

**HOUSE OF ASSEMBLY.**

Wednesday, September 26, 1956.

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

**QUESTIONS.****AUDITOR-GENERAL'S REPORT.**

Mr. O'HALLORAN—Can the Treasurer say when the Auditor-General's report will be available to members, and particularly whether it will be available before we are asked to discuss the various lines of the Estimates?

The Hon. T. PLAYFORD—I understand that the report is in the hands of the printer, and also that the proofs have been submitted to the Auditor-General, but I am not sure of that. I know that all the accounts necessary for the report have been supplied, but when the report will be available to members I do not know. However, I will make inquiries for the honourable member.

**FIRE BRIGADE CONTRIBUTIONS.**

Mr. TAPPING—On May 7 I asked the Premier a question about fire brigade contributions and he told me a questionnaire had been sent to the councils concerned in order that the Government could get information on which to consider the matter. Has he any further information to give?

The Hon. T. PLAYFORD—The replies from metropolitan councils have come to hand and the whole question has been examined by Cabinet. I think all but four councils are opposed to any alteration that would involve them in any extra expenditure.

**MURRAY RIVER FLOOD.**

Mr. BYWATERS—Can the Minister of Irrigation say whether any plan has been devised to dewater the reclaimed swamp areas, where will that work be started, and at what level will the dewatering commence?

The Hon. C. S. HINCKS—That matter is being considered by the engineers. I will get a report on where and when the dewatering will start.

**ANZAC HIGHWAY TRAFFIC LIGHTS.**

Mr. DUNNAGE—Some months ago the West Torrens and Unley Councils and the Highways Commissioner agreed to install traffic lights at the corner of Anzac Highway and South Road and that the cost should be met by those authorities, but so far nothing has been done. Can the Premier say when the lights are likely to be installed?

The Hon. T. PLAYFORD—I have no knowledge of what the arrangements are or when it is likely that they will be given effect. Generally speaking, the Government believes that the lighting of roads is the province of local government and is opposed, except in rather exceptional circumstances, to funds being diverted from the Highways Fund for lighting purposes, because any amount subtracted from the fund results in there being less money available for roads at a time when the road system urgently requires more, not less, finance. I will obtain a report and advise the honourable member of the position.

**SOILS RESEARCH.**

Mr. STOTT—Has the Minister of Agriculture received information from Canberra to the effect that the Soils Division of Waite Research Institute will have to vacate its premises in 1957, and whether it is not a fact that C.S.I.R.O. has allocated part of the money for this division of the institute? Is it not also a fact that £25,000 has been provided in Canberra for denominational schools, yet it appears that this important research division is to be abandoned? If that is so, what steps does the Government propose to take to maintain it?

The Hon. G. G. PEARSON—I am aware that certain discussions have taken place between the University authorities and the Federal Minister concerned, but I have not been advised as to any decision, or supplied with any information beyond that given by Mr. Casey at the Waite Research Institute on the occasion of his last visit. I will make inquiries and see what I can discover in respect of the matter.

**EGG PRODUCTION.**

Mr. LAUCKE—The history of the egg industry in this State has not been a happy one in recent years and there has been a continual decline in production. From July 1 to September 22 this year a decline of 10 per cent in production is noted compared with the same period last year. I have no doubt that the decline is due to the high cost of production arising from the high feed price level, over which the producer has no control. Last year the cost of production was assessed by competent authorities at approximately 4s. 2d. a dozen, and the average net return to the industry for all grades was 3s. 0.69d. a dozen. It is evident from these figures that the industry must continue to fall away until steps are taken to ensure at least cost of production to the producer. Will the Minister, on a Commonwealth level, investigate the possibility

of introducing a stabilization scheme similar to that operating in respect of wheat and embracing a guaranteed cost of production for a given volume of egg production, or ensuring a subsidy on feed wheat to reduce production costs?

The Hon. G. G. PEARSON—The decline in production to which the honourable member refers is generally attributed, as far as I am aware and from information which comes to me from week to week from the Egg Board, to weather conditions more than to any other factor. The other matters which the honourable member raises are extremely far-reaching and involved and I will endeavour to obtain some information which will throw more light upon the question.

#### NARACOORTE-KINGSTON RAILWAY.

Mr. CORCORAN—Work on broadening the railway line between Naracoorte and Kingston has been proceeding for some time. I realize that progress would have been retarded during the winter, but will the Minister representing the Minister of Railways ascertain what progress has been made?

The Hon. T. PLAYFORD—I will get a report. The progress that can be made in the South-East depends directly upon the finance made available each year by the Federal Government under the Standardization Agreement. Funds have not been lavish and this year the amount that has been voted on the Estimates is much smaller than in previous years. The matter has been taken up with the Federal Treasury to see whether an adjustment can be made.

#### MISTLETOE SPRAY.

Mr. DUNNAGE—A recent press report suggested that the C.S.I.R.O. has developed a spray which kills mistletoe without creating any other problems. When travelling through the hills and National Park last Sunday I noticed that mistletoe is spreading rapidly. Does the Minister of Agriculture know anything about this spray and, if not, will he make inquiries about it as such a spray could be of benefit to the State.

The Hon. G. G. PEARSON—I did not see the article referred to and do not know anything about the spray, but will get information on it.

#### LEAVE OF ABSENCE: MR. FLETCHER.

Mr. QUIRKE moved that one month's leave of absence be granted to the honourable member for Mount Gambier (Mr. Fletcher) on account of absence from the State.

Motion carried.

### COURSING RESTRICTION ACT AMENDMENT BILL.

Second reading.

Mr. JENKINS (Stirling)—I move—

*That this Bill be now read a second time.*

As indicated by its title, this Bill amends the Coursing Restriction Act of 1927. The member for Onkaparinga (Mr. Shannon) introduced a similar measure in 1951 which, after amendments, was passed in this House but was defeated in the Legislative Council. Unlike that Bill, which provided for a mechanical quarry to be used and licensed through the National Coursing Association, this Bill is designed to provide for the licence or permit to be issued by the Chief Secretary, thus bringing it directly under the control of the Government. This will be implemented by amending section 3 of the principal Act by adding the following subsection (6):—

This section shall not apply in relation to any race conducted pursuant to a licence granted under this Act.

Clause 4 provides for the granting of a licence on application made in accordance with the regulations for the purpose of conducting races in which dogs race after a mechanical quarry. This is the main provision and will bring coursing in South Australia into line with other States where greyhounds race after a mechanical quarry under the auspices of the National Coursing Association. Under the rules and regulations the Minister has wide powers. For instance, he may decide on the number of race meetings conducted under a permit and the time and places of such meeting. It is also provided that the conduct of races under licence must not constitute a nuisance, or create any danger or undue inconvenience to the public, or any section thereof. He has the power to cancel a licence if the conditions of a licence are contravened. I would think that most clubs are or will become affiliated with the Adelaide Greyhounds Club and that coursing associations and their advice as to permits being granted or otherwise would be of service to the Minister.

Penalties are provided for a breach of any regulations, so members can see that ample provision is made for the protection of the public. In case members may think that this is the thin edge of the wedge for introducing at a later date betting on such races, I point out that the last clause provides that no licence shall be granted under the Lottery and Gaming Act 1936-1955 authorizing the use of the totalisator at any meeting where dogs race after a

mechanical quarry. The same applies to book-makers. I have indicated to members of the South Australian branch of the National Coursing Association that if in the future legislation is introduced to legalize betting on greyhound racing I shall not support it. A fee of £5 has been provided for a permit, but like other clauses this is open to amendment in Committee.

At present greyhound racing or coursing is taking place, but the methods used are considered ridiculous, for in some instances a boy runs ahead of a pilot dog trailing a rabbit skin. When the pilot dog takes off the boy ducks under the railings and the greyhounds are released and chase the pilot dog. In other cases a live rabbit in a cage is shown to the dogs and carried across the grounds and when the dogs are released they race to where the rabbit is held. If the Bill is passed all this nonsense will be eliminated, and a mechanical quarry substituted.

In recent years Sydney buyers of greyhounds have visited South Australia and paid high prices for well-bred dogs. Many have also been exported to Africa, but the demand and price have fallen as a result of the mechanical quarry being used interstate for dogs trained here for open coursing, namely after live hares, do not always adapt themselves readily to the mechanical quarry, thus quite a substantial loss to breeders has been experienced. The home of coursing is in my district of Stirling. Milang, Strathalbyn, Langhorne Creek, Woodchester, Macclesfield and Jervois are all noted for their coursing activities and well-bred greyhounds. That is not to say that members in other districts have not some interest in greyhound racing. I believe they have.

Greyhound racing is essentially a countryman's sport, although in other States the city people follow coursing as strongly as our people follow horse racing and trotting. It is a sport well within the means of people in all walks of life to follow should they so desire. Many dairy farmers in my district and of course other people as well, breed, train and race greyhounds. Dairy farmers, by virtue of their occupation, are tied to their dairies twice daily 7 days a week, and are denied the same freedom of recreation as most other people, but during the day they can give attention to breeding, training and racing greyhounds, thus providing sport as well as an increased income from the sale of greyhounds.

There is a change in the public outlook on coursing, an entirely different tolerance, which I think can be expressed if I read an extract

from the *Sunday Telegraph* of July 1, 1956, under the heading "Britain's High Society goes to the Dogs."

Greyhound racing in Britain is rising in the world, for quite literally high society is "going to the dogs." For years Britain's socialites regarded greyhound racing as "vulgar." Now a Lady-in-Waiting to the Duchess of Kent is a dog owner, as are Princess Margaret's close friends, Lord Blandford and Lord Porchester. You will find some of the keenest owners and dog racing fans in the pages of *Debrett*. The stately homes, as well as the council flats, are likely to be deserted these nights when a meeting is being held at a nearby stadium. Many friends of the Royal Family have now entered the "set" of dog owners—and a pretty exclusive set it is becoming too. The society craze for greyhound racing is developing so swiftly, in fact, that some people are asking "How long will it be before members of the Royal Family take a personal interest in the sport?" So far, greyhound racing has had no Royal patronage, but it may not be very long before this long-shunned sport receives the social and economic boost of Royal interest. The greyhound, after all, is one of the "Queen's beasts"—the animal which decorated the annexe at Westminster Abbey for her Coronation. And the ancestors of the modern greyhounds were favourite pets of the Tudor Kings. There is also little doubt that members of the Royal Family must hear considerable talk about greyhound racing among their friends. Lady Rachel Davidson, Lady-in-Waiting to the Duchess of Kent, is a dog owner. So are two close friends of Princess Margaret, Lord Blandford and Lord Porchester. Other titled owners include Lord and Lady Severnake, Lord Derby, Lady Blackford, Lord Chelmsford, Lady Wakefield, Lord Coventry, Lord Denham, and Lord Bingham. The Marquess of Carisbrooke, a grandson of Queen Victoria and cousin of the late King George VI, is a senior steward of the National Greyhound Racing Club. These noble names head a long list of notables who race dogs in Britain's 208 tracks. Sir Alan Herbert, the writer, has been a well known owner for many years. Business men, politicians, stars of stage and screen have all been bitten by the greyhound racing "bug" in recent years. The support of these public figures and of hundreds of people of similar social standing is giving greyhound racing a new dignity in British sporting life.

The following is another article, under the heading of "Mechanical Hare Racing" in the *News* of March 31, 1956, by Jack Turley, Chief Steward of the Adelaide Greyhound Club:—

Many people are obviously misinformed about mechanical hare racing. South Australia runs greyhound speed races, but the method used here is out of date. We have a stuffed rabbit skin tied to a string. A boy runs with it for 200 yards dragging it behind him, then he leaves the track. A pilot dog is then released and given 50 yards start before the field is sent on its way. What is the difference between someone dragging the rabbit and

having something mechanical to pull it? Queensland has mechanical hare racing. Victoria had it granted 12 months ago. New South Wales has been going for years (last year the sport paid £85,000 in taxation), and Tasmania runs £1,000 races. On the score of cruelty, if any member is caught destroying any animal with a greyhound he is liable to disqualification for one year to life, and to be reported to the R.S.P.C.A. In 25 years' experience of speed tracks I have never witnessed cruelty. The only "blooding" our greyhounds get is in the open coursing season when it is legal to race after live hares. The Adelaide Greyhound Club would be happy to meet R.S.P.C.A. secretary, Mr. Colley, and this association, which does so much for animals.

Honourable members will see the change in the public outlook on greyhound racing during the last two or three years. On top of this, the parent body in this State, the South Australian Branch of the National Coursing Association, is very jealous indeed of the way the sport is conducted, and is an excellent insurance against any practices that may not be in the public interest. This morning I received a petition signed by over 500 people in the districts of Gouger and Enfield, supporting tin hare racing. That gives some idea of the demand for coursing. However, I cannot present that petition in this House because it does not conform to Standing Orders. I commend the Bill to members as being practical, sensible and desirable.

Mr. TAPPING secured the adjournment of the debate.

#### INDUSTRIAL CODE AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 19. Page 642.)

The Hon. T. PLAYFORD (Premier and Treasurer)—When the Leader of the Opposition gave notice that he proposed to introduce a Bill to amend the Industrial Code, I envisaged a measure entirely different from the Bill that eventually arrived. I thought that it would probably deal with the C series index and quarterly adjustments, so I was rather surprised when I saw the nature of this Bill.

Mr. Tapping—Were you disappointed?

The Hon. T. PLAYFORD—No, I was not. This Bill is not new matter, but something we have had before in almost identical form. Without getting technical, I will explain the purposes that the Leader seeks to achieve. The Bill is quite simple; it provides that the principal Act shall be amended by striking out sections 99 to 119 inclusive thereof. Those sections create an offence and provide for

punishment of persons, whoever they may be, who break the law. The Leader's amendments would take away any opportunity to enforce the law by either side, employees or employers. These sections were inserted in the Act in 1912, and possibly were slightly amended in 1924. The Bill deletes from the Act any provisions that make it possible to enforce the law. Normally, when this House passes a law it provides some way of ensuring that it becomes effective. If the law is devoid of any power of enforcement it ceases to be an effective instrument for either good or ill in the community. In effect, however, Mr. O'Halloran says that because employees are not now faced with a fear of lock-outs there is no need to police the measure, and he considers there is nothing to stop his taking away the punitive sections irrespective of whom may be the defaulter under the Code.

I believe, however, that it is abortive to make any law unless it can be enforced. Indeed, we waste our time and the country's money by deliberating on any law that cannot be policed and made effective. True, considerable difficulty has been experienced in enforcing industrial laws and rarely has extreme action been taken to try to enforce them. I can remember no case in which violent action has been taken to enforce any provisions of the Industrial Code, although in the Commonwealth sphere much more machinery to enforce industrial laws has grown up recently. I point out, however, that that is rather a natural corollary of the large amount of industrial lawlessness that has been associated with a number of unions registered under the Commonwealth Conciliation and Arbitration Act.

Mr. O'Halloran—It is the cause of most of the unrest.

The Hon. T. PLAYFORD—I will deal with that aspect in a few moments. As the honourable Leader sometimes does on Wednesday afternoons, he introduced into his second reading speech on this measure a certain amount of Party politics.

Mr. Lawn—No!

The Hon. T. PLAYFORD—Possibly the member for Adelaide (Mr. Lawn) never introduces anything else into his speeches. Although members can expect from Mr. O'Halloran a fairly reasonable declaration on all matters placed before him on two days of the week, I am afraid that on Wednesday afternoons he often breaks out into Party politics. On this occasion he is reported by *Hansard* as saying,

in effect, that our industrial laws are no good merely because there have been reactionary Liberal Governments. The Leader, however, glossed over the fact that our industrial laws, which have stood the test of time so long and so favourably, were introduced by a Liberal Government. They were introduced by the Honourable Hermann Homburg in 1912, and it could not be said that at that time they were regarded as reactionary measures.

Mr. O'Halloran—What about the Bill introduced later by the Labor Party?

The Hon. T. PLAYFORD—The honourable member puts me in mind of a practising doctor in an Indian province who put up his name, followed by "M.B., B.S. Oxford (failed)." There is no point in putting up something that has not been accepted. No-one achieves anything by bringing down a Bill that will be rejected. Our Industrial Code has substantially stood the test of time, and is still substantially the code that was introduced successfully by a Liberal Government. However, that does not lend itself to the Leader's Party political approach.

Mr. O'Halloran—The provisions about imprisonment were not included in a Labor Party measure.

The Hon. T. PLAYFORD—Labor's Bill was rejected, but in seeking to justify his measure the Leader of the Opposition said that the Bill which was accepted was substantially different from that brought down by the Labor Party. He himself said that the Labor Party's Bill was substantially altered before being accepted by the House. The Acts Interpretation Act lays down that all legislation shall be deemed to be remedial, and before this Bill is accepted it should be examined closely to see whether it remedies any defect and whether there is any ground for assuming that it will be beneficial. The Leader of the Opposition recognizes that: he recognizes it is not merely necessary to bring down a Bill and say, "Here is something that we should pass." He tried to justify his measure by quoting a number of precedents and he immediately condemned, out of hand, the legislation passed recently by the Federal Parliament. He blamed a reactionary Liberal Party for that measure, but he forgot that the late Mr. Chifley, I believe on the advice of Dr. Evatt, was the first to take punitive action on strikes. I do not condemn Mr. Chifley for that, and he took action in no uncertain manner because he realized, as all members do, that if we are to have the law of the jungle we do

not need any code whatever. However, in an organized society the law of the land must be obeyed.

The Leader of the Opposition cannot justify his Bill upon any ground of general procedure, which lays down that all legislation must provide a certain code and also the penalties for anyone who breaks it. Our present industrial law conforms to that general procedure, but the Leader turned to other places for a precedent to justify his Bill. He went back to a British Act of 1927 and said it permitted certain things, but the Australian industrial laws are totally different from those of Great Britain. When the British laws were enacted the workers there did not have an arbitration court to which to apply. It is true that under the English law not all strikes are illegal, but any strike designed to coerce a Government either directly or by inflicting hardship upon the community is illegal.

Mr. O'Halloran—I mentioned that.

The Hon. T. PLAYFORD—And I am emphasizing it. Any industrial act of aggression is still illegal in England, but the honourable member is not providing that in his Bill.

Mr. O'Halloran—That provision is precisely what Mr. Chifley and Dr. Evatt fought in 1948.

The Hon. T. PLAYFORD—I agree, but Great Britain has not wiped out that offence. It is significant that that is largely the position in other Australian States that the honourable member mentioned. He said that in New South Wales the punitive clauses had been wiped out, but that is not a fact either. The position is that any strike of employees of the Government, any Government instrumentality, or any city, shire or municipal council is illegal. In private industries strikes are illegal in respect of employees covered by an award or industrial agreement. However, employees in private industry covered by an award may, by a majority vote in a secret ballot, decide that the award will no longer be binding on them, but no award has yet been rendered inoperative by this means. In respect of those in private industry not covered by an award a strike is illegal unless 14 days' clear notice in writing has been given of the intention to strike. Provision also exists for the Minister to direct that a secret ballot be taken if he has any reason to believe that a strike is contemplated, or during the progress of a strike, to determine whether the majority of the employees affected are in favour of the institution or continuance of the strike. Penalties are prescribed for illegal

strikes and obstructing a ballot. New South Wales has had a Labor Government in office for many years and not a reactionary Liberal Government to use a term so much in favour with the honourable member. It has a clear majority in both Houses with no obstruction and no one can be put up as a whipping horse, yet the New South Wales Government has not done what the honourable member has decided should be done; on the contrary, it has maintained the sound principle that a person who breaks the law must be punished.

I now turn to Queensland. There it is illegal, under penalty, for a person to take part in, aid, be concerned in or instigate any matter either in the nature of a strike or a lock-out unless or until a strike or lock-out has been authorized by the industrial union or the employers in the calling concerned. A strike is not deemed to have been authorized unless all persons of the industrial union who are engaged in the calling, and in the district affected, have had an opportunity of participating in a secret ballot, either at a general meeting or by postal ballot, and a majority have voted in favour of such a strike. But a ballot taken under the provisions of the Queensland Act which results in favour of strike action only serves to relieve striking employees of their liability to the legislative strike penalties. It does not preclude the court in the public interests from proceeding in such a way as it deems advisable to overcome the continuance of the strike.

We know that the Queensland Government is involved in a very serious strike and is doing its utmost to restore order in one of the largest and most important industries in that State, where there has been complete industrial disruption for many months, to the detriment of everyone and the privation of many people in that State.

In Victoria the position is that where the Minister is satisfied that an organized strike or industrial dispute is about to take place or has actually taken place in connection with any trade as to any matter which is the subject of a determination of a wages board or an industrial appeals court, provision exists to discourage a concerted or mass attack upon wages board determinations. In those circumstances the Governor in Council is empowered to suspend for any period not exceeding 12 months the whole or any part or parts of the wages board determination so far as it relates to the matter in reference to which the organized strike or industrial dispute is about to take

place or has in fact taken place. This suspensory power has been exercised on a number of occasions. So we see that in Victoria—and I believe incidentally that this was introduced by a Labor Government—what has been done is that the nature of the penalty has been altered, as distinct from taking away the penalty, because even there if employees strike against an award they can no longer expect the protection of that award and the Government may suspend the award and take away any of its benefits. In other words, a different type of punishment has been provided, but nevertheless a punishment exists in a form which is equivalent to the deregistration of a union and, to the extent that it may concern any particular industry, it could have serious consequences, particularly at a time when there was a surplus of labour available.

In Tasmania, another State which has had a Labor Government for many years, employers and their organizations and employees' organizations are prohibited under pain of punishment for counselling, taking part in, supporting or assisting, directly or indirectly, any lock-out or strike as the case may be on account of any matter in respect of which a wages board has made a determination.

Again we see that there are provisions, and very full provisions, in a State where a Labor Government has been in power for many years, yet there has been no suggestion that those provisions are not good ones.

In Western Australia another State where a Labor Government is in power, and which has had Labor Governments periodically for many years, we find that it is an offence punishable by fine for an employer or an industrial union or association to take part in a strike or lock-out. Making a gift of money or anything else of value to or for the benefit of an industrial union or association of which any party to a strike or lock-out is a member is deemed an act of aiding in the strike or lock-out. Any industrial union or association of employers or employees which, for the purpose of enforcing compliance with the demands of any employers or employees, orders its members to refuse to offer or accept employment is also deemed to have taken part in or done something in the nature of a strike or lock-out.

It will be seen therefore that in all the States of Australia, as well as in England, strikes are an offence and, as I said earlier, the right to strike that would result if the Bill were passed is completely opposed to our system of industrial conciliation and arbitration.

One argument which could theoretically be advanced in support of this Bill is that the terms for creating an offence are either too narrow or the punishment too harsh and severe and in excess of the nature of the offence; secondly, that the Act has been harshly applied by the courts and as a consequence the punishment does not fit the crime. I do not think any criticism can be levelled at the existing provisions on that score. In point of fact, I believe that if we examine those cases where these provisions have been invoked we will discover that the penalties imposed were quite justified. The Leader of the Opposition said his policy was for arbitration and conciliation, but I believe that conciliation should come before arbitration. If our industrial laws are to be effective they must provide for conciliation rather than arbitration.

Mr. O'Halloran—I used the two terms, but I agree that there should be conciliation before arbitration.

The Hon. T. PLAYFORD—Arbitration in its final result can leave a position much worse than it was before. For the reasons I have outlined I cannot accept the Bill.

Mr. LAWN (Adelaide)—I support the Bill. I agree that the emphasis in connection with the settlement of disputes should definitely be on conciliation and that arbitration should only enter into it when conciliation fails. Every encouragement should be given to employers and employees to settle their differences by means of a round table conference. I have heard officers of the Chamber of Manufacturers and the Premier frequently refer to the excellent employer-employee relationship existing in South Australia and the Premier has often mentioned that production per capita in South Australia is the best in the Commonwealth. We should encourage harmonious relationships and reduce the severity of penalties. The Industrial Code enables the easy creation of an offence as was suggested by the Premier. I believe this legislation is class legislation and should be amended.

The Premier made the bald statement that the Industrial Code has stood the test of time. He did not quote any authorities to support that contention. I think I can speak with as much authority as the Premier because before entering this House I was closely associated with the industrial movement. The union with which I was associated was governed by Federal awards, not State awards, but I was closely connected with unions that worked under our Industrial Code. I was on

the executive of the Trades and Labor Council for many years and occupied the position of president of that body. I contend that there is grave discontent among the unions about certain provisions of the Industrial Code, including the provisions under discussion. The last time the penal provisions were used—in 1954—I contend they were construed in a manner that was never contemplated when this legislation was enacted. The Industrial Code has not stood the test of time. It has hardly been amended since its enactment in 1912. Has any other legislation remained so unchanged for a period of 44 years?

I do not want to indulge in what the Premier will probably call propaganda, but in view of the Government's hostility to any improvement of the Code, I am obliged to conclude that it is regarded as class legislation and the Government has no desire to improve it. The Premier said that when we legislate we must provide penalties for offences. Is it not better to encourage people to obey our laws without imposing penalties? One of the worst types of offenders would be the person who engaged in black marketing during the war. We had many such instances. I know of no instances where any of these people were found guilty and ordered gaol, and none was fined sufficiently; but our workmen, who give the greatest production per head in the Commonwealth, are subject to being fined or gaol.

Let us consider the prices legislation. If a firm is convicted a fine is imposed. Myer Emporium Limited were, I believe, fined on more than one occasion, but their chief, Mr. Norman Myer, was knighted by the Government. On the other hand workers are either fined or sent to gaol merely because they ask no more than the business people seek—just because they refused to sell their goods, namely, their labour, in South Australia if they could get more elsewhere. In 1944, there was a drought in South Australia and a section of the community, who had large quantities of chaff and hay, refused to sell to those who needed it except at an excessive price. The Liberal Government of the day amended the Chaff and Hay Acquisition Act which gave a committee set up under it power to acquire supplies, only because its friends were affected. On the other hand a Liberal Government does not pass acquisition legislation relating to potatoes, onions or other foodstuffs required by the people. Employees are not the only people in this State who want to get the most they can for the commodity they have to offer, and

in this case their only commodity is their labour, and because they want the highest possible amount in return for that labour they are subject to a £20 fine and their association to a £500 fine, or imprisonment for six months. Our people can go without their supplies of potatoes, onions and other foodstuffs so long as these goods can be sent to New South Wales, Queensland or Western Australia for sale at a higher price.

Mr. Heaslip—If people break the law they are liable.

Mr. LAWN—The honourable member knows that his Government will not pass a law to compulsorily acquire potatoes or onions.

Mr. Heaslip—It did for hay.

Mr. LAWN—Because a section of your own Party was being affected by the withholding of supplies.

Mr. Heaslip—It doesn't matter who they are, provided they break the law.

Mr. LAWN—It does matter and that is why the Liberal Government passed legislation in 1944 to enable its friends to obtain chaff and hay supplies just because of the greed and lust of a few. If people withhold their potatoes, onions and other foodstuffs or clothing from the people, the Government is not so anxious to come to the protection of the consumer, but lets the goods go interstate.

As the Leader of the Opposition made clear in his speech, the Industrial Code is much the same as it was when passed in 1912. Legislation introduced by the Labor Government in the previous year did not provide for imprisonment, and was rejected by the Liberal Party. However, in the following year that Party introduced a Bill providing for imprisonment, so evidently it considered that the 1911 legislation was not severe enough. Someone may say that the Bill introduced by the Labor Government in 1911 included fines. That is so.

In 1911 the system of conciliation and arbitration was proposed in this State for the first time and the workers then thought because of their experience, and remembering there had been Rafferty's rules with workmen having to labour for anything up to 60 hours a week without any stipulated amount of wages, with no industrial legislation providing for public holidays, annual leave, sick leave, or anything of that kind, that with the setting up of an independent tribunal they could well say "There will be no need for strikes as we will be able to go to the court for better wages and conditions and our case will be so strong

we must win." In the past they had the biased employer to argue with, but if they could get an independent mind to hear their case they thought they must win, and therefore would not need to strike. Consequently, they considered that provision could be included in the 1911 Bill for fines for strikes, because there would be no strikes. With the experience of 45 years, we find the courts can be just as prejudiced as the employers. I am saying this to justify what in my opinion was exercising their minds in 1911, and the reason why the Labor Government introduced the legislation that year.

Mr. Hambour—You believe that our courts are not fair?

Mr. LAWN—I have already said that. I have said this is class legislation, and I would not have to go very much further than the honourable member in saying that. He has been in this House only since March, and among other things he has advocated compulsory loans and said that people should grow their own potatoes. That is the type of address we have had from the honourable member and I can readily understand why he opposes this legislation which would be of benefit to the workers. I shall quote from a judgment given by Mr. President Pellow of the Industrial Court, as recorded on page 79 of 1954-1955 S.A. Industrial Reports, vol. 26. It contains a copy of a circular issued by the Plasterers Society of South Australia, as follows:—

Circular to solid plasterers resident in the metropolitan area.—At the special summon meeting of solid plasterers resident in the metropolitan area held on July 16, 1954, the following resolution was carried:—

As from September 1, all plasterers to be allocated only to employers who will enter into agreements to employ under the conditions of the Plasterers and Terrazzo Workers Board Determination, plus a minimum wage rate of 9s. 3d. per hour.

It was also resolved—that the conduct of the campaign be left in the hands of the management committee.

Under power of rules the management committee has full control between meetings and decisions of such committee are binding upon members. The important words of the first stated resolution of solid plasterers are "who will enter into agreement to employ." Therefore, no matter what wages a plasterer is being paid he shall be deemed to be acting contrary to the resolution if he continues to be employed where no agreement exists. It is assumed that agreement shall be between the union and individual employers. As the S.A. Builders and Contractors Association has refused to confer on this matter, no further approach shall be initiated by the society and agreement shall



only be made between employers who contact the office seeking such agreement. As the only firms who so far have agreed to such terms are Orlits and F. A. Stone, it is expected that all other plasterers shall give notice in accordance with their contract of hiring to terminate employment on or before September 1, 1954, and report to the office for allocation to other employment. Members who are working on a sub-contract basis, if they continue to work, will only be deemed not to be working in defiance of the resolution, if they have reported to the office and give an assurance that their subcontract will permit them to receive a wage not below that decided by the meeting, and that they will not work on jobs from which plasterers have left as a result of the campaign. If other firms, prior to September 1, 1954, enter into an agreement as requested, the employees of the particular firm will be notified immediately. The management committee will meet on Monday night next to review the campaign and consider any case of hardship arising out of strict compliance with the decision. Indentured apprentices are informed that their contract of hiring will not permit termination of employment and their position will be considered by the management.

The circular was signed by J. L. Cavanagh, secretary of the society. Mr. President Pellew, in his judgment, said:—

The effect, as I see it of the first resolution was that as from September 1, 1954, all solid plasterers were to be allocated (or more correctly reallocated) to those employers only who were prepared to observe as to conditions of employment the conditions (as indeed they were bound to do) of the current determination of the Plasterers and Terrazzo Workers Board and, as to wage rates, a rate of 9s. 3d. per hour (or a wage of £2 11s. 8d. a week above that fixed in the determination). The only real significance of the second resolution, namely "that the conduct of the campaign be left in the hands of the management committee" is that the use of the word "campaign" imparts to my mind the inference that the employees were expected to act in concert pursuant to and for the purpose of obtaining at their demand a minimum wage of 9s. 3d. an hour (or £2 11s. 8d. per week above the wage fixed by the appropriate Industrial Board). In short, the plan to be carried out was the campaign indicated by the resolution of plasterers to obtain a wage of £2 11s. 8d. per week above the wage fixed by the board's determination for plasterers who were members of the defendant society. In stating this I am not to be taken to have overlooked the ingredients of the charge upon which argument was addressed to me.

It is obvious that this was not what is normally recognized as a strike. It was a case where it was possible for employees to get higher wage rates from employers. The men did not strike. They told their employers that unless they were given the rate that could be obtained elsewhere they would no longer work for them. The men complied with the award

and gave notice of termination of employment. They then went to the union office and asked whether work was available in the trade. My union keeps a book and it was used this year for the first time for a long while since the "horror" Budget. If the secretary of the union cannot indicate where work is available the names of the men are recorded in the book so that they can be advised when labour in the trade is sought. The plasterers were told that they would be allocated to employers who would pay the 9s. 3d. an hour. The men who wanted the higher rate gave the necessary notice to their employers and ceased work, but that was deemed to be a strike.

There is no class politics or propaganda in this matter. Do members opposite believe that after having complied with the award and given the necessary notice men should be deemed to be on strike? The Treasurer probably had this case in mind when he spoke this afternoon for he said the Leader of the Opposition could probably advance two more reasons in support of the Bill. The first reason was that an offence could be created too easily. I have no doubt that the Treasurer had in mind the view expressed by Mr. President Pellew. If it is right for a grower to sell his potatoes where he can get the best price, and the growers of onions to do the same thing, surely the workers have the right to give a week's notice to their employers and leave their jobs to seek work elsewhere at higher rates.

Mr. Hambour—It happens every day of the week.

Mr. LAWN—Then why should it be deemed to be a strike? During the war a Conciliation Commissioner, acting under the Commonwealth Conciliation and Arbitration Act, ruled that if five men from one factory at one time gave notice to take other employment it constituted a strike, but when that Act was passed that was never intended.

Mr. Hambour—How many were penalized?

Mr. LAWN—The union was fined £75.

Mr. Hambour—Was it paid?

Mr. LAWN—Of course it was. I cannot find any reference to costs in that case, although my experience has been that costs are often more than the fines.

Mr. Millhouse—That is not so.

Mr. LAWN—Although the honourable member is a solicitor, I have had more experience in industrial courts than he. In the case of Vasey against the Port Adelaide Working

Men's Association, reported in volume 6 of the *South Australian Industrial Reports*, the fine was £10 and the costs £100. Possibly Mr. President Brown felt that the matter was so trivial that it should not have come before the court, so he imposed only a £10 fine, but having found the case proved he fixed costs at £100.

Mr. Millhouse—Didn't that case go to the High Court? Isn't that the explanation?

Mr. LAWN—A special case was stated for the opinion of the Supreme Court.

Mr. Millhouse—There is a reference in the statutes that special leave to appeal was refused by the High Court. That is the reason for the heavy costs.

Mr. LAWN—These workmen, who are law-abiding citizens, were fined in the State Industrial Court. Their production is the highest in the Commonwealth, yet they were told that because of the provisions of the Industrial Code they must not give a week's or a month's notice and go to work elsewhere at a higher rate of pay because that action would be in the nature of a strike.

Mr. Hambour—I do not accept that.

Mr. LAWN—My information was gained from the *South Australian Industrial Reports*. In that case the President, in his judgment, said:—

The effect, as I see it, of the first resolution was that as from September 1, 1954, all solid plasterers were to be allocated (or more correctly, reallocated) to those employers only who were prepared to observe as to conditions of employment the conditions of the award.

They were to be allocated by the union. They had to be out of work before taking other employment, and I can assure the honourable member that they gave the required notice. Having done so, they went to the union office, which directed them to employers who were paying more than award rates, yet their action was deemed to be a strike, and the union was fined £75 with costs.

Mr. Hambour—Do you suggest that an employee could not choose his employer?

Mr. LAWN—I have quoted a case—

Mr. Hambour—One case.

Mr. LAWN—That has been found to be the law, and it means that no employee can leave his employment to go to another job for higher rates of pay without the fear that he may be prosecuted.

Mr. Millhouse—Why don't you look at the definition of "strike" in the Industrial Code? That is the explanation, isn't it?

Mr. LAWN—As a solicitor, the honourable member would have knowledge of the case I have quoted, and he will have the opportunity to speak after me. The union knew of employers who were prepared to pay above award rates and it told its members who, having complied with the requirements of giving notice, presented themselves to the office. Later, the union was prosecuted.

Mr. Shannon—How many were involved?

Mr. LAWN—We all know that plasterers are employed in small numbers. I do not know if that makes a difference, but if it does, that makes my case stronger than if 1,000 men left General Motors-Holdens to go to Chrysler (Aust.) Ltd. for higher pay.

Mr. Hambour—Would that be illegal?

Mr. LAWN—They would not come within the Industrial Code because they are working under Federal awards. If they gave the required notice and went to work for another employer they would not be subject to a penalty, although I have in mind that during the war one Conciliation Commissioner, who shall be nameless, ruled that five men or more could not give the required notice and go to another job; but I believe that decision was wrong. If the law of the land permitted them to change jobs for more money, why did their leaving constitute a strike? There is no law of which I am aware to stop a man from leaving his job for another, except the Industrial Code in the case I have mentioned. Under that provision an employer who loses an employee to another employer offering higher pay or some other inducement, may go to Mr. McColl and ask him to launch another prosecution on the ground that such action is in the nature of a strike.

Do members opposite want to inflict penalties on employees or to encourage better employer-employee relations? I ask them to give the legislation a trial and see how it works with the penalty clauses eliminated. I support the Bill and consider that, if there is any fairness in this House, members can do no other than vote for it.

Mr. MILLHOUSE (Mitcham)—The Bill is brief and I think I can be just as brief in expressing my opposition to it. The system of conciliation and arbitration that is embodied in the Industrial Code can be fairly described as a system of compulsory conciliation and arbitration because, in effect, once the jurisdiction of the court is invoked the parties are compulsorily before it.

Our experience, not only in the industrial field, but throughout the whole field of human relations, shows that many people and organizations are not willing to obey the law unless obliged to do so by some sanction. The Industrial Code is the industrial law for South Australia and I believe it is on all fours with other legislation in this and other States. It is the law of the land and experience has shown that it will not be effective unless it has behind it some sanction to oblige citizens to obey it in certain instances.

When speaking on this measure, the Premier referred to the special legislation passed by the Commonwealth Parliament to deal with the coal strike at the end of 1948, and what was necessary there has been found over the years to be necessary in this State too. The Bill amends the Code by deleting the very provisions that give it the sanction of obedience, and if we were to assent to this Bill our Industrial Code would, in fact, become a farce for it would be truncated: one vital part would be cut away and its great effectiveness would disappear.

This afternoon we heard a long speech from the member for Adelaide (Mr. Lawn), but his main argument was not relevant to the Bill, for he was discussing the Plasterers Case and quoted at length from Mr. President Pellé's judgment. That judgment, however, did not hinge on these provisions, but on the definition, under section 5 of the Code, of the word "strike." I will not worry the House by reading that definition again, for the Leader (Mr. O'Halloran) has explained it; but Mr. Lawn apparently did not read that definition for, had he done so, he would have seen that the decision in the Plasterers Case was based on it.

The principle upon which I oppose this Bill is that our conciliation and arbitration system is compulsory. Under our Industrial Code, which embodies that system, many rights are given to the workers and a great many duties placed on employers. In nearly every case those duties have been loyally carried out and only infrequently has an employer or employers' organization broken the provisions of the Code. In other words, under the Code the bulk of the duties are on the employers, whereas the bulk of the rights and privileges are with the workers. The only thing that employers are entitled to expect in return for their duties is that workers will work. That is all these provisions guarantee to them.

Mr. Lawn also discussed the Chaff and Hay Acquisition Act and tried to draw a parallel

between the action of a merchant who refused to market certain goods and that of workers who withheld their services; but I believe that is a false parallel because merchants have not the protection that is given to workers under the Industrial Code. They operate, to a large extent, on a free market. They are not fettered by controls, nor have they the privileges and benefits that workers obtain under the Industrial Code. Now the Labor Party wants workers to continue having all those benefits, but no obligations. In other words, the Bill enables workers to have their cake and eat it too, to have everything and give nothing in return. As the Premier pointed out, that has not been assented to in any other State. In all States the right to strike has at least been qualified and hedged around with restrictions, if not denied altogether.

The speeches by the Leader of the Opposition and the member for Adelaide would lead one to believe that the penal provisions of the Code had worked great hardship upon employees, but that is not so. The times when these provisions have been invoked could be counted on the fingers of one hand; I think the last time was two years ago. The fact is that the very presence of these provisions is an effective deterrent and has resulted in industrial relations in South Australia being satisfactory, on the whole, and if we removed that deterrent the position would not be as satisfactory. I oppose the second reading.

Mr. DAVIS (Port Pirie)—I support the Bill. I tried to listen attentively to the remarks of the member for Mitcham (Mr. Millhouse) and I was surprised to hear some of the comparisons he made between the rights of employers and the rights of employees. He claimed that the employees had all the privileges and the employers none, but when he has been in industry as long as I have and has been penalized under the Code as often as I have he will have some knowledge of its viciousness.

The Hon. T. Playford—Has the honourable member been penalized under the Code?

Mr. DAVIS—Yes. If an employee tells an employer he is not satisfied with his working conditions either he is dismissed or action is taken against him under the Code.

Mr. Heaslip—You would not be dismissed for that. You must have done more than that.

Mr. DAVIS—If the honourable member will be patient I will try to instil something into his head, though I know that will be difficult. Some years ago employees at Whyalla decided to take action because they were not

satisfied with their working conditions. The Premier mentioned Mr. Homburg, and I think his Act became known as Homburg's Coercion Act. A number of Whyalla employees were summoned under that Act. I was one of them, and as there was no court in Whyalla we had to appear in Port Pirie. We were all penniless and had no opportunity of getting to Port Pirie, so we approached the policeman in Whyalla and asked him to arrest us and escort us to Port Pirie, but he refused to do that. The case against most of us was dropped, though a man from Iron Knob was tried in Adelaide and the case was adjourned until the men returned to work, but if a man does not appear when summoned he can be charged with contempt of court.

Mr. Heaslip—What were you summoned for?

Mr. DAVIS—Trying to mind my own business. In 1909 workers in Port Pirie were getting 8s. 3d. a day, but the employer decided that after a certain date their wages would be reduced to 7s. 2d. We had no alternative but to strike because we could not get before the Arbitration Court in time to prevent that reduction in wages. The result was that we were unemployed for five or six months, and many people were hungry during that lock-out. The pioneers of the Labour movement have battled down the years for the right to strike and the right of workers to defend their privileges. Many years ago when people in England formed organizations to defend the rights of the workers they were deported, but that only made the workers of the world more determined to form such unions. If workers are not satisfied with their conditions of employment they have a perfect right to refuse to work. Under the Industrial Code if I refused to work under the conditions of an award I may be prosecuted. I say that we are getting back to the stone age and I would like to know how many times the employers have been challenged for locking their men out.

Mr. Heaslip—When have they done that?

Mr. DAVIS—Very often, but I would not expect the honourable member to know.

Mr. Heaslip—Quote an instance.

Mr. DAVIS—I have just quoted one, and the Broken Hill Proprietary Company has done it too. Of course, one would not expect much more from that company because we know what a vicious employer it is. When such people try to impose conditions to which the men object they are supposed to become servile and to do just as the employer wishes.

The member for Mitcham (Mr. Millhouse) spoke about the rights and privileges of the employer compared with those of the employees, but if a man walks out of a job he can be charged with striking, whereas if an employer wants to get rid of an employee he can find many reasons for dismissing him and cannot be charged for creating a lock-out. The employer is not told that he had no right to dismiss the man, and I say that the mates of an employee who is dismissed are not men at all if they are not prepared to stop work until he is reinstated.

Mr. Heaslip—They are higher than the courts; they know more than the courts?

Mr. DAVIS—I would not dispute that; they may know a little more about justice than the courts do. It is useless for any member opposite to tell me that all the privilege is on the side of the worker, for I know the harsh treatment that has been meted out to workers down through the years. I know what they suffered during the depression when the employer, under the law, was not prepared to pay even the miserable award rates of that period and often expected the men to work for their food alone.

Mr. Heaslip—I asked if the honourable member thought that justice came from the courts. He says it does not.

Mr. DAVIS—I did not say anything of the sort.

Mr. Heaslip—The honourable member said the workers knew more than the courts.

Mr. DAVIS—I said that probably they did and I repeat it. I know of many cases where, in my opinion, justice has not been meted out by the courts. When a body of men band together with a view of trying to improve their conditions and they are unable to do so there is only one thing left, namely, to refuse to sell their labour to that particular employer. I agree with Mr. Lawn when he said that employers are not forced to sell their goods at a particular price, and if they refuse to sell no action is taken against them, whereas if an employee demands a certain price for his labour he is probably forced to go to the court, and if, in his opinion, he does not receive justice he has no right to take any other action.

The Premier said this afternoon that on one occasion the Prime Minister of Australia took punitive action against the coal miners, but I remind him that that action was taken when we were at war, and things are not the same in war-time as in peacetime; probably

our Premier or any other Premier or Prime Minister would have taken the same course had they felt that the safety of the country was endangered.

Mr. Heaslip—What is happening in Queensland in the wool strike?

Mr. DAVIS—The men are taking action because in their opinion they have not received justice from the court.

Mr. Heaslip—But the Labor Premier is taking action.

Mr. DAVIS—I do not know what he has done, but I know the dispute is not settled and I do not believe in Governments taking action in industrial matters. That is a subject for the Industrial Court to deal with. I think even the member for Rocky River will agree with me when I say that the majority of the graziers are prepared to pay the old rates.

Mr. Heaslip—They are sticking to an award which is right and proper.

Mr. DAVIS—The majority are not.

Mr. Heaslip—That is what the strike is about.

Mr. DAVIS—I know what the strike is about and probably could tell the honourable member a lot more than he knows.

The SPEAKER—I hope the honourable member will not go into that matter.

Mr. DAVIS—The honourable member for Rocky River wanted to know, by way of inference, what the trouble was in Queensland. My reply was that the shearers considered that they had not got justice from the court, and I repeat that they are only asserting their right to strike.

Mr. Heaslip—The shearers or the union?

Mr. DAVIS—The shearers.

Mr. Heaslip—No, it is the union.

Mr. DAVIS—The honourable member would not know that membership of a union is the union. Strangely enough some members opposite think that the president and secretary of a union direct the members what to do.

Mr. Lawn—They may in the Liberal Party.

Mr. DAVIS—It is not a one-man show at any time and, except possibly in cases of emergency when the executive may have to give a decision, all important issues are decided by the men.

Mr. Heaslip—The men do what they are told.

Mr. DAVIS—I hope that the honourable member does not judge the members of an industrial organization by himself. This Bill removes what we consider unjust penalties.

Members opposite do not dispute an employer's right to dismiss men, but they argue against the employees' right to walk out of industry. There should be no distinction between employer and employee and I hope members opposite will realize that we are merely attempting to bring about uniformity of conditions. There should not be one law for the employer and another for the employee. I believe that up to the present all the plums have gone to the employer to the detriment of the employee.

Mr. JOHN CLARK 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 19. Page 647.)

Mr. JOHN CLARK (Gawler)—I support this motion, which has had a most peculiar reception. Most members opposite have agreed with the motion, but have not supported it. Apparently there is some misconception as to what is implied, and it may be as well to repeat the motion's intent. It simply suggests approaching the Premiers of other States to make a joint request to the Federal Government that the State Parliaments be represented on the committee at present inquiring into proposed amendments to the Constitution. We advocate that the State representation should consist of one Government representative and one Opposition representative. There are no strings attached to the motion. There is no suggestion that we are seeking to get rid of State Parliaments and bring about unification.

Members all know that the States, to a great extent, originally determined the shape and form of the Constitution and we maintain that they should have the privilege of assisting to review it. It may be argued that whenever the Constitution is reviewed the States have an opportunity of assisting. That is so, but they have no direct part in the review: they only have the final say when a referendum to alter the Constitution is presented to the public. It is not an easy task to amend the Constitution.

A majority of the States must vote for any proposed alteration and a majority of the electors throughout Australia. Those provisions were obviously resigned to protect the States' rights. Perhaps they do, but they make it difficult to achieve any alteration. The Leader recounted the singularly unfortunate fate of most referenda for alterations of the Constitution. Of the 26 referenda submitted only four have been accepted and those were of a minor nature entirely free from controversy.

Mr. Jennings—Both political Parties agreed with those alterations.

Mr. JOHN CLARK—That is so. One may well ask why it is so difficult to convince the people that certain constitutional alterations are necessary because, after all, the Federal Government in power must have its reasons for requiring a change, otherwise it certainly would not go to the difficulty and expense—and nowadays it is almost as expensive as a Federal election—of holding a referendum. Why are referenda so regularly defeated? I believe that Party feeling inevitably enters into the question. This motion seeks to remove that problem by ensuring that as far as is possible agreement is reached between the Parties before a referendum is submitted. Under present conditions the Federal Government introduces into the Federal Parliament certain amendments which are passed provisionally on their being accepted by the people. As soon as that happens the other Party—and I am not criticizing the Party system—whips up opposition to the proposals. The result obviously is that many people are not given much chance to think for themselves, and thus almost inevitably the proposals are defeated. We maintain that if the Constitution committee has the benefit of the services of State representatives from both sides of the House, it will be able to compromise on political contentious amendments and ensure that the State's rights are protected. If the people of the State know that their leaders have helped to work out the proposed amendments they will be more likely to consider them on their merits. That is our aim in setting up this committee. To a great extent we trust that it will avoid those unfortunate State against State arguments which we hear so often, and by this means very highly desirable amendments would have some chance of becoming part of the Constitution. Speakers on the Government benches have submitted some rather peculiar points of view. This is what the Premier had to say:—

I agree with the Leader of the Opposition that a serious review of the Constitution is

necessary and I also agree that the type of machinery that he is proposing is suitable, But then comes his favourite word "but."

I would not agree to become involved in a committee which I have every reason to believe is not considering a principle, but merely considering a much more minor political problem which has arisen in Canberra.

He may be right when he speaks of a minor political problem, but that is an argument in favour of the very thing we are advocating—a change in the complexion of the committee so that the opinions of the States are represented on it, and so that we can avoid consideration of the narrow minor political problem the Premier mentioned.

Mr. Riches—Do you think that an alteration of the Senate is a minor matter?

Mr. JOHN CLARK—Obviously the honourable member is implying that the Premier was speaking of an alteration of the system of electing the Senate. I certainly do not consider that a minor matter, and unless the Premier is entirely blind to the value of the Federal Parliament he would consider it that way also. If there are any grounds for what the Premier said, they are an added argument in favour of our proposition. I listened to him with a good deal of patience and read his speech, and it appeared that the only reason he gave for not being able to support the motion is not a very valid one, because he supports our contention. I am very much afraid that his main ground for opposing the motion is that although it is a very wise suggestion, he did not happen to think of it first. We have often seen the Premier and his supporters quite happy to copy ideas of the Opposition, but they never do it openly, and by no stretch of the imagination do they do it immediately. The following is what Mr. Shannon had to say on the motion:—

I point out to the Leader that a referendum held as the result of a conference sought by the Commonwealth with only Commonwealth members upon it is very likely to come to nothing but a Party struggle.

There was certainly no need for him to be so generous as to point that out to the Leader of the Opposition. Obviously, that is one of the main reasons we brought the motion forward, because we believe that nothing is likely to come from the present set-up of the Constitution committee but a Party struggle, and by widening the representation on the committee by the inclusion of State representatives we would widen its ideas. Despite the fact that Mr. Shannon specially pointed this out, he still opposed the motion.

The other Government speaker, Mr. Millhouse, in his customary spirit of blind and bemused Toryism, failed to understand what the motion was about. I am afraid that he sees Socialism cunningly concealed behind every bush, and that he sought for some socialistic ideal cleverly concealed behind the motion. The socialistic ideal was not there. I do not know whether the Leader of the Opposition keeps a pet cat or not, but I hope he does not, because if he did I am certain that the honourable member would see in it the beginning of a plan for the socialistic breeding of cats. He considered this motion as a move to abolish Federalism, and said so in no uncertain terms. Actually, the object of the motion is to help Federalism to work better.

Other members of the Opposition and I maintain that if the Federal Government worked better, we could be quite certain that State Governments would also work better. That is what we seek under the motion, and not the abolition of Federalism. Nothing is further from our thoughts. I advise the honourable member to read the motion again and at least make an intelligent attempt to understand it. It is couched in very simple language, and I can assure him that the bugbear of Socialism is not concealed in it anywhere. We have had only three Government speakers in this debate. Let me sum up what they think of the motion. The Premier agreed in principle but not in practice, or was it in practice and not in principle? Mr. Shannon saw some merit in it but damned it with faint praise. Mr. Millhouse saw some deadly underlying socialistic menace, but none is there. All Government speakers agreed that amendments to the Constitution are necessary. I speak for the Opposition when I say that the motion will help to obviate State rivalries over proposed amendments, and will help to remove Party influence on the results of a referendum. Surely that is enough to enable Mr. Millhouse to know that it is not a move against Federalism. It must make the conference more successful and allow the members to broaden their inquiry. I ask members to support the motion as a desirable and worthwhile experiment. Let us see whether or not it will work. We do not know whether it will until we try it.

Mr. QUIRKE (Burra)—I support the motion, which says that the Premier shall approach the Premiers of the other States with a view to going to the Commonwealth Government with a joint request for the representation of each State, on the basis of one representative of the Government and one of the

Opposition, on the Constitution Committee now considering proposed amendments to the Federal Constitution. How can members of every State Parliament be guilty of the type of skullduggery forecast. It is foolish to debate the matter along these lines. Members of Parliament are not used sufficiently in reaching the best conclusions on matters affecting the State. In other places members of Parliament are used to consider the pros and cons relating to all matters introduced. Here we get the views of someone outside the House. I shall support any motion that proposes to use members of Parliament in reaching conclusions. I do not think the committee considering the proposed amendments to the Constitution will achieve that, even if agreement between the States were reached about adding representatives of Government and Opposition Parties of all States to the committee. The only way to alter the Constitution as far as it needs altering is to have a full-dress Constitutional convention.

Mr. O'Halloran—A proper inquiry would make provision for that.

Mr. QUIRKE—Yes. If the committee is prepared to find out where it is necessary to alter the Constitution the Constitution Convention could accept it. I would agree to that. Some members in this place see in the motion evil meanings and something that it is not intended to convey. We have had some of this recently and I wish it would stop. It does neither side any good. Both sides of the House are guilty of the practice.

Mr. Shannon—Independents are innocent.

Mr. QUIRKE—I did not say that. I said that both sides were guilty, and that applies to the honourable member as well as to me. I support the motion because it could do much good, but mainly because of the use it would make of the undoubted capacity of members of Parliament. They have a capacity for knowledge as they represent a complete cross-section of the people. After a member has been in this place for a number of years he has heard all sorts of measures debated. I cannot remember one occasion when a measure was introduced without one member having some knowledge of the subject. I think that would be endorsed by any member who has been here for some time. It is wrong to waste talent. We could all do more work than we are called upon to do. The majority of members here would be only too glad to do more work. Members from both sides of the House would be prepared to serve on the committee if they were honoured by the House in

being selected. Nothing but good can come out of the motion and I support it.

Mr. RICHES (Stuart)—I, too, support the motion, which seems to be reasonable, and to those who have a knowledge of the ramifications of Governments in all States it is important. The Federal Government has announced the appointment of a committee charged with the responsibility of examining the Federal Constitution and, according to press reports, even examining the relationship between Commonwealth and State Governments. Surely the States should have adequate representation on any such committee. As long as I have been in Parliament the need for an overhaul of the Constitution, and of the relationship between the Commonwealth and the States, has been discussed. During the war every successive Federal Government, of whatever political colour, recognized the need for an overhaul, and from time to time the State Governments also declared that there was need for revision to meet changing conditions and circumstances. I have a lively appreciation of the foresight of those who originally drafted the Federal Constitution, but should it remain unaltered after half a century? Speedy communications have altered our way of life so is it reasonable to expect the Constitution to meet adequately the needs of changing circumstances?

Mr. Lyons, when Prime Minister, sought an alteration of the Constitution. When I first entered Parliament I remember listening to a debate on this subject after Mr. Lyons had said that a convention of legal luminaries should be set up to overhaul the Constitution. This matter was keenly debated in this House and it was argued that any such convention should be set up by the people. The Federal Parliament is the creature of the people, and if it is prepared to allow legal luminaries to overhaul the Constitution without adequate protection of the rights of the people, the creature would become greater than the creator. The attempts of the Lyons Government to amend the Constitution failed, probably because there was not sufficient discussion between interested parties before the debate.

Any alteration of the Constitution or of the relationship between the powers of the Commonwealth and the States should be discussed at a conference at which the States and the Commonwealth are represented. We will be vitally affected by any change, so surely it is not too much for us to ask that the States should be represented. It is interesting to

note that resolutions similar to this have been placed before other Parliaments, which regarded them as reasonable. We just want this State to fall into line.

The Premier said that he does not want to be associated with the committee set up by the Federal Government. We could probably suggest another committee, but this body has already been set up and charged with the responsibility of inquiring into the Constitution and recommending alterations. As the Commonwealth has already taken that stand, we say that South Australia should co-operate with other States in asking that all States should have direct representation on the committee if its workings are to be effective.

The Premier has suggested that this committee is charged only with the responsibility of overhauling the relationship between the Senate and the House of Representatives, and because of that it is essentially of Commonwealth interest and therefore of minor importance. However, in theory at least, the Senate is the States' House, as it has equal representation from each State. If there is to be an alteration of the Constitution, even if it is only as to the relationship between the Senate and the House of Representatives, it is still important that the viewpoints of the States should be considered, and that they should be represented on the committee. The Constitution, as originally drafted, provided that a vacancy in the Senate is to be filled by a joint sitting of the Houses of the State concerned. Any alteration in the Constitution relating to the powers of the Senate is of importance to this State, because the power of the Senate could mean the power of the government of Australia.

This motion asks that, in any committee that may be set up, the States should be represented, not necessarily to have a commanding majority, but to have adequate representation. We have reason to fear that the interests of the States have not always been given the consideration they deserve at the hands of the centralized Government in Canberra. Our Premier has been very loud in his expressions of regret at the failure of the Commonwealth Government to understand the requirements of this State in financial agreements, and has claimed that the States made a mistake in agreeing to uniform taxation. When uniform taxation was first agreed to, the Premier supported it, and it was with some degree of pride that he came back to this House year after year to inform us that any deficit had been made up by the Commonwealth.



The acquisition by the Commonwealth of additional powers and the change in Commonwealth-State financial relationships has resulted in a different concept of Federalism from that which operated when the Financial Agreement was first entered into.

By his own statements the Premier has led members to doubt the wisdom of appointing a committee comprising only Federal members, but his attitude on this motion is in marked contrast to that of municipal bodies throughout Australia because at the last meeting of the Municipal Association it was resolved that money be voted to enable the association, on behalf of district councils, to prepare a case for submission to the Federal Government, seeking association representation on this Constitution Committee. Apparently Mr. Playford, however, feels that he is not interested and that the committee is not worth while, but although we do not know what the outcome of the committee's inquiry will be or even the precise aspects into which it will inquire, we do know that if the Federal Constitution is to be altered in any way that is an important matter to the States because the Federal Government is a national Government exercising powers conferred by the States under a federal system. Surely any alteration of those powers is the concern of the States and they should be represented on any body that seeks to overhaul those powers.

Further, all members recognize the need for a major overhaul of the Constitution, and in this respect I consider that any draft amendment should be submitted to the people by referendum. A referendum has no hope of being carried without the support of the States, therefore representatives of Parties in State Parliaments should be on any committee set up to overhaul the Constitution. If we believe in democracy and the principle that Parliament has been set up as a means of government of the people by the people we will not tolerate any alteration of the Constitution except that ultimately made by the people themselves. If State Parliaments are not represented on the committee its time will be wasted and possibly an injustice done to the people.

I see no harm in the motion; indeed, I cannot understand the opposition to it. Had a motion of this kind been submitted by the Premier I would have been happy to support it. In fact, it is a motion that he could well have submitted for it is in keeping with many of his statements from time to time. Apparently he recognizes the need for an amendment

to the Federal Constitution and that no amendment should be made without the States being consulted. Surely he also recognizes that in any approach to the people of Australia it is desirable that the concurrence of the States be first obtained. The only possible criticism of this motion is the membership of the existing committee, but I point out that that committee has already been appointed and has met to discuss matters of vital importance to the States, therefore we should see to it that members of State Parliaments are included on it so that it may do a better job of overhauling the Constitution. I support the motion.

Mr. FRANK WALSH (Edwardstown)—I, too, support the motion and concur in the remarks of the member for Stuart (Mr. Riches). In opposing the motion the Premier said:—

I do not believe the Constitution is being seriously reviewed by the Commonwealth with the idea of determining which powers should logically be in the hands of the Commonwealth central Parliament and which should logically be exercised as a local function. The most crying necessity is a proper financial balance between the powers of the Commonwealth and those of the States so that both authorities may be able to carry out their functions effectively and have available to them a reasonable percentage of the revenues.

Tonight we shall be discussing the Budget, but the Treasurer has already said, as he did when speaking on the Loan Estimates, that the State must raise further revenue to carry out its works and services. All members agree with him, and isn't that a valid reason for passing the motion? The Premiers and Leaders of the Opposition in all States should meet to frame submissions for an alteration of the Commonwealth Constitution and for better Federal-State financial relationships.

We have heard much criticism of uniform taxation, and we have often been told by the Treasurer, and other State Treasurers probably say the same, that the States have been denied many of their taxing powers. At the last Premier's Conference the Premier of Victoria took a strong stand about uniform taxation. He believes that if Victoria had its income tax powers returned it would be a wealthy State, and the Premier of New South Wales would probably have the same view about his State. Even though his taxation powers are limited, our Treasurer has missed few opportunities of imposing taxation. I have already quoted some of the Treasurer's remarks on this motion, which he condemned. I have been actively associated with the Australian Natives' Association, which is a democratic organization.

Mr. O'Halloran—And a great national organization.

Mr. FRANK WALSH—Yes, and I found it always approached problems from a national point of view. I suppose it has the same traditions today, for its ideal has always been "One people, one Parliament, and one destiny." I hope we can persuade members opposite to give this motion the consideration it merits. Australia is a great continent, yet many members do not have a national outlook. We find many differences of opinion on our political problems. On far too many occasions there is a Party political approach to many questions affecting the national welfare. The Treasurer himself has indicated clearly that the Federal Parliament has taken unto itself powers beyond those given to it by the convention that established Federation. During wartime the Commonwealth Government's powers are unlimited. In 1941 when we were at war the Federal Government that was elected by the people capitulated, and a Government of another political colour took over. At the next election it was returned to office, and I am sure members opposite would not deny it had a creditable record during the war. We are certainly not at war today, but surely Parliament can agree to holding a conference, such as is envisaged in the motion. We know that the Government wants a review of the Constitution, for the Premier has said that he wants more authority that he can exercise in the interests of this State. Can we regard ourselves as one people with one destiny, or must we be divided into—

Mr. O'Halloran—One people with six destinies.

Mr. FRANK WALSH—Plus yet another because of the Government in the Federal sphere. I took particular interest in the remarks of the member for Torrens (Mr. Coumbe) yesterday. He referred to the assistance that ought to be given by the Commonwealth Government towards our roads, but even on this question Party politics plays a very important part. During the last Federal election campaign the present Federal Opposition said that if it were returned to office petrol taxation would be reviewed and the whole of it paid back to the States to be used on roads, but that has not been done by the present administration. There is ample scope within the terms of the motion to forget Party politics and examine the problem from a national point of view. Assuming that the motion was carried and that six Premiers of

the States plus the six Leaders of the Opposition joined the committee of 12 already appointed by the Commonwealth Government, surely it would not be impossible for that body to throw some enlightenment on the situation and approach the problem in the interests of the nation. It could, for example, consider whether an adequate road transport system in time of emergencies would be of advantage to the nation? We know that air travel is quicker, but have we the wherewithal to provide air transport on a scale capable of coping with our needs in times of emergency. We must assume therefore that we would have to rely on our road system. Surely the committee could consider that problem on a national basis, free of political bias. We have heard our Leader of the Opposition quite recently mention the Commonwealth railway facilities in certain parts of his electorate and we know that previous Governments in power in the Commonwealth Parliament believed in the standardization of railway gauges throughout Australia. Apparently, however, that plan has been scrapped and efficient rail transportation is no longer considered a necessity by the present Government in Canberra. One could continue at length enumerating matters that could be considered by such a convention with a view to making the necessary provisions by way of amendment of the Constitution.

I believe that the Constitution Committee set up by the Commonwealth Government is primarily concerned with the electoral system and the desirability of evolving machinery that will preclude the possibility of a splinter group holding the balance of power and thereby baulking the Government's legislative wishes. That is a serious matter. If the general public elects a certain Party to power, that Party should be able to govern. It is wrong that a splinter group should be in a position to frustrate its attempts to legislate. If the Labor Party were elected to power in the popular House—and that is quite likely in the near future—a similar position would obtain because one member of this splinter group is entitled to remain in the Senate for another six years and a second Senator for three years. This motion may be a means of having this problem considered and the Government should pay due regard to our suggestions.

I am a member of the Australian Natives Association and for many years have taken part in their discussions. I am a firm believer in what that association advocates and I think its principles could be applied to government.

I believe in a national approach to all matters and in one Parliament with one destiny. I support the motion.

Mr. TAPPING 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 19. Page 650.)

Mr. KING (Chaffey)—I oppose the motion which proposes setting up a committee to investigate the question of the amalgamation of metropolitan councils. I hold no brief for those councils, but I am most concerned with the part local government plays in the administration of the State's affairs. With an increasing population it is more than ever necessary to ensure that the ratio of population to the number of persons administering affairs is maintained on a reasonable basis. I do not agree with any move to decrease that percentage. Paragraph (a) of the motion refers to the great and increasing problems of local government in the metropolitan area. It cannot be denied that there are great and increasing problems, but the existing machinery is adequate to cope with them.

Mr. O'Halloran—They have developed under that machinery.

Mr. KING—And the problems will be cured by the same machinery. Paragraph (b) relates to the financial difficulties encountered by councils, but is there any guarantee that those difficulties would be lessened under another system? I am inclined to agree with the

member for Torrens (Mr. Coumbe) that they would be increased. If there were a central council—and there is no certainty that the proposed committee would favour it—there is no assurance that the funds it would be able to raise would be as well spread in their application as they would be if applied at the direction of comparatively small councils. I do not understand the meaning of paragraph (c) and will not comment on it. The final part of the motion deals with the appointment of a committee. The power of a local government is, in essence, derived from the people who elect the council—the ratepayers and occupiers in council areas.

Mr. Lawn—The power is delegated by this Parliament.

Mr. KING—The Act, in the final analysis, is more an Act of regulations setting out the duties of the councils which have been elected by the ratepayers and occupiers. The effect of this motion would be to take away from the people the close touch they have with their councillors, and their control over them. There are probably 600,000 people concerned, and I imagine they are represented by about 200 councillors. If they were found unnecessary and we had a greater city council as in some of the other States, those 600,000 people would possibly be represented by only about 20 councillors and aldermen.

In considering the motion we have to look a little deeper than what it implies. In essence it seems very simple, but when we look for the authority of an inquiry being made, we can find no great public outcry for it. I have searched, but been unable to find it, but some of the councils whose names have been mentioned have pointed out in the press that they were not in favour of it. We have to look for the motive behind the motion. The Leader of the Opposition referred to the Brisbane City Council and also to the newspapers of the day which were printed in 1924, and he was at some pains to quote extracts from those papers, which apparently seemed to eulogize the idea behind a greater city council. I should like to hear what some of those people would say after having had experience of this system. Mention has been made of the wonderful Brisbane Town Hall as an illustration of what centralized local government can do. It might turn out to be a mausoleum for local government in Queensland.

Let us consider some of the proposals which I believe could arise as a result of

the motion. A perusal of *Hansard* reveals that the Leader of the Opposition and his Party have probably had in mind the creation of a Greater Adelaide. For 10 years or more I have been associated with local government, and in my district there have been suggestions that some of the councils should be combined. The matter has been debated at great length, and I think the general feeling in the country, and I do not see why it should be any different in the city, is that the people are better served by their smaller councils than they would be by a distant body over which they had no control. Possibly, they would scarcely know the people who represented them. We have found it better to combine on these things where it is necessary to do so. We have appointed conjointly health officers and some of the council functions have been delegated to our own associations, but we can withdraw that authority if we find it working to the detriment of the interests of the people.

I think it would be a great mistake for Adelaide to adopt a centralized system, because with such a system there is always the danger of pressure points. They could be political pressure points, and I for one would be sorry to see Party politics brought into local government. I would be happy to see councils given far more power to administer their affairs than they have even today. We can safely say that the motion is not the result of a request of any council or municipal association. When explaining the Bill I remember the Leader of the Opposition saying something about a Greater Adelaide being one of the ideals of the Labor Party. There is a difference between ideas and ideals and it is an "L" of a difference.

Mr. John Clark—There is nothing about a Greater Adelaide in this motion.

Mr. KING—But there was in the debate, and there is no doubt in my mind as to the object.

Mr. John Clark—That does not mean necessarily that it would be adopted by the committee.

Mr. KING—I do not think a committee is necessary. I am opposed to a Greater City Council as it would mean centralization. In other States where centralized local government has been adopted it has been found wanting. It is subject to a great deal of comment. In the newspapers from time to time one will find not altogether complimentary

remarks made about some of these councils. I remember reading not long ago that the New South Wales Parliament was considering legislation to prevent newspapers from commenting on some of the actions of the Sydney County Council. That is one of the centralized forms of local government, and we are being asked to emulate that system. The election of the Lord Mayor of Sydney is not a matter in which the council has much say; it is decided by an outside junta. This is indicated by the following paragraph appearing in this afternoon's *News*:—

The Labor Party, which decides most things in Sydney, has ruled that the next Lord Mayor of Sydney will be one Harry Jensen. He is an electrical contractor who has never had anything to do with the Industrial Groupers. Retiring Lord Mayor Pat Hills, who had occupied office for four years, eagerly desired another bite at the cherry.

Only other contender was cheerful old Ernie O'Dea, secretary of the Shop Assistants' Union. Ernie is a former Lord Mayor who distinguished himself in office by getting kissed by visiting screen star, Maureen O'Hara.

She said he was a "perfect dear," but this achievement was not sufficient to win him more than eight votes against Harry Jensen's 23 in the ballot conducted by the State Labor Party central executive. Pat Hills got six. We do not want anything like that in Adelaide.

*Members interjecting—*

The SPEAKER—Order! There are too many interjections.

Mr. KING—The problems mentioned by the sponsors of the Bill can be overcome by means other than by destroying one of the well tried means of government by the people, which is my understanding of "democracy." To even suggest consideration of a proposal that would deny us these rights is untenable. If the councils are in trouble they have ample machinery for dealing with their problems. That they do not see eye to eye with each other, or with the Opposition or the Government, is a democratic privilege that I would not deny them. To meet the needs of a growing population it is obvious that finances and services must be stretched to the utmost, but the Local Government Act provides for the amalgamation, separation, or annexation of neighbouring lands. The councils concerned in this proposed inquiry would not be flattered by the implied criticism of their administration inherent in the proposal, to which neither they nor their constituents are parties. I oppose the motion.

Mr. LAWN secured the adjournment of the debate.

## THE BUDGET.

In Committee of Supply.

(Continued from September 25. Page 765.)

Legislative Council, £10,094.

Mr. GOLDNEY (Gouger)—A considerable sum of money will have to be spent in connection with the rehabilitation of the Murray River flooded areas. Yesterday Mr. King said in connection with rehabilitation that it may be desirable in some cases to make more use of higher ground for settlement purposes rather than continue with land subject to flooding. I have had much to do with River Murray lands as I am a member of the Land Settlement Committee. I was not on it when the Loxton scheme was first suggested, but I was when the Cooltong settlement was recommended. I saw it two or three years ago and today it is regarded as one of the best settlements along the river. During the flood period both Cooltong and Loxton suffered little damage. There has been an extension of the Loxton area and recently an area of land at Lyrup was inspected by the committee and recommended as suitable for settlement. Although probably in the initial stages the outlay on settlement farther away from the river would be greater, in the long run it may be advisable to make more use of this land. In this generation there may not be another flood as great as the present one, but there are recurring floods along the river and serious consideration should be given to placing future settlements on higher ground that is free from flooding. The settlement at Monash has not suffered to any extent from the flood.

In this debate the matter of agriculture has been neglected. Agriculture is an important part of our economy and it deserves a mention in this debate. Mixed farming plays an important part in the activities of the State and much of our land is suitable for cereal growing. Barley has come to the fore in recent years. The Government Statist stated that this season, perhaps for the first time in the history of South Australia, the barley yield may be greater than the wheat yield.

Nevertheless, wheat plays a very important part in our national economy and over the years, although there have been many difficulties and those engaged in the industry have been suffering great hardships, they are now enjoying a better standard than ever before. Now that the breeding of beef and fat lambs has been developed in wheat areas, it is necessary for the land to be broken up to get the

best results. South Australia must continue to grow cereals in conjunction with raising fat lambs.

Over the years the Government has assisted agriculture by giving financial assistance to competitions throughout the State. We have reason to believe that bulk handling will cause the quality of wheat to be improved because, as it is easier to see the deficiencies of wheat in bulk, we will have to use better varieties. Wheatgrowers know perfectly well that some of the highest yielding varieties are not the best wheat, but they are tempted to grow them to obtain better returns. Some farmers will have to realize that they must grow wheat that will give better flour, because this is sought overseas.

I think members generally agree that this season has been particularly hard on both gravel and sealed roads. Some of the best roads have been damaged and are now in very bad condition. It will cost a great deal to put them in order, let alone construct new roads. Unfortunately, we have been rather lenient towards heavy transport vehicles, on which no revenue is paid to this State. They have been a contributing factor towards the deterioration of our main highways, but it must be realized that damage would have been caused without them. Although we are spending a great deal of money on roads, it does not seem to me that we are getting the results we should. We should adopt more efficient road making methods. The other day the member for Port Adelaide (Mr. Stephens), by way of interjection asked why cement is not used for road making. Cement roads are very costly, but so is all road making, so it would not be out of place for the road authorities to conduct trials on this type of road.

Mr. Brookman—What about cement stabilized roads?

Mr. GOLDNEY—That is another method. I think roads of that type are being constructed at Elizabeth. Although railway deficits are decreasing, they are still considerable, but with the introduction of diesel rail cars I think that not only will efficiency be increased but running expenses will be reduced. Apart from that, there will be more inducement for people to use the railways instead of roads. A disquieting feature of our railway system is the number of accidents that have occurred in the last few months. Some of them, particularly on the Port Pirie-Broken Hill line, were no doubt caused or aggravated by the wet winter, but other accidents have taken place more recently.

The railways authorities should give very serious consideration to this matter. Although the system is very elaborate, the human element enters into it, and it seems that it was at fault.

The Mines Department is now carrying out surveys, particularly on Eyre Peninsula, in its search for oil. Whether there is oil there in payable quantities remains to be seen, but there have been certain indications of its presence which should be followed up because, if oil is found in any part of the State, it will be a great boon for Australia as a whole.

The press has reported recently that some of our young farmers are going to Western Australia to take up land. One young man whom I know well went to the West recently and was very impressed with the opportunities there. He has placed his farm on the market and, if he can obtain the price he wants for it, will shift to Western Australia. Much of our Crown lands has been developed in the last 10 years under the War Service Land Settlement scheme. Most of this land is in our higher rainfall areas, but I think the Government should resume some areas in the upper South-East that are held under miscellaneous lease. Many of those areas are suitable for development and they should be made available not only to ex-servicemen but also to civilians. Another generation has grown up since the war, and many young men want to go on the land, but they cannot afford the high prices asked for it in established areas. The Government should encourage them to take up land in the upper South-East particularly.

I understand that a Bill to amend the Noxious Weeds Act will be introduced later, but I am particularly concerned about the spread of soursofs in the last few years, particularly in the lower-north. The Department of Agriculture is trying to find some means to control this pest. I believe it is experimenting with mechanical spraying and, although I think it will be impossible to eradicate it, I hope it can be checked. I am afraid soursofs will do much damage to cereal crops and pastures on the Adelaide Plains. I read in the press that the Commonwealth Government proposes introducing legislation for a levy of ½d. a bushel to provide funds for research into problems confronting the wheat-grower, and this is a step in the right direction. I support the first line.

*[Sitting suspended from 6 to 7.30 p.m.]*

Mr. CORCORAN (Millicent)—I support the first line. The member for Torrens (Mr. Coumbe) described this Budget as courageous,

but as he did not attempt to define that term I leave it to other members to judge what he meant. Almost £66,000,000 is to be spent on the public services of the State and estimated receipts are just over £65,000,000, giving a deficit of over £800,000. The accumulated deficit would therefore be over £2,000,000.

Australia has been referred to as a great country and a land of opportunity, and I do not dispute that. Despite the many hazards, including two world wars, which we have passed through, we are still here to work out our destiny in our own way and a grave responsibility is on the shoulders of those people entrusted with the Government of Australia to uphold the principles for which the men of this country died in two world wars. Is the Playford Government adequately upholding those principles?

I remember when Australia's right to enter the League of Nations was challenged by the then President of the United States of America (Mr. Woodrow Wilson), who asked Mr. Hughes (the Australian Prime Minister) "Whom do you represent?" Billy Hughes replied, "I represent 60,000 dead Australians." There was no further argument: Australia had gained its place in the League of Nations and in the councils of the world. Australian sacrifice in the two world wars was great, and as one of those left behind as a custodian of what those men died for I try at every opportunity, to prove worthy of my responsibility. I do not forget those boys because I was with some of them in the first world war and know all about their sacrifice.

This is Mr. Playford's eighteenth Budget and if I am big enough to congratulate him on that achievement—which I am—I also impress upon him his responsibility to govern this State in the way it should be governed. There are some things, however, which he should have done but which he has not. One of the most vital factors in the development of this country is the housing of the community. Speaking yesterday, the Leader of the Opposition (Mr. O'Halloran) referred to the delinquency that had been caused in the United States of America by the shortage of homes and the deterioration of home life. I regret that that state of affairs exists. In Australia I consider that the Menzies-Fadden Government, by its action in increasing the rate of interest, must take a big share of the blame for increased rents for Housing Trust homes. What a blow these will be to the people who have struggled on against great odds! I have

reared a family and know all the obligations implicit in that task. Further, I realize fully the problems bound up with the increase in interest rates. Mr. Playford and his supporters must take their share of the blame because at the last Federal election they advocated the return of the Menzies-Fadden Government.

A previous speaker said that young people must practice greater thrift, but I point out that it is almost impossible for a young man to save enough to establish a home of his own. Firstly, excessive prices must be paid for land. Indeed, I have been told that a block on Brighton Road recently brought £1,500, and prices of £1,000 are not uncommon. What have the previous owners of these blocks done to enhance their value? The appreciated value has been brought about mainly by the expiration of time.

Mr. O'Halloran—And Government expenditure on water and sewerage.

Mr. CORCORAN—Yes, and other amenities. I do not want to rob those people of their entitlements, but we, as a Parliament, are falling down if we permit these landholders to charge such exorbitant prices. I do not blame them for it is their legal right to do so, but I point out that it is impossible for a thrifty young man to save such a sum. Secondly, he must pay a deposit on a home, but what chance has he? As Parliamentarians we come here to pool our mental resources and attack the root of our economic problems. Then what are we going to do about this problem? Has the Government done all it could? No, because it has encouraged the Commonwealth Government which has done the wrong thing with the interest rates. The family is the very foundation of the nation and I invite other members to join me in helping solve this problem. I invite criticism from members opposite because it will help me to understand their point of view. This country has been retained by us at a price and it is our responsibility to develop and keep it. Our population is 9,000,000, of which 1,000,000 are migrants who have settled here since the war. We should be in a position to make reasonable provision for migrants before they depart for this country. Nature destined young men and women to establish homes and rear families, but what hope have they? I do not expect members opposite to accept what I say as gospel, but they should listen to me in silence and not indulge in private conversations.

The CHAIRMAN—Order! The honourable member must be heard in silence.

Mr. CORCORAN—The Government should be reprimanded for not making adequate provision for housing our young people. The Government's policy of centralization is responsible for attracting people to the city where amenities have been provided at the expense of country areas. What young man has any hope of being in a position to purchase a block of land in the metropolitan area nowadays? After he purchases the land he must find about £600 or £700 for a deposit on a home and then he is faced with furnishing it. Were he not able to utilize the hire purchase system he would not be in the race. I regret that the people did not see fit to elect my Party to office at the last election, particularly as we promised to make homes available for a reasonable deposit. The economic set-up is smashing the hopes of our young people. All our mental powers should be brought to bear on this problem in an endeavour to solve it. It will certainly not be solved by the imposition of higher interest rates. The member for Gouger suggested that it was quite within the realms of possibility for a young man to save sufficient to provide a home for himself. He should not delude himself into believing such nonsense.

Mr. Goldney—It is not nonsense.

Mr. CORCORAN—When the honourable member considers all the facts he will realize that it is virtually impossible for young people to procure homes nowadays. These young people are the offspring of the men who died for this country and whose blood was spilled on the battle fields and they are entitled to a better deal. The Government is not shouldering its responsibilities.

Mr. Lawn—It is not the first time the Government has—

The CHAIRMAN—Order! The honourable member for Millicent is speaking.

Mr. CORCORAN—I appreciate the shortcomings and the frailties of mankind and I hope the Government will realize it must do something more constructive to meet the housing problem, the solution of which is so vital to the future welfare of this nation. Thank God we have survived the ordeals that have confronted us, but if we do not develop and settle this country and utilize its resources we will not be privileged to hold it. The Creator of the universe never intended us to hold it if we didn't develop it. Labor does not want to be accused of

being a nation wrecker because down through the ages it has proved to be a nation builder. All its legislation is associated with humanitarian principles.

Mr. Coumbe suggested that the construction of our main roads should be coupled with defence expenditure. Conferences have been held in Adelaide to try to formulate a scheme whereby road problems can be overcome. Australia is a young country and principles must be adhered to if we are to get anywhere. When the goal has been reached we will then not be ashamed of our achievements. Some of our defence expenditure could be used for road building. I am not unduly critical of the Minister of Roads or the people responsible for the building of roads. It is a big job. The availability in sparsely settled areas of suitable materials is a problem. Roads are being constructed of unsuitable material but there may be some justification for it when we consider the vast distances suitable materials have to be carted. Along the road through the 90-mile desert there is no strong stone or other metal and because of the distances involved in carrying suitable material the cost of road maintenance there is great. There is plenty of suitable material in the hills but to cart it to where it is wanted is too costly. Roads have to be built on a solid foundation but the 9,000,000 people in Australia cannot afford to have a road system that compares favourably with the system in America or other countries where there are many more millions of people to stand the cost.

We should realize that it is beyond us to provide roads for heavy traffic. We must tell the owners of these vehicles that they must do as we say and not as they want to do. I have been associated with roadmaking for years and I sympathize with those responsible for making roads. When we put down a road it should last for a reasonable period but today many of our roads are hardly down before they need repairing. Where there is high quality material available the cost of maintenance is not great. We should consider whether it pays to cart suitable material over long distances instead of using inferior material. In a land where there is plenty of raw material, labour and skill we should be able to provide homes at a reasonable cost, yet we are short of them.

We are worrying about the atomic bomb. It should have gone off at any time in the last nine or 10 days but it still has not been exploded. If I had my way it would never go

off. I am a layman and I express an opinion contrary to that held by scientists. If people think they are safe in the hands of the scientists, I don't. There is a difference of opinion amongst them and I don't trust them. These bombs are being created more or less as a means of preventing war. Let us live in conditions of peace, then we will not need atomic bombs. I cannot agree in any way with war. No one more than myself realizes the utter futility of it. I cannot understand why Australia has been in two world wars yet is marching along the road to prosperity. It is a marvellous achievement.

I am worried about the position of this State and I am willing to help as much as I can to solve the problems. We should be helping our people to buy homes and blocks of land. Roads are a problem. They are needed for development. Some of the defence expenditure could be spent on their construction and maintenance. Most of the money spent in war time is non-productive and we want to avoid that. We should finance roads because they are bound up with defence. I heartily support the honourable member for Torrens (Mr. Coumbe) in that regard.

About a fortnight ago I spoke to the Minister of Roads about the problems of people living along the Princes Highway. We know that there has been great dislocation on that road caused by overflowing of the lake, and this has caused hardship to the business people of Kingston. Although this is the shorter route to Mount Gambier, motorists are not using it. I know that people along the Murray have suffered because of the flood, but men could be sent there to make a detour off the Duke's Highway. Although I presented a petition containing 24 signatures of business people in Kingston a fortnight ago I have not heard anything from the Minister yet. These people are undergoing untold suffering, yet not one Highways Department employee has been taken from the Murray area. The people are expecting a reply from the Minister as a result of my representations. The Minister could send representatives from the department to see if the things I have claimed are true, and work could be done without any hardship to the people along the Murray. The Minister told me that millions of pounds were to be spent on roads, and I told him that I was not telling him what he should do but merely asking him to make a decision, which I could pass on to the people in that district. If good solid materials had been used in the first place much of this trouble would have been



averted. I hope that the Minister has done something encouraging for the people of Kingston and that he will notify me about it.

In my area is a great length of coast line extending from Kingston to Port MacDonnell, and I recently travelled around it with the exception of one place. The other day I received a letter from the residents there stating that they felt that I was not concerned about them. I replied to the effect that as I had received no complaints I assumed that everything in their town was going well. I am pleased to see that £75,000 will be spent in providing slipways around the coast where fishing is carried on. Some of this will be spent at South End and Rivoli Bay, and the people there are delighted about this. However, I know from experience that sometimes the starting of the work drags on after the money is granted. The Treasurer said that the work could be started in November, but he did not say that it would, leaving him an avenue of escape. I hope that was only a mistake in words. According to estimates made by the council it will cost about £1,000 to construct approaches to the landing berth, but the council has the matter in hand and I know it will seek the money it requires. Quite likely this has been taken into consideration by the people who have been responsible for recommending improvements to the jetty.

I shall be happy when I hear that a slipway is being provided at Beachport. Although the people there have been told by the Harbors Board that their requirements are catered for at Robe, they are still urging for facilities at Beachport and they have my wholehearted support for they should not have to go all the way to Robe. Harbors Board officers should visit Beachport where they will find that the people are justified in asking for a slipway. I trust that some of the £75,000 provided in the Estimates will be set aside for this work. The Minister has made certain statements about repairing the jetty at Port MacDonnell and the people there are also hoping for the establishment of other facilities.

I am glad to hear that the narrow gauge railway line between Naracoorte and Kingston is to be broadened and that the work is proceeding according to plan, although from what the Treasurer said today less money may be available because of the attitude of the Federal Government. I trust, however, that enough money will be forthcoming to enable the work to be done this year. I fought for the retention of the Kingston jetty until I was convinced the cause was beyond hope. The

chairman of the Harbors Board told me that tenders had been accepted for its demolition, to which Cabinet had agreed. If the people of Kingston want to pick a bone with me I will pass the responsibility to Cabinet, although Cabinet may have been justified in its decision. The Kingston people wanted the jetty retained up to the second landing and if I could see a glimmer of light I would renew the fight on their behalf, but I cannot see any.

Although the Premier in his election campaign four years ago promised the people of Millicent a water supply with no tags on, they still have not got it. When does the Government intend to do something in this matter? I have advocated the formation of a playground in the Millicent schoolyard and inspected the area with the Director of Education (Mr. Mander-Jones) who told me that the work had been approved by his department and placed in the hands of the Architect-in-Chief. I was also told that the Architect-in-Chief had negotiated with the drainage branch to carry out certain work during the wet period, but little has been done.

I do not want people in the Murray Valley to think I am unmindful of their plight for I will do my best to see they are rehabilitated as they should be. It is easy to be enthusiastic immediately a national tragedy occurs, but as time passes enthusiasm wanes and we tend to lose interest. I will be one of the last, however, to relinquish his efforts to see that the people are re-established, whether it costs £1,000,000 or £10,000,000. Surely the financial requirements are not beyond the resources of Australia, because after all not very long ago we fought a war costing tens of millions of pounds, and survived. In this matter I speak not only for myself, but for all members on this side. I hope that at the end of the current financial year the expected deficit will not have been realized. It may be necessary to curtail general public works in order to finance the rehabilitation of the flooded Murray areas, but I trust the Federal Government will help in this matter for it is of national concern. South Australia may be on the receiving end of the flood waters, but they rise in other parts of Australia. The nation has responded well before and I trust it will respond well on this occasion to meet the needs of the people who have been hit by a devastation never before known in Australia's history.

Mr. QUIRKE (Burra)—In my 16 years as a member this is the first Budget speech by the Treasurer that has struck a pessimistic

note. In fact, in many instances in his speech he could be described as a prophet of gloom. To illustrate this it is necessary only to read the following part of the first paragraph:—

When account is taken of the accumulated deficit to June 30 last of £1,510,000 the prospect is that at June 30 next the Consolidated Revenue Account of the State will be in deficit to the extent of £2,363,000. I stress this large figure to members as some measure of the current financial difficulties facing the State.

Then he said:—

I have on many occasions pointed out that uniform income taxation particularly prejudices this State's finances, and it is noteworthy that in 1956-57 the Commonwealth proposes to return to this State in tax reimbursement grants only about 27 per cent of the income taxation raised from this State.

If the Commonwealth returns 27 per cent of the income tax raised from South Australia a simple computation shows that the amount collected from this State is about £58,000,000. The Budget this year totals about £66,000,000 and, with the money available under the Loan Estimates, this State would be able to order its own finances if there were no uniform taxation, on the figures I have quoted, yet the Treasurer says that uniform taxation prejudices the State. In other words, notwithstanding what has been said by Opposition members, namely, that it would not be possible for us to get away from uniform taxation, the figures I have quoted show it possible to do so and balance the Budget. We have often been told by the Treasurer that uniform taxation is against the best interests of the State, but what has he done about it? Has he made any approaches to end the financial agreement and assume income taxation responsibilities? We hear nothing of that, but only a constant winge that South Australia is suffering in consequence of that agreement. I am getting tired of hearing that. In his Budget Speech the Treasurer said:—

The Commonwealth is to take £100,000,000 more than required, which it proposes to lend to the States at full interest rates.

I brand that sort of Commonwealth finance as robbery, for there is no other name for it. Firstly, the Commonwealth is taking more than it requires for revenue expenditure. That is extortion by compulsion, and it is a form of legalized banditry. Secondly, lending the proceeds of this banditry to the fleeced victims at full interest rates means there is now not even the veneer of ethics left which at one time gave the appearance of respectability to financial practices in this country. The Commonwealth's plan to take £100,000,000 more

from the people than it requires pre-supposes that the people have that much to spare that the Commonwealth thinks should not be spent to counter inflation, but we must realize that the people earned that money, whether by the sweat of their brow or as white collar workers, or they got it through dividends. No Government is justified in doing that under any circumstances. A Government is entitled to take from the people only what is necessary to meet its expenditure, but to lend this £100,000,000 at full interest rates is an all-time low in national finance. It is something that South Australia at least should not tolerate, but do we hear anything against it? Has any voice been raised in opposition to it?

Mr. Hambour—Yes.

Mr. QUIRKE—But the honourable member has spoken on the Budget, and I did not hear him mention it. This is not a Party political question, but sheer unadulterated financial banditry, and if the Labor Party did it—

Mr. Geoffrey Clarke—Mr. Chifley invented that practice.

Mr. QUIRKE—Is the honourable member saying that is an excuse for continuing it?

Mr. Geoffrey Clarke—I do not.

Mr. QUIRKE—Very well. The Labor Party did that in wartime, but there are many expediences in war time that would not be tolerated in peace time. One could imagine what the Treasurer would say if Labor were in power and proposed to take from the Australian people £100,000,000 for the sole purpose of lending it back to the States at full interest rates. In introducing the Budget the Treasurer said:—

It would seem to me that unless Parliament has the right to decide the appropriate manner in which it shall expend the funds available to it the whole concept of responsible government within the federation falls to the ground. It has fallen to the ground! The South Australian Government is responsible to the South Australian people, but when has this Government protested to the Federal Government for extracting South Australia's proportion of that £100,000,000 which it proposes to lend back at full interest rates? The Treasurer also said:—

If State expenditure is to be subject to such a veto, then South Australia is in danger of ceasing to be a self-governing State, and the ultimate apportionment of its funds between the various services will be controlled by an outside body.

God help us! Who controls the State today? A group of boffins behind the Federal Treasurer control the destinies of this State, yet

we call ourselves a sovereign State. We are not! We are a suppliant State, down on our knees beseeching sufficient money to maintain our basic requirements. We accept our position and cannot do anything about it because of the Financial Agreement. We should rise in our wrath and protest. The Treasurer should fulminate against it and say, "If necessary we will ask that the agreement be destroyed. The Federal Government is collecting £58,000,000 from us but is only returning 27 per cent of that plus our loan money. If we received the correct amount we would not have a deficit but a surplus."

Mr. Geoffrey Clarke—The Financial Agreement has nothing to do with tax reimbursement: it relates only to loans.

Mr. QUIRKE—Yes, but we have already passed the Loan Estimates. It is no use our moaning about the position: we should do something about it. For the last two or three years we have had a repetition of the statement that South Australia is subjugated financially by Federal interests. I am getting tired of that. We are either a sovereign State or we are not. Unless the Government controls our fiscal policy, we are not a sovereign State. It is sheer unadulterated nonsense to suggest we are.

There are many new members in this House who do not know my attitude on financial matters and I propose to enlighten them. The member for Light (Mr. Hambour)—a good friend of mine—said that money is toil and talent when applied to production. He is utterly and abysmally wrong. Money is not toil and talent because I can remember when thousands toiled until the sweat ran over the tops of their boots, but it never brought them a penny. That can happen again. A man in the country can have toil and talent and can endeavour to produce but in terms of monetization achieve nothing. Production is always mortgaged in advance and no one knows that better than the member for Light.

During 1940 a Spitfire fund was instituted in England to build Spitfires to repel the enemy. The people were told that unless they subscribed liberally to that fund there would be nothing for their airmen to fly and the liberty of the country would be endangered. That, of course, was an absolute fallacy, but at that time there was a desperate need to inspire the people. *The Banker*, a bankers' magazine in England, said this about that fund:—

In recent weeks, a remarkable new institution has leaped into popularity, the "Spitfire" fund. All over the country groups of enthusiastic people are subscribing money to be applied

in the purchase of a Spitfire, or occasionally some other specific piece of war equipment. The spirit behind this movement is wholly admirable; the contributions with which it has provided the Exchequer already substantial.

Yet, although these contributions are of genuine value to the nation, it is certain that the service they render is quite other than that which the vast majority of the sponsors and contributors suppose. From one point of view, indeed, the enthusiastic response to these funds reflects an almost universal ignorance of the true functions of money. Harmless and even beneficent enough in this context, these fallacious ideas—the total inability to distinguish between real phenomena and their monetary counterpart—are in other directions leading to quite useless and futile activities or even actual damage. . .

On sober reflection it must be obvious to anybody that the mere collection of a sum of money cannot hope to augment our air force by a single unit. Are we to suppose that if these Spitfire funds had not been raised the production of Spitfires would have been any less? Clearly not. The factories would have been producing to the limit of their capacity in any case. Money to buy Spitfires has no more connection with the production of Spitfires than have the spring flowers.

But if this is transparently true of a particular instrument of war, does it not apply equally to the war effort as a whole? The idea seems paradoxical to the popular mind, not only because the individual must obtain command of money in order to obtain command of goods, but also because in peacetime changes in the direction of monetary demand do actually govern the direction of production.

Those are not my words, but are from a financial organization which is still current in England. It could see the fallacy of this business and could not tolerate it any longer and had to come out and tell the truth. If members will read the memoirs of Sir Winston Churchill after World War I they will see this phrase of his, "At the eleventh hour of the eleventh day of the eleventh month the war finished." At 4 o'clock of that day something else finished and that was advances to the war effort, and that five hours after the Armistice. The net result was that the whole of England was thrown into chaos. Millions of people engaged in the production of guns, shells and other armaments were thrown out of employment and the supply of money was cut off. So useless and obsolete was the financial system then, and it has not altered a bit since. What happened to those millions thrown out of work? They were sent back to make guns and shells that no one wanted and afterwards these supplies were dumped in the Atlantic. If ever there were an indictment of a system, that is it. In his memoirs Churchill said:—

For my part I could never understand why it was that in times of war there was money available for the purchase of all forms of war

material while in times of peace the same money could not be made available for the building of houses and the requirements of the people, and there is no reason why it cannot be made available.

I shall now refer to a few comments appearing in the Banking Commission's report. Abraham Lincoln is revered in the United States of America as a great man, and undoubtedly he was a great man. He had a clear insight into the requirements of the future, and in one of the biographies on him written by an Englishman appears the following statement by Lincoln:—

Money is the creature of law and the creation of the original issue of money should be maintained as an exclusive monopoly of the National Government. Such needs can be served by issuing national currency and credit through the operation of a national banking system. The Government should create, issue and circulate all the currency and credit needed to satisfy the spending power of the Government and the buying power of consumers. The privilege of creating and issuing money is not only the supreme prerogative of the Government, but it is the Government's greatest creative opportunity. The people can and will be furnished with a currency as safe as their own Government. Money will cease to be the master and will become the servant of humanity. Democracy will rise superior to the money power.

Abraham Lincoln was shot. After he made his statement the London *Times* said:

If that mischievous financial policy which had its origin in the North American republic during the late war in that country should become indurated down to a fixture, then that Government will furnish its own money without cost. It will pay off its debt and be without a debt. It will have all the money necessary to carry on its commerce. It will become prosperous beyond precedent in the history of the civilized Government of the world. That Government must be destroyed or it will destroy every monarchy on the globe.

Before he became Prime Minister of Australia Mr. Chifley was an enginedriver. We want an enginedriver today or at least someone with drive instead of having the useless organizations we have in the Federal sphere. They are tearing the country apart and are responsible for South Australia being presented with a Budget which is wingeing from beginning to end, and about which we intend to do nothing. Mr. Chifley was a member of the Royal Commission on Banking and section 504 of its report said:—

Because of this power the Commonwealth Bank can lend to the Governments or to others in a variety of ways, and it can even make money available to Governments or to others free of any charge.

Despite that, the Federal Government will take £100,000,000 from the Australian people and give it back grudgingly in the form of loans at full interest rates. We should not tolerate that. What is our Treasurer doing about it? Later the people wanted confirmation of it and the secretary of the Royal Commission, Mr. W. T. Harris, said that as a matter of power the Commonwealth Bank could make monies available to Governments or to others on such terms as it chose, even by way of loan without interest, or even without requiring either interest or repayment of principal. He said these admissions were of the greatest importance. Dr. Walker, economic adviser to the New South Wales Government, wrote the following in his paper *Sound Finance*:—

The members of the commission probably did not expect to be quoted as supporting interest-free money. What are the objections to such a practice? A Government could finance all its defence by credit expansion, thereby becoming independent of taxpayers, bond holders and other financial interests, but it would sooner or later be confronted with the dilemma of recession or soaring prices.

So it would if we used only that method. We use it to the degree that is necessary and not in its entirety. The statement continued:—

Indeed, if prices, costs and other variables are effectively controlled, credit expansion has no dangers, but the mechanisms, which, in the absence of control, imperil industrial stability, are not understood by the apostles of sound finance.

All this can be found in our Parliamentary library. I think I am the first in this debate to quote authorities.

Mr. Hambour—Do you accept the statement by Dr. Walker?

Mr. QUIRKE—Certainly I do. The Commonwealth Bank issues a monthly paper to its officers near the top rank. It is called *Currency* and a copy of it is not found in our library. It is a domestic paper for the edification of bank officers. I heard that statement had been made and I asked our librarian to approach the Commonwealth Bank for copies of it. For the information of new members it is worth quoting again. It is not an economic text book but it carries the imprimatur of the Commonwealth Bank. It said:—

In a stable economy the role of the note issue is a passive one only and changes in the volume of notes are symptoms of the operation of expansive or contractive forces affecting the economy rather than basic practice causing the expansion or contraction.

About Christmas time there is an expansion. People want to spend money and there is a

greater issue of notes then to enable people to draw their money from savings and trading banks. The extract continued:—

The note issue is only part of the total money supplied, the greater part of which is represented by bank deposits. It is mainly through its control of bank lending which directly affects the volume of bank deposits that the Central Bank influences the volume of money available to the community.

Mr. Hambour said that money is toil and talent when applied to production. The Commonwealth Bank states that it is mainly through its control of bank lending, which directly affects the volume of bank deposits, that the central bank influences the volume of money available to the community. The paper called *Currency* stated:—

Bank lending operations are of particular economic significance, because they do not merely transfer existing purchasing power from one person or enterprise to another, as loans by individuals or other institutions do, but result in an actual increase in the total purchasing power.

Mr. Hambour—That is only the primer.

Mr. QUIRKE—If the honourable member has £100 and spends £50 he has only £50 left, but the bank has the total of its deposits.

Mr. O'Halloran—He has the first primer and you have the second.

Mr. QUIRKE—This bank says that every loan creates a deposit and every repayment of a loan destroys it. Nobody is so diffident about being influenced or admitting it as one who has grown old in ignorance of the true facts. I do not say that unkindly, but of course I mean it. Let me give a simple explanation of what is stated in that article. If I have some assets and find it necessary to raise £1,000 to pay the honourable member for Light I would go to a bank which, after it decided that my assets were all right, would decide to lend me £1,000. I would give this to the honourable member, who would put it into his bank. An advance has been made to me that has become a deposit in his account, and the Commonwealth Bank says that this results in an increase in purchasing power. In other words, the deposits in that bank have not decreased because it has advanced me £1,000, but the deposits in the honourable member's bank have increased because he has placed the money in it. Therefore, every advance becomes a deposit and every repayment of an advance destroys a deposit.

Mr. Hambour—Do you think the bank can go on doing it?

Mr. QUIRKE—It does so. If, by some process, the honourable member became indebted

to me for £1,000 and wanted to pay it back, the first thing I would do is repay the advance made to me, and the £1,000 would go completely out of existence. That is what the extract from *Currency* means. Today there are thousands of millions of pounds represented only by figures in bank ledgers or ledger cards. There are notes to the value of about £400,000,000, taking no account whatever of coin, but that is just a fragment of the total amount of money in circulation in Australia. How did it come into existence? It did so by monetising assets. No money was ever issued free, but every penny that comes into existence is issued as a debt because it all comes from bank resources, and banks do not issue anything free. When that is realized, we have the key to what has happened in this State. The article continued:—

A bank is able to "create" credit because when the funds it lends are spent they return to it or other banks in the form of new deposits.

If members get that lesson thoroughly ingrained they will begin to have a glimmer of the workings of finance. Later in the article the following appeared:—

If a bank lends more freely than its fellow banks it will find itself losing cash to other banks as the money lent by it is spent. If banks move roughly together and the central bank imposes no controls on the process of credit expansion, the ultimate limit to it is set only by the need of banks as a whole to keep enough liquid funds against their deposits. This is the key to the matter. If, for example, the banks consider a cash deposit ratio of 20 per cent adequate, an additional £10,000,000 of cash deposits would permit them to expand advances by up to £40,000,000. That shows that money is a costless creation and the vast sums of money available in Australia exist only in figures in banks. They are a monetisation of assets that are always mortgaged before they are brought into existence. The banking system, whether State or Commonwealth, although more so the Commonwealth because it has an iron control over the private banks, controls the amount of money in existence. McKenna, who was president of the Midland Bank of England, said that the amount in existence at any one time is due to the policy of banks in advancing or restricting credit.

Mr. Hambour—You believe in Chifley's finance, don't you?

Mr. QUIRKE—No, I do not go all the way with him because I think he was a failure in many respects. This is a very interesting

subject, and brings into perspective the so-called inflationary trend that makes it necessary to rob the people of £100,000,000 more than the Commonwealth Government proposes to spend. It is robbery and if anybody else did it he would go to gaol. It is a confidence trick.

Mr. O'Halloran—It is piracy.

Mr. QUIRKE—It can be called piracy or skulduggery, but the practice is wrong. It is possible to alter the finances of this country to bring into existence what the people require, if necessary on a costless basis, although that is not always necessary or desirable. Subsidization is the key to inflation. Costs can be reduced by subsidy and the insistent demand for increased wages thus averted. It is as easy as that, but we have been taught to look on finance differently. I look on it, however, as a means of providing the highest possible standard of living for the Australian people, and used rightly it can do that. There is no shortage of it because it is the cheapest thing that can be created: it costs no more than the price of pen, ink and paper.

The desirable amount, however, is another question. I say it should be done not in a limitless way, but according to requirements, the first of which is an attack against costs by subsidy. The only alternative to that is to produce more for the expenditure of the same sum. To say that you should double what you produce for the same sum spent in wages is simply ridiculous, for if you double the amount of secondary production for the same sum of money you would be placed in an extremely parlous position and unable to sell your product. The only way to sell would be by doubling and quadrupling the sum available by means of hire-purchase.

It is well known that hire-purchase in Australia is based on savings bank deposits. The National Bank and the Bank of New South Wales have established their own savings banks. In South Australia we boast of over £100,000,000 in our savings banks, but in a few short months the private savings banks have accumulated £40,000,000 at the expense of the older savings banks. This amount is to be used for the purpose for which Sir Dennison Miller used the Commonwealth Savings Bank, which he established before opening the Commonwealth Trading Bank.

Sir Dennison established the Commonwealth Bank without a penny capital. Indeed, in his opening address he said that the bank had been started without money. He opened his head office in Sydney, but he had already

opened the Savings Bank and the few millions he accumulated through that he used as the basis of the whole structure of the Commonwealth Bank. The story of that achievement may be read in two volumes in the Parliamentary Library. I do not accept the necessity for the throwing down of South Australia by the Commonwealth Government. That Government acts on the advice of Treasury officials who are wedded to a system that gives them their opportunity and livelihood. Under those circumstances they are not going to admit their mistakes: it will take someone capable and brave enough to make the challenge before we will overcome this difficulty.

Last weekend I visited areas along the River Murray and, although I do not want to trespass on the province of members from River districts, I speak as a former member of the Land Settlement Committee who has at heart the interests of prospective settlers awaiting blocks. With the best of intentions the Playford Government submitted to the Commonwealth Government a land settlement scheme for land outside Lyrup, but the scheme was turned down, allegedly because it would be uneconomical owing to the overproduction of vine fruits. I saw that land last weekend. In the main it is hop bush and native pine country on Winkie, Barmera and Berri sands and is admirably suited for the production of citrus and deciduous fruits such as peaches and apricots. If some use is required for land on the flats why not put it under pears?

The Hon. G. G. Pearson—How about pasture?

Mr. QUIRKE—I hesitated to say that because of the cost of lifting the water for pasture development, but I suggest that, instead of using isolated group schemes, there is an area of country between Renmark and Lyrup and Bookpurnong Hill (on both sides of the road) that could be used. On the left-hand side of the road from Renmark to Loxton is a magnificent expanse of country covered with the most beautiful hop bush on the river, which shows the type of soil underneath. On the other side are the Lyrup Heights down to Bookpurnong. That is magnificent country and, if it is possible to send a huge pipeline from Mannum to Adelaide to supply water for domestic purposes, surely an inclusive scheme is possible to pump water from Renmark and develop the country in those areas suitable for development.

That would mean one pipeline along the contours of the highlands so that an area over a long range of country could be developed.

I realize that there will be isolated occurrences of the grey mallee sands that are no good for irrigation, but those areas could be excluded and the thousands of acres of best land available in the different parts used. Installing a pipeline to feed a long range of country in isolated groups is the ideal scheme for that area. I have been in Renmark on two or three occasions during the flood and, frankly, I am disturbed about the prospects of the people there. Today they stand appalled at the suddenness of the destruction and, although I am not an authority on these things, I believe it is possible for large areas of the Renmark flats to go out of production through seepage and salt. If they do they will not be restored next year or the year after.

The people on the low-lying country should be compensated and given an opportunity to get on to the high land. The low flat areas could later be reaggregated into bigger areas for dairying or pasture. I hope this idea will be investigated by the Government because I am afraid many people in Renmark will have to wait a long time for adequate financial assistance and for the restoration of the fertility of their soil. We should not plague these people by indecision. There are vast areas near the river that could be brought into production in the same way as soldier settlements in the A.M.P. South-East scheme. Those settlers were employed on the development of their blocks, and further areas could be opened up on the river in the same way, just as settlers are doing under the Loxton scheme now. There would not be the same losses resulting from a future inundation if people were settled on the high lands.

I believe the Government should carry the heavy losses resulting from the present flood. The settlers were not responsible for the flood; they were only on the receiving end, and we must help them. In these so-called enlightened days it is not within the bounds of justice and charity to allow these people to suffer losses when there is land that could be developed for them. Those who are too old to develop new areas may have sons able to do it. If the Government is not prepared to do this perhaps some of our big insurance companies would do it, just as the A.M.P. Society has developed the Coonalpyn Downs. If they carried out such schemes they would use their money to better advantage than by dumping it in Commonwealth loans. Another area that could be developed lies to the north of Lake Bonney. It is hop bush and pine country and is suitable for all forms of irrigation. There is no

shortage of suitable country, but we often find the objection that areas are not big enough to withstand the cost of one pumping station and all the other costs associated with bringing an area into production. If we installed a long pipeline it could serve many suitable areas.

Mr. Stott—There is a suitable area near Murtho.

Mr. QUIRKE—There are many suitable areas. Many people think that the area of land along the river that is suitable for irrigation is strictly limited, but that is wrong. I agree that we should restrict vine plantings, but more land should be opened up for the production of pip and stone fruits, such as pears, peaches and apricots. Last Monday I wanted to buy a case of navel oranges from a packing shed. I knew this was at the end of the season and was told a case would cost me 45s., so I took other oranges. The high price of navels shows there is a tremendous demand for citrus, but packing and selling oranges in an awkward bushel case presents a problem. I believe that orange juice should be canned and, instead of supplying free milk to school children all the year round, they should be given orange juice during the summer. Orange juice and milk contain about the same nutritional value, but oranges have more iron content. Children get tired of milk day after day, and if they were given orange juice in the summer we could plant more areas to orange trees.

The Railways Department is a vast organization but the present shuttle service between Paringa and Renmark is a reflection on its organizing ability. A decrepit railcar pulls a goods truck upon which three cars at the most can be loaded. People are required to wait up to three hours before they can have their cars carried on that service. It is interesting to see the number of motor cars permanently parked outside the Renmark rail station. They belong to people who live on the Paringa side of the river. Those people drive their farm trucks to the Paringa siding and travel to Renmark in the railcar, do their shopping in their motor cars and return via the shuttle service leaving their motor cars at Renmark. It is a disgraceful situation. The people in the area are suffering enough through the flood without having to tolerate this inadequate service which, although alleged to be only a temporary provision, has the appearance of becoming a permanent fixture for at least another three months until the water drains away. Apart from this service the only other means of entry to Renmark is via the long trip through Murray

Bridge. The shuttle service could be improved by the provision of an Rx engine or a more powerful railcar with a couple of flat trucks on to which more vehicles could be loaded.

Mr. Stott—I suggested that but the Railways Commissioner said it was not justified.

Mr. QUIRKE—That is always the attitude. They would not put extra lighting above a sheep loading ramp at a railyard in my district because only nine trucks were unloaded there in 12 months. They overlook the fact that if there were better illumination probably many more trucks would load there. I do not criticize the two men who are operating the shuttle service because they earn their money. It is impossible to manoeuvre a third car on to the truck by driving, but these men bounce it into position. The Highways Department provides a better service than that when shifting its employees from place to place.

I appreciate the difficulties the Treasurer is labouring under. If, as the Treasurer says, £15,710,000 represents 27 per cent of the income tax collected in South Australia then the total collection is about £58,000,000 which is the best part of the £65,000,000 of this Budget. Something should be done to end the dependency of this State upon a financial programme that is not based on realities. The Treasurer is in a financial dilemma. He said that, "The concept of responsible Government falls to the ground" and "South Australia is in danger of ceasing to be a self-governing State." My interpretation of his remarks is that we are ceasing to be a self-governing State because we cannot get sufficient money. I do not accept that. It is necessary to fight against something that was inaugurated a long time ago and which has no reference to present-day conditions.

I am not satisfied that we are getting the best value for the money which goes into the Highways Fund. If the Highways Department has £6,000,000 to spend, the people of South Australia get no direct benefit from at least £1,000,000 of it. There is one thing I should like to see altered. I am not criticising the working men, because it is an administrative matter. Friday is a wasted day on a job, and instead of its being a five-day week it amounts to a four-day week. I should like to have this position rectified. There is a tremendous waste, but we cannot blame the men who are under direction, but blame those who are responsible for the direction. Friday becomes a day on which the men tidy up and colossal losses result consequent on that attitude. When a primer coat is poured on a long stretch of roadway

the sealer coat should be spread before the primer coat is cut into dust by the traffic. Too often today the primer coat is worn out before the sealer coat is put on and the laying of too long a distance with the primer coat results in a sealer coat being applied too late. Another fault is that when a road is in a condition to receive the sealing coat it is allowed to deteriorate, and it has to be brought back into proper condition again. I do not know where the fault lies, but as a member of this House I should like to see an issue made of it and an investigation into highways costs, because I am certain that much more road could be built with the money now voted. It is wasted by bad administration. I am sorry to have to criticize the department, but I have seen so much of it recently that I thought that such criticism could not be delayed any longer. I am prepared to explain the position as I have seen it to anyone in authority. I support the Budget.

Mr. GEOFFREY CLARKE (Burnside)—I feel there is much to say in refutation of some of the novel propositions put to us tonight, but at this late hour I do not propose to deal with them. Yesterday, Mr. Frank Walsh (Deputy Leader of the Opposition) referred to a certain episode which took place near Parliament House not long ago, but it should not be allowed to get out of proportion, as it appears already to have done. Mr. Walsh referred to a rag in which a few University students enacted in front of Parliament House a burlesque of Mrs. Miller, known more familiarly as Marilyn Monroe. I do not necessarily agree that this particular rag was ever in good taste or that it was necessarily in bad taste. It was a minor escapade, which I think was blown up to undue proportions, and had it happened on the Goodwood Road I am sure that Mr. Walsh and many of his constituents would have been quite diverted with the episode. I do not condone the use of any person's private car as a grandstand to view any such spectacle. I am informed that very careful inquiry was made and it was not found that any person had used Mr. Walsh's car as a grandstand.

It is always fair game to attack University students in the completely erroneous belief that they, both men and women, come from privileged classes. Whether that was ever true I am not prepared to say, but it is certainly not true today, but the critics of students like to think it is still true and have a crack at them and allege that they come from privileged



classes. Indirectly, in doing this they are having a crack at their parents. The University student of today is at least equal to, if not the peer of, his predecessors. That must be looked at against the background of University life. I do not propose at this stage, because of international tension, to refer to student outrages. No doubt they are charges which can be placed against the student expression in other parts of the world, and it has been their traditional expression for many years. From our students will come our scientists, doctors, lawyers, clergymen, agricultural experts and others with many accomplishments and skills which are by no means impaired because of some boisterousness which does not remotely approach or represent delinquency. If the figures were taken out I am confident that nowhere in any section of the Australian or any other community would less delinquency be found than among the 4,000 young people who are students at the University of Adelaide.

The escapade to which Mr. Walsh referred was, I am informed, carried out only after the police had been advised of the nature of the proposed "rag." Great care was taken to see that no damage was done to either public

or private property. As I said earlier, this episode has been enlarged to something that appeared to justify two or three weeks after the event front headlines in the newspapers. I want to put the position in its proper perspective. The University is a virile institution carrying out in the highest traditions the functions entrusted to it by the State. If, as Mr. Hambour said, a few of the students after qualifying do not practice their profession and marry instead I have yet to learn that a good education is a bar to a happy marriage, and that educated people living in the community and not practising the profession for which they were trained is a bad thing. The honourable member deplored the fact that graduates of the University went there to gain some social standing and then married, with their training being lost to the community. Is it a bad preparation for marriage that men and women should have a good education? I have yet to learn that such a quality does anything towards increasing disharmony in marriage.

Progress reported; Committee to sit again.

#### ADJOURNMENT.

At 9.53 p.m. the House adjourned until Thursday, September 27, at 2 p.m.