the South Australian Premier and other Liberal spokesmen and rejected that proposal.

The Premier tonight, without any justification, charged Mr. Cahill with sabotaging price control, but price control was sabotaged in 1948 by Menzies, Fadden, Playford and other Liberal leaders throughout Australia. It must be manifestly apparent to everybody that price control itself cannot be effective. Mr. Dunstan mentioned subsidies and import control. Capital issues control is fundamental to the proper control of prices, because if we permit a system to develop whereby money is invested in luxury and non-essential goods returning higher dividends with the result that money is not available for investment in essentials, non-controlled luxury goods will be produced instead of necessities. Controls are the answer while we are passing through our present stage whereby a few people, through their ownership of the means of production, can dictate to the remainder of the community what the economy of the country should be.

People today are more controlled than they have ever been, because they are controlled by finance—the most damaging control of all and one which cannot be voted against or about which a person can see his member of Parliament and obtain some amelioration. We are controlled by the dictates of the few people who have ownership of the means of production and until such time as the people themselves are running these things for themselves we must maintain price control and make it all-embracing and have a more effective method of policing it. We must ensure that articles are not decontrolled by regulation and allowed to increase to a certain figure before being recontrolled. All items should be controlled all the time to ensure

that there is some real stability in our price structure. I only wish that instead of continuing this legislation for another year we were continuing it forever so that we would never have to debate this matter annually.

Mr. STEPHENS (Port Adelaide)—I support the Bill without any apologies. I have listened to members support the Bill after which they have immediately made excuses for doing so. Are they frightened to let somebody outside know they support this legislation? Why have they made excuses? Price control fixes the income of manufacturers. Workers' wages are fixed by an Arbitration Court and the incomes of manufacturers should be fixed by a tribunal. While a tribunal fixes wages, a tribunal should fix prices.

Some members opposite claim that there should be more freedom of trade instead of price control, but why do they complain when workers refuse to sell their labour unless they get a better price for it? I remember when potato diggers refused to dig their potatoes and send them to the market because they considered they were not getting a fair price. That was regarded as a business transaction, but when workers strike because they are not getting proper wages they are severely criticized. I urge members to read the reasons given for this legislation when the Minister of Education introduced it on behalf of the Premier. He said:—

... information in the possession of the Government clearly indicates that there is still a strong case in South Australia for the continuance of price control in the interests of the public. In the commerce of this State there is not at present sufficient free competition to protect consumers against excessive prices. Price fixing arrangements of various kinds are common and effective. A trader who endeavours to charge less than the price determined by his trade association may often find himself in difficulties; for example he may find his supplies cut off. Generally speaking, the trade associations are able to prevent price reductions . . .

While the living wage remains pegged as at present it would be unjust to abandon price control. The control is especially valuable and necessary on the items of food and clothing which enter into the C series index and it has been found from experience that if there were no control the prices of those articles would rise substantially. The fact that traders are making satisfactory profits very often does not prevent them from increasing their prices, if they feel that they can do so without a falling off in their turnover.

It only goes to show what the Premier and the Government feels about it. There is a body

of people in this State prepared to practically rob the public, and will continue to rob it by charging unfair prices. During the war the Labor Government was in power in Canberra and had the opportunity to fix prices, and I understand they were to remain in force until 12 months after the end of the war. It submitted a referendum to the people asking for power to continue price control, but the Premiers of the various States, including our own Premier, told the people many things. I quote the following advertisement from the *Advertiser* of Friday, May 28, 1948, on the side of which was a photograph of the Premier pointing to the people and saying, under the heading "A personal message to the people of S.A." :—

I say this to you. You may vote No on Saturday in the full knowledge that when Canberra control ceases your South Australian Government will introduce legislation to control prices and rents as may be necessary.

It was signed by T. Playford as Premier, and underneath was printed:—

To keep control within your own State vote No. 1 in the "No" square.

The Premier has admitted in this House that what he said then was not correct. I do not say that he wilfully told lies, but the statement I believe was not correct because South Australia cannot control prices as they should be controlled. Consider the price of sugar. If South Australia were to fix one price and Western Australia a higher price we would get no sugar and by those circumstances we would be forced to increase the price. If it is right that wages should be fixed, it is also right that the incomes of merchants should be controlled. That would be true arbitration without favouritism to one class. We must remember there is more than one class to be considered. When war breaks out we do not say only to those owning land and other wealthy people, "This is your country and you have to protect it," but an approach is made to the workers and they are expected to fight for the country. We should grant the same respect to them in peace as in war and say "We are going to protect you against unfair prices and unfair actions referred to by the Premier."

Bill read a second time and taken through its remaining stages.

ADJOURNMENT.

At 10.02 p.m. the House adjourned until Thursday, September 20, at 2 p.m.