

HOUSE OF ASSEMBLY.

Tuesday, September 22, 1959.

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

QUESTIONS.**MEAT PRICES AND GRADING.**

Mr. O'HALLORAN—Has the Premier noticed the chaotic conditions that have prevailed in the abattoirs stock market at recent sales, and if complaints by both producers and consumers as to the wide variation in quality and prices charged for meat in the metropolitan area have been brought to his notice will he again consider the practicability of introducing a system whereby meat is graded for quality and prices fixed accordingly?

The Hon. Sir THOMAS PLAYFORD—The position has been examined and I have inquired about meat prices at the abattoirs as well as regarding retail sales. At present there are wide variations in meat prices at the abattoirs, particularly in respect of lambs. Lambs suitable for export are bringing a much higher price than those not of export standard. Since the matter was discussed in the House last week there has been a substantial alteration in the selling policy of some Adelaide retail stores and at the end of last week lambs were sold cheaply indeed. I have not yet had a firm recommendation from the Prices Commissioner on this matter nor can any firm statement be made yet whether or not the Government will take action.

BARLEY STOCKS.

Mr. HAMBOUR—This morning I received a telephone call from a constituent who said that he had been informed that no more barley would be available at Freeling. Will the Minister of Agriculture make a general statement on the stocks of barley in South Australia and their availability?

The Hon. D. N. BROOKMAN—I do not know the position regarding stocks of barley at Freeling or the grade of barley this person wanted. Some grades are available but others are not. The General Manager of the Barley Board advised me this morning that the board now holds 40,430 bags of Chevalier, No. 5 grade; 22,803 bags of Cape, No. 4 quality; and 19,162 bags of Cape, No. 5 quality—a total of 82,395 bags.

Mr. NANKIVELL—It would be impossible for the growers to repurchase any of the barley from sales made forward because they would have to forgo the advance on their barley. I

understand a local merchant has arranged to repurchase 10,000 tons of barley, which will not be available until January. Will the Minister of Agriculture give an assurance that some control will be exercised over the price of the barley on the resale?

The Hon. D. N. BROOKMAN—I think, broadly speaking, that the question is based on a correct assumption. The details of the transaction are still being worked out, and I shall be able to give the honourable member more information within a few days.

Mr. STOTT—I understood the Minister to say that consideration was being given to some particular firm's buying or taking over some stocks of barley for feed and other purposes. Has Cabinet considered the question of the Government's reserving these stocks of barley so as to make doubly sure that they will be available for farmers' requirements, whatever they will want them for, at a reasonable charge instead of placing them in the hands of a speculator, which would mean that an outside organization would make a profit from the disaster of others? Has Cabinet considered providing money to purchase these stocks and, if not, will it consider that aspect?

The Hon. D. N. BROOKMAN—This question was answered very fully in the House last Thursday by the Premier, and I refer the honourable member to that answer. If he wants further information involving Government policy I suggest that he put a question on notice so that it can be answered next Tuesday.

BRIGHTON RAIL SERVICE.

Mr. FRANK WALSH—Has the Premier a reply to the question I asked during the Loan Estimates debate concerning the provision of diesel rail cars on the Brighton service to speed it up?

The Hon. Sir THOMAS PLAYFORD—My colleague, the Minister of Railways, has advised that the railways have 44 of the new suburban diesel rail cars in traffic at the moment, and that an additional 16 are being fitted with engines and transmission equipment. When these additional rail cars come into traffic they will be used in the south line suburban peak and off peak traffic and will replace certain steam trains on the Marino line. The railways are at present operating a number of trains on the Marino line with the new rail cars and as further units come into service it will be possible to replace more steam trains with the new equipment. The

service on the Marino line following the introduction of further new rail cars will be speeded up.

SUNDAY LAND SALES.

Mr. JENKINS—Advertisements appear in daily and weekly papers stating that salesmen will be in attendance at certain subdivisions on public holidays and Sundays. Local land agents, some of whom wish to observe Sundays and public holidays, are forced to compete in order to protect their means of livelihood and to take care of their clients. I understand that members of the Real Estate Institute have considered this aspect of trading, but because some large firms are not members of the Institute there has been some disagreement among members because they are afraid that if they try to prevent Sunday trading it will affect members. Can the Premier say whether the Government is aware of what is taking place and whether it will consider stopping this practice either by legislation or some other means?

The Hon. Sir THOMAS PLAYFORD—The only limitations that I know regarding trading are contained in the Early Closing Act, which applies primarily to the metropolitan area and particularly in respect of shops. I do not think that it would apply to any land agents, for they are not selling commodities covered by the Act. As far as I know, no legislation controls this matter and the Government does not intend to take action.

TARPAULINS ON SUPERPHOSPHATE TRUCKS.

Mr. HUTCHENS—In a recent copy of the *Producer*, the official organ of the Australian Primary Producers Union, S.A. Division, appears a report of resolutions passed at the annual State conference, including the following:—

That it be recommended that the railways be responsible for providing tarpaulins which are waterproof as covering on superphosphate trucks during transit from superphosphate works to destination and that they should be responsible for damage during transit.

Will the Minister representing the Minister of Railways ascertain whether it is the Government's policy to supply waterproof tarpaulins to cover superphosphate and, if it is established that damage has resulted from railway negligence, is compensation paid for such damage?

The Hon. G. G. PEARSON—From my experience as a farmer I think the honourable member's comments are correct, that it is the

policy of the Railways Department to supply tarpaulins and where damage is charged against the department for leaky tarpaulins to make redress. I will ask my colleague for a full report.

SOUTH AUSTRALIAN RAILWAYS POLICY.

Mr. HARDING—A report in the *Road Transport Digest* refers to "Railways black-mail," and is as follows:—

An unsavoury principle seems to be extending into the realms of policy pursued by Australian Government Railways. The South Australian Road Transport Association confirms this view in the following report:—"The South Australian Railways have adopted the policy of refusing to purchase goods from their suppliers unless the supplier undertakes to use rail transport. We understand that the policy not only requires this in respect of goods which have been purchased, but also requires the supplier to undertake to use rail transport generally." This sort of nasty pressure has also been exerted by the New South Wales Railways in Goulburn. Such a policy is most objectionable in fact, and in principle, and is completely contrary to the Australian conception of freedom of enterprise, freedom of the individual, and freedom of choice for the transport user. . . . If the policy of the South Australian Railways has been imposed without Cabinet endorsement, we appeal to the non-Socialist Playford Government to apply a veto promptly to prevent its certain spread.

Will the Premier take this matter up with the Minister of Railways and have this allegation refuted?

The Hon. Sir THOMAS PLAYFORD—The complaint seems to be that the Railways Department has decided not to give concessions to its competitors, but to deal with the people who deal with the department. The matter has not come before Cabinet, but if it did I believe Cabinet would support the Railways Commissioner and allow him to make the best deal he could for the service he supplies. That is fair and reasonable, and I do not think there is anything either socialistic or non-socialistic about it. It seems to me to be an approach that ordinary business makes every day of the week. If the honourable member desires a Cabinet decision upon the matter, I have no doubt that, having received the Commissioner's report, Cabinet will consider it, but I do not think that Cabinet would upset the decision of the Commissioner on this matter.

FIRE PROTECTION IN OSBORNE-TAPEROO AREA.

Mr. TAPPING—Has the Premier a reply to my recent question regarding fire protection in the Osborne-Taperoo area?

The Hon. Sir THOMAS PLAYFORD—A communication has been sent to the Port Adelaide Corporation concerning this matter. I understand some additional means of communication have been established, but I think the corporation has made further representations to the Fire Brigade Board following on the report from the Fire Brigade, so no finality has yet been reached in the matter.

NORTHERN ELECTRICITY EXTENSIONS

Mr. HEASLIP—I have received a number of reports from people in my electorate that certain projected electricity extensions which were to take place in the electorate this financial year have now been postponed. I refer specifically to the Wirrabara, Appila, Caltowie and Hornsdale single wire earth return line. Can the Premier say if the rumours are correct, and if so, is it because the allocation available to the Electricity Trust has been reduced?

The Hon. Sir THOMAS PLAYFORD—I do not know whether the statement is correct. I do not think the allocation has been reduced; in fact, I think it is on all fours with previous allocations, but the honourable member can check this in the Loan accounts if he desires. That, however, is not the whole of the problem. The trust may have a much bigger commitment this year on power station construction than it had previously. In fact, I believe that a very large amount of equipment from overseas will take a substantial part of its finance. I will obtain a report for the honourable member upon the particular work involved, and if possible see that it is included in the programme.

MURRAY LANDS WATER SCHEME.

Mr. BYWATERS—Some time ago Parliament approved a scheme to supply water to the Hundreds of Burdett, Seymour, and Ettrick. Arising from another proposal to supply water to Keith, this proposition was postponed, but I understand that the Estimates this year include an allocation of money for further investigation of this scheme. Can the Minister of Works say how far this scheme has developed and whether it is to go on?

The Hon. G. G. PEARSON—Offhand I could not answer the honourable member's question precisely. The scheme to serve the Hundreds of Burdett, Seymour, and Ettrick was, as he said, approved, but it would have involved pumping stations on the River Murray. When the larger scheme to the South-East was proposed it was deemed prudent to combine the

two schemes into one composite scheme, and it appeared that this could be done with reasonable convenience and with a reduction in cost as opposed to the possibility of two separate pumping stations. I will check with the Engineer-in-Chief to see what stage he has reached in considering the larger scheme. I have not discussed it with him for some weeks, but at the last discussion it appeared that the first part of the proposed scheme to the South-East, which would include the supply to the hundreds mentioned, had become a fairly firm proposal; in other words, there seemed to be general agreement that the first part of the pipeline should follow a certain route which appeared to be most advantageous to both schemes. I am not sure whether that is still the position and whether the Engineer-in-Chief is now able to say definitely that that is a firm proposal, but I will let the honourable member have any further information I can obtain.

LOSS OF RAILWAY FREIGHT.

Mr. LOVEDAY—I am reliably informed that the South Australian Railways Department has lost considerable business over past years through the action of private road transport organizations operating in Melbourne. The goods have been lost in freight to Melbourne because these private transport organizations have charged exorbitant rates for the cartage of goods from the railway terminal to the final point of delivery in Melbourne; they have then quoted a figure slightly less than the sum of the freight from Adelaide to Melbourne and the exorbitant charge and have forced the goods on to road transport from Adelaide to Melbourne. In view of what has been said by the transport organizations will the Premier state the present position?

The Hon. Sir THOMAS PLAYFORD—I am not aware of the action taken in regard to the subsequent delivery of goods carried by railway to Melbourne and of any problem in connection with it. I will get a report from the Railways Commissioner and let honourable members generally have it. So far as I know, the Commissioner has not taken up the matter with the Minister.

TAXATION ON GRAIN TOLLS.

Mr. HALL—A few of my constituents are worried because they have to pay income tax on tolls paid to the South Australian Co-operative Bulk Handling Ltd. As I have informed the Minister of Agriculture of the

complaints, has he obtained a reply following on an investigation into the matter?

The Hon. D. N. BROOKMAN—This matter was raised several times with the Commonwealth Treasury and the reply of the Deputy Commissioner of Taxation was as follows:—

The Taxation Department takes the view that the tolls paid by members to South Australian Co-operative Bulk Handling Limited will not be allowable deductions for taxation purposes to those members, being outgoings of capital or of a capital nature.

That information was given in 1956 and that is the position today.

IRRIGATION WATER SUPPLY.

Mr. STOTT—There has been much anxiety in the Upper Murray districts recently because of the lack of rain, and statements have been made over the air that South Australia is not likely to receive its due quantity of water under the River Murray Waters Agreement. I cannot recall who was responsible for the statements but I think they were made by a New South Wales authority. Is the Premier satisfied that sufficient water will be available to maintain the irrigation areas and are he and the department satisfied that there is sufficient water in storage at Lake Victoria to meet South Australia's requirements in the event of an emergency?

The Hon. Sir THOMAS PLAYFORD—This matter arose during the absence of the Minister of Works last Friday and he has asked me to reply to the question as I dealt with the Engineer-in-Chief that day. The quantity of water coming down the River Murray this year will be below irrigation requirements as a whole. Normally it would be a year which the River Murray Waters Commission could call a year of restriction, which would mean that water would be provided according to the allotment under the agreement, but as the Hume Dam is not yet completed the Commission cannot at present legally declare a period of restriction. Consequently, if South Australia desired it could demand its full quota of water this year, but as other States have taken considerable steps to reduce their requirements (in New South Wales and Victoria in some instances irrigators have been notified that they must cut requirements by 30 per cent) the South Australian Government takes the view that it cannot stand on a technicality under the agreement to enforce an unfair supply of water to this State. The Government has authorized Mr. Dridan to take whatever steps are necessary for South Australia to do the

fair thing by Victoria and New South Wales in this matter. On the other hand I assure honourable members that the water available to South Australia will be sufficient to carry out reasonable South Australian requirements.

ROYAL ADELAIDE HOSPITAL.

Mr. DUNSTAN—Has the Premier a reply to the matter I raised earlier this session concerning the amounts of money to be spent this year on the rebuilding programme at the Royal Adelaide Hospital?

The Hon. Sir THOMAS PLAYFORD—The honourable member asked the question during the Loan Estimates debate and I promised to get the information. The Architect-in-Chief has supplied the following details to the Minister of Works:—

The Loan Estimates provide £250,000 for the first contract for the radiotherapy building and £20,000 for the five additional floors. In view of the fact that satisfactory negotiations with the contractor for erecting the five additional floors have been concluded it is highly probable that more than £20,000 will be spent during this financial year.

Under the Public Purposes Loan Act, where Parliament has approved a proposal and appropriated money for a work to proceed, if the contractor goes ahead more rapidly than is anticipated the Treasurer has the authority to enable payments to be made for the additional work done. In this case it is anticipated that the amount provided under the Loan Estimates will be exceeded, because arrangements have been made much more quickly than was anticipated.

INFERIOR "TELEVISION" CHAIRS.

Mr. O'HALLORAN—In this morning's *Advertiser* a Brisbane report stated:—

Poor quality "television" chairs flooding Sydney and Melbourne markets were attacked at the Australian Furniture Trades Convention here today. Mr. N. Brown, of S.A., a Standards Committee delegate, called for an investigation and a full report.

It appears from the report that a racket has developed in Sydney and Melbourne in the sale of poor quality television chairs. Will the Premier state whether the Government's attention has been drawn to anything of a similar nature in South Australia and, if so, whether steps will be taken to remedy the position?

The Hon. Sir THOMAS PLAYFORD—I have no knowledge of action in South Australia of the nature the Leader mentions. I will have the matter investigated and furnish a report and, if the Leader desires it, I will then submit it to Cabinet.

EFFECT OF RAIN ON PRIMARY INDUSTRIES.

Mr. HEASLIP—Last week I asked the Minister of Agriculture a question in which I pointed out the urgency of the removal of stock in South Australia because of drought. Over the weekend we had general rains throughout the State varying from 2in. to 4in. and, although I realize that this rain cannot undo all the harm that has been done, I appreciate its value. Can the Minister of Agriculture say what effect the rain could have on stock carrying and cereal returns?

The Hon. D. N. BROOKMAN—Generally speaking, the rain could be classed as light, but it was valuable. It will improve grain yields to some extent and, although it cannot by any means be classed as adequate for cereal crops, it will allow many farmers to plant fodder crops to maintain their stock further. It will allow some conservation of fodder in the wetter districts and, generally speaking, maintain store stock in condition for some time. Although it was valuable, there is a grave need for more.

NORWOOD HIGH SCHOOL.

Mr. DUNSTAN—Earlier this session both the member for Burnside and I asked questions about the then state of the new Norwood high school, and that matter has recently received some publicity from press reports of statements by outside people as to the position of proposed new high schools in the metropolitan area. The council of the Norwood high school is concerned about the present situation in relation to the proposed new high school. Can the Minister say what stage has been reached in the building of this school?

The Hon. B. PATTINSON—I share the concern of the members of the Norwood high school council and others. I am not only desirous but anxious that these schools should be opened at the beginning of the school year and I am quietly confident that they will be, but, if they are not, temporary alternative accommodation will be obtained in adjacent schools until they are. That is the only promise I can make. I have had discussions with the Director of Education and the senior officers of the department, and it was decided to secure temporary alternative accommodation for the students in nearby high schools, technical high schools or, if necessary, primary schools.

CONCESSION RATES FOR PENSIONERS.

Mr. TAPPING—Has the Premier a reply to my question relating to the power of municipal councils to make concessions in rates to pensioners?

The Hon. Sir THOMAS PLAYFORD—I believe this matter was the subject of a number of legal opinions. As far as I know, the Crown Law Office holds the view that councils, if they so desire, can charge a concession rate to some people, but there is great concern in the councils themselves as to what the policy should be. I think the majority favour enabling a pensioner to have a concession in rates during his life time, but they desire to collect the rate when the property is ultimately sold. As far as I know, the Local Government Act enables councils to grant concessions by simply not enforcing the collection of the rate during the pensioner's life. They can hold it over if they so desire.

A member—He is liable to a fine if the rate is not paid by the due date.

The Hon. Sir THOMAS PLAYFORD—In that case the fine is not paid either; it becomes a liability on the land. As far as I know, no request is at present before the Government from the Local Government Association, but I will check that and advise the honourable member tomorrow.

PROTECTION OF RARE BIRDS.

Mr. SHANNON—In the last week or so there has been much publicity in the press as to the protection of what are known as rare birds. Will the Minister of Agriculture state whether these rare birds are not already protected under the Animals and Birds Protection Act, whether people taking them are not already subject to a penalty, and whether we can do any more than the steps already taken to protect our flora and fauna?

The Hon. D. N. BROOKMAN—One schedule in the Animals and Birds Protection Act lists four types of animals and four types of birds that are partly protected. I use the word "types," because several species may be involved. Another schedule lists seven types of animals and 33 types of birds that are unprotected; all other birds and animals in the State are totally protected, unless taken with a permit. Over the years the department has been guided by the Flora and Fauna Committee, which consists of knowledgeable people. The whole policy is being examined to ascertain whether it is necessary to do more and whether the present

policing is adequate. I will get a prepared statement on the present position as soon as possible.

STUART ROYAL COMMISSION.

Mr. DUNNAGE—Has the Premier a further reply to the question I asked last week concerning payment for senior counsel representing Stuart at the Royal Commission?

The Hon. Sir THOMAS PLAYFORD—The reply I gave last week was correct at that time: no application had been made for payment to counsel. However, I understand that last Friday Mr. O'Sullivan applied to the Crown Solicitor for payment for Mr. Starke and two junior counsel. The matter has not come before me officially yet, but it will in due course. The position was that the Government publicly offered to pay for counsel for Mr. Stuart. At that time the offer was refused, but, notwithstanding that, the Government is still prepared to pay for counsel for this man so that he will be represented before the Commission by counsel of his own choosing.

FERRY INQUIRY.

Mr. STOTT—Has the Minister of Works a reply to my recent question about the ferry inquiry?

The Hon. G. G. PEARSON—I have received a reply from my colleague to the effect that the commissioner, Mr. Johnston, S.M., is considering the matter, but has not yet tendered his report, therefore no further information is available at present.

CONCESSION FARES TO PENSIONERS.

Mr. BYWATERS (on notice)—Will the Government reimburse fares to pensioners who are required to travel by private transport to Royal Adelaide Hospital for specialist treatment, from areas where Government transport is not available?

The Hon. Sir THOMAS PLAYFORD—The Government has considered this matter but cannot accede to this request.

GLENBURNIE PRODUCE COMPANY.

Mr. RALSTON (on notice)—

1. Is it the intention of the Government to investigate the circumstances surrounding the sale of the Glenburnie Produce Company in the South-East and the retention by the proprietor of an amount of money estimated to be at least £8,000 received from the Commonwealth Equalization Committee?

2. Will the Government take such measures as are appropriate and necessary to protect the interests of suppliers against any action of a similar nature that may be contemplated in the future?

The Hon. D. N. BROOKMAN—This is a Commonwealth matter.

KADINA RAIL CROSSING.

Mr. HUGHES (on notice)—What will be the estimated cost of the proposed new railway crossing and approaches about one mile east of Kadina?

The Hon. G. G. PEARSON—The estimated cost is £6,750.

LOCO PULSERS.

Mr. O'HALLORAN (on notice)—

1. Did the South Australian Railways Department purchase two machines known as Loco Pulsers to be used in lieu of horses for shunting purposes at Burra and Kapunda?

2. Have these machines proved unsuitable?

3. What was the cost of these machines?

4. Could tractors have been obtained which would do this work satisfactorily?

5. If so, what would be the cost of such tractors?

The Hon. G. G. PEARSON—The South Australian Railways Commissioner reports as follows:—

1. The South Australian Railways Department purchased two loco pulsers to be used in lieu of horses for shunting purposes at Kapunda and Burra in November, 1958, but they were not available for actual use until March, 1959.

2. These machines have proved to be suitable for requirements providing the staff operating them have been given necessary tuition and have gained experience. It has been found that the loco pulsers do their work more satisfactorily as the staff become accustomed to the operating of this equipment.

3. The cost of the two loco pulsers was £1,521 16s. 9d. Spares were purchased for an additional cost of £138 19s. 9d. The total cost of the loco pulser equipment, therefore, was £1,660 16s. 6d.

4. Tractors have not been found to perform shunting work satisfactorily in yards where the railway tracks are above the ground level, such as exist in Burra and Kapunda yards. The loco pulser operates from the top of the rail.

If tractors were to be used in these localities it would have been necessary to provide surfacing to bring the level of the yard up to the top of the rail.

5. The cost of shunting tractors is estimated at the present time to be £1,380 10s. per tractor, or a total of £2,761 for the provision of two tractors.

DROUGHT RELIEF.

Mr. NANKIVELL (on notice)—In view of impending drought conditions in many areas of the State, will the Government give consideration to providing long term loans to assist farmers in the purchase of irrigation equipment?

The Hon. Sir THOMAS PLAYFORD—There is provision under the Advances to Settlers Act, 1930-1958 (section 7), for the bank to make advances to any settler on the prescribed security for improvements including water improvements, on his holding. Advances for all purposes (excluding housing) are limited to £2,400, and repayment is normally spread over a period of forty years, with interest only being charged for the first five years. Applications for irrigation equipment for installation on land other than that subject to lease granted under the Irrigation Act have been approved by the bank in the past.

SUPREME COURT ACT AMENDMENT BILL.

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of the general revenue of the State as were required for the purposes mentioned in the Bill.

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

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole for the purpose of considering the following resolution:—That it is desirable to introduce a Bill for an Act to amend the Supreme Court Act, 1935-58.

I obtained leave to introduce a Bill for this purpose last week, but I overlooked the fact that the Bill contained a provision which, technically, made it a money Bill, and which, therefore, made it necessary for it to be submitted to a Committee of the Whole.

Motion carried.

Resolution agreed to in Committee and adopted by the House. Bill introduced and read a first time.

The Hon. Sir THOMAS PLAYFORD—I move—

That this Bill be now read a second time.

Its object is to enable the Governor, as occasion requires, to appoint one or more acting judges to enable the work of the Supreme Court to be maintained at a satisfactory level where it appears to the Governor that by reason of circumstances of an unforeseen or extraordinary nature there is an undue accumulation of the Court's work or business.

Section 11 of the principal Act, as it now stands, makes provision for the appointment of an acting judge in the place of a judge who is absent on leave or is for any other reason unable for the time being to discharge the duties of his office, but does not provide for the appointment of an acting judge where there is undue accumulation of work or business of the Court. The section also limits the appointment of an acting judge to a period of three months unless the continuation of the appointment is desirable for the completion of proceedings pending before him in which case the Governor is empowered to continue the appointment for such period as he deems proper.

Clause 3 of the Bill substitutes for section 11 of the principal Act a new section. Subsection (1) of the proposed section 11 would enable the Governor to appoint an acting judge not only where a judge is absent on leave or unable to discharge the duties of his office, but also where by reason of circumstances of an unforeseen or extraordinary nature, there is an undue accumulation of work or business of the Court. Subsection (2) of the proposed section would have the effect of limiting such an appointment to such period, not exceeding six months, as the Governor specifies, when making the appointment, with power to continue the appointment for such period as the Governor deems proper, for the purpose of completing matters still pending at the time when the appointment would normally have terminated. Subsection (3) provides that a person would not be disqualified from appointment as an acting judge for the reason that he is over the age of seventy years and that an acting judge would not be obliged to retire on reaching that age.

Section 13g of the principal Act enacts that in computing service as a judge for the purpose of pension, service as an acting judge shall be taken into account. Without prejudice to that section, subsection (4) of the new section will provide that a person will not be entitled to any pension—

(a) in respect of any period for which he held an appointment of acting judge; or

(b) while holding such an appointment.

Subsection (5) provides for the payment to an acting judge of a salary at the same rate as that payable to a puisne judge under the principal Act. This Bill is not to be regarded as a Bill to take the place of one providing for the appointment of an additional judge if investigation discloses that to be necessary. Honourable members know that at present six judges are normally required for the work in this State, but with increases in population it might be necessary to consider from time to time the number of permanent judges, or conversely whether it would be advisable to increase the scope of matters that could be dealt with by the Local Court.

The Government is at present considering two lines of investigation, namely, whether it should increase the scope of the work to be undertaken by the magistrates in the Local Court, or whether it should in due course permanently appoint an additional judge to the Supreme Court. The latter action would, of course, require an amendment of the Act. As honourable members know, some of our judges are at present engaged upon an investigation which I think honourable members realize should not be undertaken against the clock. They should have time to consider the matters properly and not be tied down to bringing in a report by a certain date. That is the type of circumstance that can arise. The second point deals with the retiring age of acting judges. I have an opinion from the Crown Law office to the effect that it is obligatory on an acting judge to retire at 70 years of age, but I also have contrary opinions. The weight of these opinions seems to indicate that it is not necessary for an acting judge to retire at that age, but in this matter there must be no doubt. A court decision should not be upset on the ground that the acting judge who heard the case should have retired at 70. The Bill makes it clear that he can continue after that age.

Mr. DUNSTAN secured the adjournment of the debate.

THE AUSTRALIAN MINERAL DEVELOPMENT LABORATORIES BILL.

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of the general revenue of the State as were required for the purposes mentioned in the Bill.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer) moved—

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole for the purpose of considering the following resolution:—That it is desirable to introduce a Bill for an Act to establish a body to be known as The Australian Mineral Development Laboratories, to define the powers and functions thereof, and for purposes incidental thereto.

Motion carried.

Resolution agreed to in Committee and adopted by the House. Bill introduced and read a first time.

The Hon. Sir THOMAS PLAYFORD—I move—

That this Bill be now read a second time.

It is an important Bill and I commend it to honourable members. It arises out of the phenomenal progress in the establishment of scientific mineral development laboratories in South Australia. They were established in the first place in connection with the uranium field, but they have grown in stature until they have gained an Australian reputation and have outgrown the resources of this State. The Bill continues the work of the laboratories and provides for their use by other interested parties.

Honourable members are all aware of the history of the laboratories known at present as the Mines Department Research and Development Laboratories. They were built 10 years ago to deal with the very difficult problem of recovering uranium from the complex ore at Radium Hill, and success would not have been achieved without the splendid work done in these laboratories. Subsequently major help was also given in establishing other uranium producers in Australia, but during recent years there has been a considerable reduction in work of this nature, and, although the scope of the laboratories was extended to assist the mineral industry generally, it became necessary to explore other ways and means of keeping the laboratories fully and gainfully employed. It is obvious that the State of South Australia cannot continue indefinitely to maintain the laboratories on their present scale and provide a sufficient variety of interesting and useful work to retain the first-class staff.

To overcome this problem, an approach was made to the Commonwealth to share in the laboratories. The Commonwealth Government indicated it would be interested if the mineral industry itself would assume part of the operating costs. Following discussions a basis has been determined for a tripartite arrangement, for the laboratories to be shared with the Commonwealth and mineral industry. The present operating cost of the laboratories is £225,000 per annum and it is proposed that South Australia will provide three-fifths of this amount (£135,000), the Commonwealth one-fifth (£45,000), and the mineral industry one-fifth (£45,000), the position to be reviewed after a five-year trial period.

It is the belief of all parties that there is a real need for such a centre which could well become a national institute. Let me quote the following from the report of the Executive Officer, Australasian Institute of Mining and Metallurgy, presented at its annual general meeting in August, 1959:—

The Australian Mineral Industries Research Association. A very considerable step forward has been taken in the formation of this Research Association, to which many members have looked forward for years. Whilst the immediate sparking impetus was provided by the offer of the South Australian Government to make its research and development facilities more widely available, in the broader concept the Research Association will advance the interest in research in all fields and will ensure the availability of research facilities to small companies as well as the larger ones. Also, encouragement will be provided to research workers in universities and elsewhere. In the particular matter of participation in the operation of the Australian Mineral Development Laboratories, in Adelaide, the industry at large will have access to the facilities of the best equipped laboratories in Australia, which in fact contain the elements of a national metallurgical research institution comparable with those established earlier in other countries. The institute is gratified at having taken a leading part in the formation of the Research Association, and the Council looks forward to continued co-operation with it. For the time being the headquarters of the Research Association will be on Institute premises.

I should also like to pay a tribute to the leaders of the mineral industry, who have played a most active part in organizing industrial participation in the present proposal. Several of them are on the temporary Advisory Council advising me on the running of the laboratories and their helpful and enthusiastic approach, which is equally apparent in the councillors representing the Commonwealth Government, augurs exceedingly well for the future of the laboratories if the proposals we are now to consider are proceeded with.

I also wish to stress that the laboratories intend to collaborate closely with C.S.I.R.O. and other bodies so that more efficient use can be made of the limited scientific manpower available for tackling the many problems confronting the mineral industry.

The object of the Bill is to enable the State to give effect to the proposals which have been agreed with the other participants in the scheme to be carried out. Part II accordingly establishes an organization to be known as The Australian Mineral Development Laboratories (clause 5), charged with the powers and functions of carrying out scientific researches and investigations in connection with minerals and mining problems (clause 6). Clause 7 enables the Minister of Mines to make arrangements with the organization for the carrying out of its functions and, in particular, to make available to it the buildings and equipment of the existing laboratories for a period of five years, at the end of which it is contemplated that further discussions will take place with a view to the determination of permanent arrangements if the trial period has proved successful.

Part III establishes a council, to be appointed by the Governor. This council, which will be the executive body of the organisation, will consist of two members to be appointed on the nomination of the Commonwealth, two on the nomination of the Minister of Mines and three on the nomination of Australian Mineral Industries Research Association Limited. The last mentioned is a company recently formed to represent the mineral industries throughout Australia and it is the participating body in the general scheme on behalf of the mining industry. In addition to the foregoing seven members, the Governor may appoint three additional persons upon the nomination of the existing seven. These provisions are contained in Clause 7, which also enables members of the council to nominate alternates to represent them on the council at any time. Clause 9 provides for a chairman and deputy chairman, clause 10 for the term of office of members of the council, and clause 11 and 12 for vacancies. Clause 13 empowers the organisation to remunerate members of the council with the concurrence of the three participants in the scheme. Clause 14 is a general provision providing for the validity of acts of the council, while clause 15 provides that the council shall hold the assets of the organisation on account of the Crown.

Part IV provides for the appointment of a director and staff for the organisation. The director and staff will be appointed by the

council upon terms and conditions to be determined by it. Clause 17 (3) and (4) provides protection for the existing staff of the laboratories who may be granted leave of absence to serve the organisation, retaining during that period all their public service rights, including their existing salaries which, if less with the organisation, are to be made good by the Minister.

Part V concerns finance. Clause 18 (2) appropriates the sum of £135,000 per annum for payment to the organization during a period of five years. In addition to this amount the State Government will continue to pay the cost of maintenance and repairs of existing buildings and payments to the Superannuation Fund (clause 19). Part VI empowers the council to make rules of procedure and prescribe fees (clause 23) and requires it to provide an annual report of its work, copies of which are to be furnished to the three participants (clause 22). It will thus be seen that the Bill empowers the Government to enter into arrangements with the new organization with a view to its taking over the operation of the laboratories for a period of five years.

An important provision of the Bill is that in clause 2, which provides that it is not to come into operation until appropriate arrangements have been made with the other participants in connection with the provision of funds. It is contemplated that these arrangements will be of an informal character, being embodied in letters which will be exchanged among the three parties, providing in effect that each party will guarantee to the organization adequate funds to enable it to carry on, the State providing three-fifths, *i.e.*, £135,000 per annum, and the Commonwealth and mineral industry each one-fifth or £45,000, making a total guaranteed income of £225,000 per annum.

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

LIMITATION OF ACTIONS ACT AMENDMENT BILL.

Second reading.

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

That this Bill be now read a second time.

It extends the time within which actions may be brought in cases where special Acts provide that actions must be brought within a specified period. There are many such Acts which usually relate to public authorities such as the Crown, Ministers, public officers and

public bodies. The periods specified vary. Generally the period specified is six months but in many cases it is a shorter period. A Bill on this subject was introduced in another place during the last session. As the result of further consideration the Government has made some changes in the Bill introduced last year, based upon suggestions and representations which have been made to the Government.

The Bill, like its predecessor, lays it down that where an existing Act provides that an action must be brought within six months or any shorter period after the cause of action arose then, notwithstanding the provisions of the Act, the action may be brought within any of the following times:—

- (a) not later than six months from the time when the cause of action arose; or
- (b) between six and twelve months after the cause of action arose if, within six months, the plaintiff has given the defendant a notice of the cause of action; or
- (c) between six and twelve months, if the court in which the action is tried is satisfied that failure to give notice was due to absence from the State, illness or other reasonable cause.

The general effect of the Bill will, therefore, be to allow twelve months for bringing these actions and, at the same time, to ensure that if action is not commenced within six months notice will be given within that time, unless there is reasonable cause for the non-giving of notice or the defendant has suffered no prejudice.

The Bill does not lay down difficult conditions concerning notice, merely requiring them to give the name and address of the plaintiff and to state in ordinary language the nature, date and place of the act, omission or circumstances giving rise to the cause of action. Provision is made as to how notices are to be given to individuals and bodies corporate and the Bill is expressed to apply to actions commenced in the future, whether the cause of action arose before or after its passing.

The alterations which have been made in this Bill, as compared with its predecessor, are four in number. In the first place it is now provided, in the proviso concerning failure to give notice, that it may be shown either that failure was due to absence from the State, illness, or other reasonable cause, or that the defendant has not been prejudiced by the failure. The second alteration is that it is now provided that any defect or inaccuracy

in a notice shall not invalidate the notice if the court is satisfied that the defendant has not been prejudiced.

The third alteration is the omission of the earlier provision that if there is more than one defendant the notice must be given to each defendant. This has been omitted, partly because of certain doubts expressed in this Chamber on the previous occasion and also because it is considered that the former provision is unnecessary. The fourth matter is the inclusion of an express provision that the provisions of the Bill shall bind the Crown. The object of the legislation being to give relief to persons suing public authorities, it has seemed desirable to make it quite clear that its provisions do bind the Crown.

Mr. DUNSTAN secured the adjournment of the debate.

PASTORAL ACT AMENDMENT BILL.

Second reading.

The Hon. C. S. HINCKS (Minister of Lands)—I move—

That this Bill be now read a second time.

It amends the Pastoral Act to make available to holders of average leases the right already enjoyed by lessees for terms of 42 years of asking the Minister some seven years before the expiration of the lease whether he will grant another lease of the whole or part of the land and, if so, on what conditions. This right enables lessees some years before the expiration of their leases to obtain a decision which enables them to make plans for the future and it is of great value to them.

Section 95 of the Pastoral Act enables lessees whose holdings comprise leases expiring on different dates to apply for a single lease covering the land concerned and expiring on a date at or about the average date of expiry of the leases surrendered. Such new leases are commonly known as "average leases" and increasing numbers of pastoralists have been taking advantage of this provision, which enables them to introduce some order into their affairs and, in fact, it has been the policy of the Government to encourage them to do so. But such average leases do not carry with them the rights granted by section 46 to the holders of leases for 42 years. It is thought that if lessees were aware that by surrendering existing holdings for average leases they were depriving themselves of any benefits that they previously enjoyed under section 46 they would prefer to retain their existing leases expiring on different dates, despite the obvious inconvenience of such an arrangement.

This Bill will rectify what appears to be an anomaly. Clause 3 amends existing section 95 relating to average leases by adding to it provisions similar to those of section 46; that is to say, provisions which will entitle holders of average leases to apply to the Minister seven years before the expiration thereof for an indication of his intentions respecting the position which will arise when the average leases expire.

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

ELECTORAL ACT AMENDMENT BILL.

Returned from the Legislative Council without amendment.

PUBLIC PURPOSES LOAN BILL.

Returned from the Legislative Council without amendment.

PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 17. Page 793.)

Mr. TAPPING (Semaphore)—I support the Bill and, although it is a small measure and only the final clause, extending the Act until the end of 1961, has any significance, it is nevertheless important. I was rather disappointed by the poor contribution made to the debate last week by the member for Mitcham. He has consistently opposed the legislation for some years, but has never divided the House, which I ask him to do to make it clear how he feels about the existence of price control. The Labor Party has made it abundantly clear for years that it favours price control for economic reasons. My Party has always considered that the law of supply and demand should prevail and that, when it prevails, control of prices is not necessary, but in our prosperity some items and articles are not in abundant supply, and there is a tendency by some sellers to charge inflated prices. They are taking advantage of the prosperity in which some people have an abundance of money they did not have years ago. As a result, the Bill is necessary.

It may be said that few articles are controlled, but an important aspect often forgotten is that the Prices Commissioner not only controls prices of lines under his control, but also supervises and watches closely for any abuses of uncontrolled prices. That is as important as price control because there have been cases of people charging more than they should and control has been re-imposed. People

have written to the *Advertiser* stating that an expenditure of about £70,000 a year for the retention of the Prices Department is money wasted, but this expenditure has saved consumers probably between £2,000,000 and £3,000,000.

I think all members will agree that Commonwealth prices control before 1948 was most satisfactory. As one who observed seller and buyer in those years, I know that both were happy about it. The buyer was treated fairly and the seller secured a reasonable margin on his goods. In 1948 a referendum was held to determine whether price control should remain a function of the Federal Government or whether it should revert to State control. The South Australian Liberal Party told people that the States could do the job and as a result the referendum favoured State price control, but I think members opposite will now agree that the Federal Government is best able to control prices satisfactorily. The retention of price control is essential.

Other matters dovetail in with price control. Many people today obtain goods on hire-purchase but they are subject to the imposition of exorbitant interest rates and action should be taken by the Federal and State Governments to ensure that this freedom in determining interest charges is not abused. Workers who obtain washing machines or household furniture—which are essential in homes—are frequently obliged to pay 30 per cent interest over the period of repayment, consequently they are deprived of other essentials. This is a vicious form of inflation. The Leader of the Opposition referred to the 15s. increase in the basic wage, but almost overnight that was absorbed by increases in the prices of commodities. Within 24 hours the wholesalers of small goods announced that ham and beef prices would rise. Although the 15s. looked good on paper, it, and more, was absorbed by increased prices and the workers did not benefit from the court award.

The sale of land is also linked with price control. Some years ago when land sales were controlled buyers and sellers received their just dues, but today, without control, some sellers are receiving 80 to 100 per cent more than the fair value of the land. That must have some link with price control. Land is so scarce in the metropolitan area that some sellers take advantage of the position. The member for Light, Mr. Hambour, referred to the huge profit made by General Motors-Holdens. I can only assume that he believes there should be some control on the sale

price of motor cars in South Australia, and I agree. Much of Holdens' terrific profit last year could have been devoted to reducing the price of motor cars. That has been another example of overcharging that has adversely affected the State's economy and aided inflation.

Last week the Commonwealth Bank announced a profit of almost £16,000,000, which was brought about by lack of control on interest rates. The Commonwealth Bank was inaugurated many years ago as the people's bank, but today because of its actions and its departure from its original policy, it is making a huge profit which could be devoted to reducing the interest charge on loans from the bank. Price control cannot be of much value unless we control hire-purchase interest rates and bank interest charges. Some years ago when automation was introduced we believed that it would result in a reduction in the price of goods to consumers. We believed goods would be produced more cheaply, but they are costing far more than they did before the advent of the machine. This is serious, and although I am willing to concede that most persons are employed at present, with greater development of automation, unless working hours are reduced, many men will be out of employment. We are developing bulk handling in South Australia, and it is indispensable since overseas buyers of grain insist on bulk loading, but its introduction has resulted in a reduction in the need for manpower. Waterside workers at Wallaroo have been retrenched. At Port Adelaide the sugar company is now unloading sugar in bulk and only 25 per cent of the number of waterside workers previously engaged are required.

Mr. Quirke—Are members of the Waterside Workers Federation suffering?

Mr. TAPPING—More men are out of work since the introduction of bulk handling. Recently, the Imperial Chemical Industries organization at Osborne introduced a system of loading soda ash that does not require even one waterside worker; consequently more men are out of work. Obviously there will be a need to reduce the working week in order to employ all people, because if men are out of work they will not be in a position to buy and the State will suffer.

Mr. Hambour—Do you attack company profits?

Mr. TAPPING—I agree with what the honourable member said about General Motors-Holdens. Unless something is done to adjust

prices from an economic viewpoint and if workers lose employment, the State's economy will suffer. The Leader of the Opposition referred to the sale of meat through the abattoirs. The present position is abnormal because we have been in the throes of drought and last week 1,500 sheep were sent over a cliff at Ceduna because there was no food or water available for them. There has been a huge supply of lamb to the abattoirs in recent months but there has been no reduction in lamb prices to the consumer. The Government should consider imposing some form of price control at the abattoirs to ensure that producers and consumers get a fair deal. The Prices Commissioner can control prices and, because of this legislation, if he deems it necessary, he can reimpose control on certain goods that are not controlled. I support the Bill.

Mr. LAUCKE (Barossa)—I oppose the re-enactment of this legislation because of my assessment that the welfare of the community is, in the long run, always best served by leaving the individual alone as much as possible and by the enactment of as little restrictive legislation as possible. This assessment is basic to my whole approach to Government responsibility and activity. I firmly believe in the rights of the individual as a basis of democracy, and the initiative of the individual is the best guarantee of a healthy and expanding economy. This being my fundamental political philosophy, I cannot but oppose that which I regard as unnecessary regimentation of the individual. Price control is a form of regimentation through bureaucratic regulation. In my opinion, it tends to reduce the scope of individual freedom and initiative; it reduces the incentive to show enterprise; and it tends to discourage the search for greater productivity and the extension of business operations.

I make these statements with some practical experience as a business man and as a manufacturer. I consider that there are two distinct parts of our economy: the retail business and manufacturing. In the retail section control of prices could well be determined justly and fairly to the retailer and to the buyer, but determining what is a fair price to the manufacturer is much more complex.

Mr. Hambour—Few manufacturers are controlled.

Mr. LAUCKE—That is correct, but why should just a few industries be selected for

control? It should apply generally if it applies to any.

Mr. Fred Walsh—You oppose price control entirely.

Mr. LAUCKE—I oppose the application of price control generally, unless exploitation be shown, and then I believe that control should be imposed only on the offending party, but not over a whole line of production or over a whole industry merely because a minority is transgressing on a particular price level.

Mr. Quirke—You will have to support this Bill if you wish control to be imposed on those who transgress.

Mr. LAUCKE—No. I should like to see the slate wiped completely clean, and then have such machinery in a watch-dog role so that it could note where there is evidence of exploitation, having in mind that we must protect folk against exploitation. If that exploitation exists, then we should control those who transgress. When I say that I believe the best interests of the community are served by free and untrammelled enterprise, I do so in the knowledge that efficiency and productivity are engendered when there is no immediate control of methods of management in a given industry.

I object to control at this stage because price control has become profit control. Pure price control as such could have something in its favour. For instance, if an article or a service in 1948 cost 20s., and in the years since 1948 fluctuations up or down in costs could be assessed on the cost of that article or service in 1948, that would be price control. However, it is not price control today: it is control through the revelation of profits in the balance-sheet, with no regard to the efficiency of the industry, to the energies of the proprietors, to good management, or to modern machines.

If an application is made to the Prices Commissioner for an increase because of a certain increased cost, there is no acceptance of this increased cost as the grounds for an increase forthwith. "Oh, no; let us see your balance-sheet!" It is on an examination of the balance-sheet that it is decided whether one will receive an increase or not.

Mr. Fred Walsh—Do you think the balance-sheets are a true reflection?

Mr. LAUCKE—I do. Balance-sheets are certified by declaration as being correct, and I could not understand any honest business man supplying false information to auditors.

Mr. Riches—Do you believe the manufacturers should fix their own prices?

Mr. LAUCKE—I do, and provision could then be made for replacement of obsolete machines over a given period. I have in mind also—and I speak more from the point of view of the small industrialist than a huge organization—that many smaller industries in this State are capitalized on pre-war costs of installation. The balance-sheet indicates a certain return on a given capital outlay based on pre-war costs of installation. If under control, which is profit control, no opportunity is given the industrialist to build up adequate reserves to replace his equipment and plant at current prices, then ultimately through control that industrialist goes out of business.

Mr. Hambour—The Stock Exchange does not prove that statement.

Mr. LAUCKE—I am not concerned with the activities of the big organization, but that bigger and bigger monopolies have arisen in the last 10 years, leaving fewer and fewer little chaps in business. I have no doubt that is due in some degree to price control, which is profit control.

Dangers are inherent in having undue control by State regulation when we wish to entice to our State free and private enterprise. When the Broken Hill Proprietary Company Steelworks Indenture Bill was enacted last year, section 30 appealed to me as one of safeguard for this industry and one which I think should be applied to all industry in this State. It provided that the State would not at any time, by legislation, regulation, order or administrative action under any legislation of the State as to prices, prevent products produced in South Australia by the company or by any subsidiary or associated company from being sold at prices that would allow the company or subsidiaries or associated company to provide for such reasonable depreciation reserves and return on the capital employed in the production of those products as were determined by such company.

I maintain that the company executive is the person to determine the depreciation reserves necessary to enable him to keep his plant in an up-to-date state. No Prices Commissioner, however good an administrator—and I have nothing at all against the Commissioner in this State, who I think is very hard-working and conscientious—can determine for any industry the requirements to maintain itself in a condition to carry on in perpetuity, having in mind the necessary allowances and profit that will enable the industry to continue over a period of years.

Mr. Hambour—Doesn't price control protect the small baker? The Premier said so.

Mr. LAUCKE—The plain facts are that whereas in 1949 there were 54 bakers in the metropolitan area there are now only 28.

Mr. Coumbe—A lot more bread, though.

Mr. LAUCKE—Yes.

Mr. Hambour—They all sold out at a big premium, too.

Mr. LAUCKE—I recall an occasion when price control put a family baker out of business. An old established family organization at Marryatville was delivering bread to an area where half-loaves were mainly in demand. The proprietor sought an increase in price to cover his high costs of delivery.

Mr. Riches—I thought you said price control did not keep prices down.

Mr. LAUCKE—This application was refused and ultimately that baker had to cease operations. That was a direct instance of a man going out of business because he had inadequate profits to enable him to conduct his business efficiently and to meet the conditions under which his business was called upon to run.

I firmly believe that free enterprise is basic to firm progress. Far too often we hear derogatory references to free enterprise as though it were some fearful thing, unsocial and unscrupulous. I have every respect for a system that encourages the individual to strive to his utmost, to work hard, and to rise to higher levels on his own personal initiative. I would far rather see national progress and development in the hands of individuals, with farmers assisted personally by money from banks or Governments, than money being spent by a governmental instrumentality, because I feel that greater efficiency and greater value results from money when it is spent by an individual who has a personal interest in its expenditure.

Mr. Ralston—What do you say about the trade association in the baking industry?

Mr. LAUCKE—Speaking generally about trade associations, there is a moral right for firms in any business enterprise to be associated one with the other for the common good.

Mr. Hambour—Whom do you include in the "common good"? The public?

Mr. LAUCKE—Ultimately the best interests of the public are served if there is strength in business. We have collective bargaining with labour through trade unions, and I have every respect for that system. I do not decry

business interests if they associate for a common good, provided they do not adopt unduly high price levels as minimums. I recall a trade association with which I had some experience setting a level years ago for a given commodity. In my opinion it was a high level and I condemned it. I said that it would lead to chaos in the industry and that those concerned would regret being greedy at that time. The greed suggested in the price level led to an intrusion by others into the industry because they could see the profits available. There was an influx of new interests and it brought about a price level far below what the level should have been.

I feel that competition and the law of supply and demand operate effectively, and if a man can see that a profit can be made in an industry he will enter it, thus providing further competition, which has the effect of lowering the price level. I do not believe in monopolies, but I deeply appreciate the fact that private enterprise is conducive to more progress ultimately than any other system we can envisage. I find, generally speaking, that competition operates to a much greater degree than might be thought by those who are not in business. I regard this small business as an important component in our economic structure, but when a common price is set for a given product, and that price does not allow for quality and special service, the small man is pushed out of business. In many instances he can supply a quality and service superior to more powerful organizations, and the public will pay the higher prices for his products, but if he is kept at a certain price he must go out of business, which is detrimental to the economy. I do not believe that price control will prevent inflation, because inflation goes farther than control of prices of selected commodities. The principle of price control is to take from one and give to another, with little or no gain to the economy. The only reason for retaining price control is that it restricts exploitation. Because some industries take advantage of prevailing conditions I do not think that restrictive measures should be applied to everybody, but only to those who transgress in the way of exploitation. If the Bill provided for a watch dog control for the Prices Branch I would support it, but in its present application I must oppose it.

Mr. FRED WALSH (West Torrens)—I support the second reading. The Bill does not go so far as we on this side would like, but it is the best offering, and consequently we support

it. It is pleasing to note that some members opposite support it. I was surprised to hear Mr. Laucke speak as he did. He has had much experience in the manufacturing side of business and we know how honest a gentleman he is. If everyone thought and acted as he does there would not be the same need for this legislation. We have heard much about free enterprise, but I do not know why, because there is no free enterprise in the real sense of the term. It is wrong to say that we have it today. It was also pleasing and refreshing to hear Mr. Hambour's remarks, particularly when he continued to interject when members on his side of the House spoke against the Bill. If the grapevine is to be believed, this Bill will have a rough passage in the Legislative Council, and bearing in mind the tone of some of the remarks of Government members here there must be something in the rumour I have heard.

It is said that price control is another means of profit control, but I do not agree. It cannot be suggested that there has been an attempt in South Australia to control profits. Some people say that because prices are kept at what is regarded as a reasonable level it controls profits. That may apply to the small business man, for whom we have some sympathy, but wages, prices and profits are linked together. Mr. Tapping referred to the recent increase in the basic wage and showed how it has been eaten up already.

Mr. Quirke—It was eaten up before it was granted.

Mr. FRED WALSH—Yes. The increase put the basic wage earner only 2s. above the then C series index figure, which figure has been more or less abandoned by the court in fixing the basic wage. An analysis of the position shows that we are back to where we started. Whenever there has been an increase in the basic wage it has approximated the then cost of living figure, according to the C series index, and in this instance we were only 2s. above it. In the June quarter the cost of living figure increased by 4s., which meant that the wage earner was then 2s. behind. When another 12 months have expired we shall be considerably down the path. Then there will be costly litigation, and evidence will be submitted, before we get back to the old position. The Commonwealth Court in 1953 abandoned quarterly adjustments, which provided some protection for the wage earner.

I do not know why Mr. Hambour said that Opposition members had not referred to

profits, but no doubt he has studied the high profits made by companies in Australia during the last few years. Evidence submitted to the Commonwealth Arbitration Commission in the recent basic wage inquiry, showed that according to the *Commonwealth Bank Statistical Bulletin* the profits of selected manufacturing companies increased from £48,700,000 to £53,900,000 between 1957 and 1958, an increase of 11.1 per cent. In contrast with that, during the same period the increase in average weekly earnings in manufacturing was only 3.1 per cent. Does that suggest profit control? Company income (manufacturing) for 1952-53 was £185,000,000; in 1956-57 it was £299,000,000, an increase of 61.6 per cent. The figure for the average weekly earnings (manufacturing) for 1952-53 was £2,394, and for 1956-57 it was £2,969, an increase of 24 per cent. Further evidence of the shift to profits was provided by using the published work of Dr. A. R. Hall, an eminent economist in this field.

A table submitted showed the increase in profits, over the most recent period, made by the 12 largest companies of the hundreds dealt with by Dr. Hall. The table shows that the profit made by General Motors-Holdens in 1956 was £7,724,000, and in 1957 £11,676,000—an increase of 51 per cent. In 1957 Imperial Chemical Industries made a profit of £2,371,000, and in 1958, £3,007,000—an increase of 27 per cent. The Broken Hill Proprietary Company Limited, the other big manufacturing company in this country, made a profit of £7,287,000 for the 12 months ended May 31, 1957, and it rose to £9,073,000 in the following year—an increase of 25 per cent. I could go on through the list down to the Carlton and United Brewery, whose profit increased by 1 per cent, but as it is boring to hear a long list of figures read, I ask leave to have the table incorporated in *Hansard* without my reading.

Leave granted.

LATEST PROFITS ON HALL'S TWELVE LARGEST COMPANIES.

Company.	Latest balance date.	Last year.	This year.	Per cent increase.
G.M.H.	31/12/57	7,724,000	11,676,000	51
I.C.I.A.N.Z.	30/9/58	2,371,000	3,007,000	27
B.H.P.	31/5/58	7,267,000	9,073,000	25
British Tobacco	31/10/58	1,623,000	2,007,000	24
Dunlop	30/6/58	1,280,000	1,536,000	20
C.S.R.	31/3/58	1,971,000	2,335,000	18
A.C.I.	30/6/58	1,509,000	1,762,000	17
A.P.M.	30/6/58	1,862,000	2,120,000	14
Myer	31/7/58	1,329,000	1,366,000	3
Tooth's	31/3/58	1,239,000	1,278,000	3
Carlton and United	30/6/58	1,733,000	1,750,000	1
Felt and Textiles	30/6/58	688,000	672,000	2
		30,536,000	38,582,000	26.1

Mr. FRED WALSH—Reference has been made in this debate to the position of the farmers. Evidence stated:—

The wage element in farm costs is comparatively small. Farmers are notoriously engaged in an occupation that is subject to possible wide fluctuations of income. Those fluctuations are predominantly the result of changes in prices received rather than in prices paid. It was shown on the employers' own calculation that the cost to the grazing industry of granting the whole of the union's claim would be more than offset by an increase of less than ½d. in the price received for wool. The union's claim was for 22s., and only ½d. increase in the price of wool was needed to meet that increase. I will now go back to some of the statements made by the member for Mitcham. He made the usual remarks of one who is bitterly opposed to anything that might be supported

by the Labor Party. He had to go back 3,800 years—back before the Stone Age, if history teaches me anything at all—to make a comparison with today. If that has any value on today's figures, I do not know how he makes it out. He said:—

There is the appeal of simplicity, among other things, in having authority resided with one person—some Joe—empowered to establish a just price. Throughout all history this practice has been in evidence.

He went on to refer to government by a man named Joe Doakes.

Mr. Lawn—Who's he?

Mr. FRED WALSH—All I know is that he is an idiot in movie pictures; he is generally looked upon as the clown of the circus, and is rather funny. Mr. Millhouse said, "But always there has been some Joe occupying the

seat of authority.' There was a Joe who had control in Russia for many years. Thank God there is one Joe in Australia in authority! It is a good thing for the workers of New South Wales that Joe Cahill is in power; however, I have never known a Joe to be in authority in South Australia. I agree with the member for Mitcham in that I do not think there should be a dictator. He said:—

What is a just price for shoes or wheat or a day's work in this economy? There is no one just price for all shoes sold today. Justice, as already analysed, rests on freedom of exchange for each pair of shoes, between the store that offers it for sale and the consumer who considers buying it. So the only way to have justice in the price for shoes today is to have free trade and free terms of exchange for each and every separate deal.

That would be all right if all that were correct and in accord with the views expressed by the member for Barossa, but the member for Barossa knows that free trade does not exist. He illustrated what happened in his own association, and I give him all the credit due to him for his part, but I will take up the case from there. Prices are fixed by other than Government authorities; I refer to groups of companies and the like—call them cartels or whatever term you think applies—or groups of distributors. The Monopolies and Restrictive Practices Committee, set up in England by the Government, submitted a report on the methods of big business. A press report of the statement said:—

This is likely to cause a big stir in industry. A wide range of industries and trades, it says, are operating private agreements which affect the public interest adversely. One of the methods criticized in the report is the power of trade associations to dictate to individual traders agreed prices at which goods must be sold.

Mr. Hambour—You don't subscribe to that?

Mr. FRED WALSH—Certainly not.

Mr. Hambour—Then you should be on my side.

Mr. FRED WALSH—I am insofar as you support the Bill, but it is rather that you are on my side. The article continues:—

The six methods of trade chiefly condemned in the majority report are:—

- (a) Collective discrimination by sellers without any corresponding obligation on buyers.
- (b) Collective discrimination by sellers in return for exclusive buying (known as "exclusive dealing"). This means that firms give certain dealers price-concessions or a monopoly over their goods and in return buyers undertake to purchase all supplies from the manufacturer in the agreement.

(c) Collective adoption of conditions of sale, notably the maintenance of resale prices. (Here sellers fix the resale prices of goods and attach other conditions of sale which, the report says, "restrict competition among those who resell them.")

(d) Collective enforcement of conditions of sale. (In this, sellers undertake to withhold supplies from anyone who tries to cut the prices of their goods). At one extreme, the report says, the British Motor Trade Association has established its own tribunal to deal with traders infringing rules and prices. It can impose fines or stop supplies.

(e) Collective discrimination by buyers without any corresponding obligation on sellers ("buyers' boycott"). The report says that this is "potentially a powerful weapon in the hands of distributors, which is likely to be used to protect established traders in ways which are generally against the public interest."

(f) Aggregated rebates.

I hope the member for Barossa was listening and that he will express a view on what I have read, if not now, at some future time, because I am confident that, despite what he said, he will agree with the views of the majority expressed in that report. I feel that I must make one or two other references to the remarks of the member for Mitcham. As he took such a prominent part in this discussion, I thought he would have stayed in the House this afternoon. He said that he was twitted by the Premier last year on what he said then. In this debate, he said:—

I am fundamentally opposed to control because I believe it is contrary to Liberal principles: it penalizes one section of our commercial community allegedly for the benefit of all. I do not know if you remember, Sir, that after I spoke in a similar debate last year, the Premier endeavoured to demolish me. Perhaps the honourable member meant admonish, although "demolish" is perhaps better. He continued:—

He did so very charmingly and—I say this respectfully—he had the gall to quote from the constitution of the Liberal and Country League and to say that it was its aim to protect people against exploitation.

There was a variance of opinion as to the principles of the Liberal and Country League between the Premier and one of his prominent backbenchers.

Mr. Hambour—It is only a matter of common sense at any rate.

Mr. FRED WALSH—Whose side does the honourable member think the common sense is on? There is a difference. I agree it is only

a matter of common sense, and I feel that the Premier was right in this instance. I point out to the honourable member that there is an old adage that he who tries to stand over the boss will some day be stood down himself. Last year there was a difference of opinion between the member for Mitcham and the Premier in interpreting the principles of the Liberal Party, and the member for Mitcham took the Premier to task this year at the first opportunity he had. The member for Mitcham referred the Premier to another plank in the Liberal Party's platform and said that it was one of the principles of the L.C.L. in South Australia, and that it provided:—

The strictest limitation of powers to impose bureaucratic controls upon the liberty of the individual.

It is a pity the member for Mitcham did not go into some districts during the last election campaign and tell the people that. Members opposite realize that when they lose the Premier they will lose their opportunity of winning the elections. The whole edifice of the Liberal Party is built round the Premier. They are successful only because the Premier applies a liberal interpretation to Liberal policy. The member for Mitcham hotly criticizes the Labor Party and Socialism from time to time, but defects in his own Party are kept in the background at election time.

I could continue quoting from Mr. Millhouse's speech, but unfortunately he is not in the House. However, he did quote certain figures in respect of the C series cost of living and endeavoured to show that South Australia's costs of living had increased despite price control, whereas Queensland's cost of living had not increased so much with its abolition of control. He used figures to suit his case and referred back only to 1958. It is perfectly true that the figures he quoted—Queensland, 2,462 in 1958, and 2,552 in 1959—revealed the situation he mentioned, but, according to the *Commonwealth Industrial Information Bulletin*, in 1957 the cost of living figures were 2,337 for Queensland, and 2,470 for South Australia. If we compare those figures with the 1959 figures we find that the South Australian figure has increased by 155 compared with an increase of 215 in Queensland, which proves conclusively that the cost of living has increased more in Queensland than in South Australia since 1957.

The Federal Arbitration Commission's decisions on basic wage increases are only

a means of levelling out on a cost of living basis. True, the phrase "according to the productivity of the nation" is used, but the Commission has not granted to workers the productivity increases they have been entitled to. Mr. Justice Foster dissented from his fellow judges and declared for an increase of 20s. a week and, if he had not agreed to come down to Chief Justice Kirby's rate of 15s., an amount would not have been agreed upon, because Mr. Justice Gallagher agreed to only a 10s. increase. Until a system similar to quarterly adjustments is introduced the worker will never be adequately protected because at present he has to wait for 12 months before there is a levelling out and then he receives only what he would have been entitled to at differing periods throughout the preceding 12 months. It is said that as soon as there is an increase in the basic wage, irrespective of the amount, the manufacturer or producer has a reasonable claim for an increase in the price of his commodity. No consideration is given to the fact that for the previous 12 months, or parts thereof, he has received the benefit of a lower wage whereas, had it not been for the abolition of quarterly adjustments, he would have been compelled to pay more.

We all recognize that inflation is a menace. If prices increase while wages remain static the worker is not able to purchase to the same extent as previously and his standard of living is reduced. On the other hand, if the employer does not receive a greater increase in the price of his commodities when prices are rising his earnings are decreased. If steps are to be taken to correct inflation, the worker must not be expected to make all the sacrifice. Fortunately we have not yet reached the dangerous stage that has been reached in other parts of the world. I remember that when I was in France during the First World War the franc was worth 10d., but today it is worth only a farthing. Indeed, in Switzerland one can purchase the French franc for considerably less than the official rate in France. The only stable currency in the world today is in West Germany and Switzerland.

Mr. Hambour—What about the Yankee dollar?

Mr. FRED WALSH—That is not as good as one might believe. The American high standard of living makes it appear of greater value than it is. It is not as stable as it was a few years ago, and the same applies to the Canadian dollar which is worth about 6d. less, in comparison with sterling, than it was five

years ago. If any action is taken to correct inflation it must not be one-sided. No section is going to forgo privileges and amenities or the right to purchase goods if other people are enriching themselves at its expense. The workers are the least able to make any sacrifice towards halting inflation. The man on the average wage is unable to make any sacrifice because of his home commitments. Those best able to make a sacrifice are those getting the greatest profits from industry. I hope the second reading will be carried.

Mr. HALL (Gouger)—I understand price control has been debated for many years. It is interesting that in this House the members for Mitcham and Barossa should represent one extreme of thought and the Opposition the other on this matter. The members from this side who opposed the Bill have outlined fluently their belief in an unfettered free enterprise system and the Opposition members have advanced the view that the Bill does not go far enough, which is in line with their declared policy of control. One wonders whether they are not using the pretext for control for economic purposes to further their political creed.

Mr. Jennings—Would you like to put that in English?

Mr. HALL—Yes. Socialism is defined in the Labor platform. I do not know that platform fully because it seems very difficult to obtain copies of that Party's principles and platform, but it is quite evident that its three main points on Socialism are certainly ones of control. We in this debate who are not extremists, but who support the Bill, can take a rather detached view of the two extremes. The member for Semaphore this afternoon said that controls were necessary because items were in short supply. I suppose some items are in short supply, but I do not know of any essential ones that are.

Mr. Shannon—It is hard to name one.

Mr. HALL—I cannot think of any offhand, and therefore I think that the argument for control falls down on that point. The member for Semaphore (Mr. Tapping) also said that price control was operating more effectively in 1948, and that since then we had fallen into financial chaos. Who wants to go back to 1948? No-one does, therefore that argument also falls down. If this is financial chaos, what was 1948? He also made a great point about automation. That is a word I dislike, and I think it is a peculiar thing that we have recently coined it, for it is something that

has gone on since man developed the wheel, and just because industry developed still further we coined this new word as if we had found something new. Mr. Tapping said that because of automation we should reduce working hours, yet almost in the next breath he was decrying the lack of work. How do those two things add up? He wants less work, yet he wants more work; that is what he is saying. This legislation is concerned with costs, yet on his advocacy we should reduce not only working hours but also costs. He may not have said that in his speech, but many others of his Party have advocated such a thing—reducing costs and reducing working hours. If anyone can explain how that is to come about, we on this side of the House will be happy to listen, but no-one has yet explained it.

Mr. Riches—Read Professor Toynbee's article in today's *Advertiser*.

Mr. HALL—He may give some plausible explanation.

Mr. Fred Walsh—Do you remember when the 40-hour week came into operation? It was the year you were referring to a moment ago.

Mr. HALL—I well remember that costs shot up just after the introduction of the 40-hour week. This advocacy of members opposite of reducing hours and increasing wages is nothing but a Utopian dream, and something that will remain a dream for a good many years. The member for Barossa said that we have free industrial competition, but I cannot agree with that statement. As he has pointed out, there are many trade associations.

Mr. Lawn—Do you support the Bill?

Mr. HALL—Yes. Under these organizations and associations, manufacturing industries combine to hold up prices for their own benefit. Although the intentions of the members for Mitcham and Barossa are the highest, they neglect to mention the fact that there are avaricious men in trading and manufacturing the same as in any other organization or activity. We have controls and the threat of control to bring these gentlemen and these organizations into line with the public good and to enable prices to be kept within reasonable bounds.

I protest against the great growth of company reserves. No person with any common sense would deny the right of a company to be financially healthy and to make decent profits, but when we read daily press reports of balance-sheets we find that in many cases

companies have doubled their capital and made a one-for-one share issue. These reserves have been contributed by profit on the articles in which they trade, therefore they have been contributed to by the public. The capital invested in the industries should be capital subscribed by the public and interest should be paid to the shareholders. I do not propose control on company workings, but those companies should have more regard for the public and not build up their reserves at the consumers' expense. This legislation controls profits. As the member for Light has said, tariff charges might obviate the necessity for any other control. If those tariff charges were intelligently applied, and with import restrictions—

Mr. Fred Walsh—They apply only to imports and exports.

Mr. HALL—The central Government controls tariff charges. I believe an imported motor car carries a duty of 25 per cent.

Mr. Fred Walsh—Does not the primary producer benefit by 25 per cent because of the difference in the exchange rate?

Mr. HALL—The primary producer will certainly need something to carry him through this season. One thing forgotten by the protagonists of this Socialistic measure is that this society in which they live and whose pleasures which they enjoy has been built on free enterprise, and they should remember that. I approve of this Bill, which I consider necessary for the control of the few dishonest people on the fringe of free enterprise, and for the protection of the public and the consumers.

Mr. HUTCHENS (Hindmarsh)—I support the Bill. I had some notes on which to reply to the member for Mitcham, but I believe the member for West Torrens and other members have effectively replied. The member for Mitcham accused those who were supporting the Bill. He anticipated what one member would say, and in doing so he said that we should look beyond our shopping basket. I assure the member for Mitcham that I will make my remarks on a much wider field than the simple shopping basket, although I appreciate the great importance of the shopping basket to the housewives and the people of the State in general.

The Premier commented last year on the need to retain price control to stimulate development. I believe that it is necessary, for the continuation of industry in a healthy state, to continue price control, and I wish that such control were operating in every State.

I agree with the member for Gouger (Mr. Hall) that we have to pay attention to the primary producer, who, I believe, must be protected from exploitation in this country. I have often said in this House that the primary producer is of great importance to the development and the welfare of the State. I will instance later on how the primary producer is protected. We all appreciate that the high cost of primary production today is making it very difficult for him to continue; particularly will this be so if we have, as appears certain now, a poor season.

It has been said that price control has protected only one section, but I believe that it has protected the whole community and that it has done much to stabilize the economy of the State and, for some time, the economy of the whole of Australia. To prove that statement I go back to the years when price control was first introduced.

Mr. Shannon—There was a war on, wasn't there?

Mr. HUTCHENS—Yes, and there is still a war on in the effort to stabilize the economy of this country. That is the important thing. If we are going to succumb to the enemy within—those people who are not concerned with the real economy, those with an unsocial outlook, and those concerned only with profit—then we may as well succumb to the enemy without. That is why I support the continuation of price control. It was in the war years that industries were important to the defence of the nation. Prior to that, some local industries received little attention from the Government, in particular the tanning industry which operates strongly in my district. Then it had to struggle for existence, but because of its value in the defence of Australia, it became important, and a Hide and Leather Industry Board was appointed to control prices. After the war ended and the people listened to the argument in support of the abolition of Commonwealth price control, the board was disbanded. The people were told, and they foolishly believed, that the State Governments could control prices effectively. People in the tanning industry purchased materials from overseas at considerable cost. At the moment high prices are being paid overseas for our hides and skins, but some of our small tanning concerns have had to close down. Many small industries need the protection of price control.

I was amazed by the argument put forward by Mr. Laucke, who referred to certain industries that have gone out of existence. I do

not say that the baker he mentioned did not go out of the industry, but I remember a one-time well-known identity in South Australia losing favour as a musician, but it was not due to price control. I remember when Piccolo Pete could get no more than a few pennies for playing his piccolo in the streets. That was due not to price control, but to his not being able to produce the goods. Mr. Laucke will agree that one of the biggest financial difficulties in Australia today is that we are losing a golden opportunity by pricing ourselves out of the world markets. It is only human nature for people to get as much profit as they can as quickly as possible. We are charged with maintaining a healthy economy and progress, and we must do what we believe to be in the best interests of the State. When price control was first accepted as a necessity—

Mr. Millhouse—It is not accepted as a necessity now.

Mr. HUTCHENS—People who oppose it today accepted it then.

Mr. Laucke—Aren't conditions entirely different?

Mr. HUTCHENS—Only in the imagination. There is no difference between the conditions then and now.

Mr. Millhouse—You say this Bill will save the economy?

Mr. HUTCHENS—The legislation previously did so, and it will do so today if properly administered. In 1946, when we had Commonwealth price control, the basic wage was increased by 2s., in 1947 by 4s., and in 1948 by 4s. Then Commonwealth price control was abolished. In 1949, the first year after the abolition of Commonwealth price control, the basic wage increased by 10s., in 1950 by 30s., in 1951 by 37s., and in 1952 by 34s. Our cost structure is increasing all the time, and there has been inflation. We all know what has happened since the suspension of quarterly adjustments in 1952, but we hear little complaint about that. I agree with the member for Barossa that we should have a different system of price control; I believe we should have a Fair Prices Court and that the legislation should be permanent. Instead of fixing the prices of commodities generally, there should be a court to which consumers could go and, if they could prove that a charge was unreasonable, a remedy would be administered. Under that system, price control would be permanent and the answer to the problem. As

I am not a member of the Government and as I believe this is the next best thing, I support the second reading.

Mr. SHANNON (Onkaparinga)—I do not know how this State ever got where it is today! It is amazing that it ever got anywhere! If there is this one and only cure for all our ills, why did we not think of it long ago? What has been lacking in our history that we should start at this late stage to say that this should be a permanent feature of our community life? I thought the member for Gouger spoke fairly well at first by nailing the Opposition and attacking its policy in this field. I believe the Opposition would control us in our homes if it had its way. Control is its panacea for all the ills of society! I am not one who believes control is so essential. I remind the member for Gouger, whose forebears I knew for a long time, that they were successful farmers who made a comfortable livelihood without any panaceas for these ills he envisages if price control were dropped. In fact, the whole of the State's economy would be backed up by the individual effort of members of the community.

The member for Hindmarsh went so far as to say that one of the features of society is to get as much for yourself in the shortest time and with as little effort as possible. I do not know if he was speaking for his own people or not, but I deny categorically that that is the outlook of decent citizens, who, I consider, are the great majority. If it had been the attitude of the majority we would still be a mendicant State depending on some wealthy grandmother to provide the wherewithal for us to exist. Fortunately, however, that was never the outlook of the pioneers who came to this virgin land and by their efforts carved out a livelihood. If it had been, they would have ceased to occupy this land.

From my personal experience, which is not altogether short, most people have had the attitude, "Here is a job to do, so let us get on and do it." Regarding the curious idea that we can level out things and make an even distribution by control, I point out that this is not the first time in history it has been tried. It was tried at various times through the centuries. Even the Greeks tried it, but it has been discarded as being fallacious and as having no fundamental force in the manufacture and distribution of goods. Generally speaking, our price control has the opposite effect: it encourages people to live under its umbrella and to take things a little easier

than they would if they knew there was a prospective competitor in the same field who, if he were a little more energetic or astute, would come in.

Mr. Hambour—We had to take the petroleum industry to task.

Mr. SHANNON—The honourable member was a young man when I was an old man so he does not remember when there was a price war in that industry, as a result of which I enjoyed the benefit of obtaining petrol at 1s. 3d. a gallon. I am not sure that that would not happen if we cut the ground from under their feet now and gave them an open go. At Bridgewater, two new service stations are being erected. There is already a service station between Aldgate and Stirling for sale, yet another is being built within 100 yards. I believe that if we said, "Go to it. You want to sell your product and this is a free market, so have a go and see just how you get on," and if this were such a profitable business, someone would come in quickly and undercut to get business.

Mr. Hambour—Who is stopping them?

Mr. SHANNON—At the moment they are under an umbrella, as they have been ever since the war.

Mr. Hambour—Rubbish!

Mr. SHANNON—The honourable member is an expert at that, and I do not want to enter his field. I will leave the rubbish to him and deal with facts. He is old enough to remember that there was no price control on petrol before 1939, yet we survived and scratched along and made a living.

Mr. Riches—You want to go back to 1939.

Mr. SHANNON—Honourable members omit to mention that during the war price control was introduced for only one reason—to deal with the shortages created as a result of the war. We had to bend our energies to the munitions of war, which we were fighting for our very existence. Consumer goods had to be forgotten for the time being. The every-day needs of the householders were unprocurable because the efforts of industry were channelled into the war effort. Mr. Hutchens said that this type of legislation should be permanent and that everything should be controlled. To those who vote for this legislation I ask: What is the time factor required for curing the ills of society which are the result of the war?

Mr. Riches—What about the ills of society just before the war?

Mr. SHANNON—Does the war deny us from ever becoming normal again? There are all

kinds of controls. I am dealing with State control of prices. Hundreds of items have been deleted from price control. It is a strange approach if we are to argue this question on the rights and wrongs of this method of controlling society.

Mr. Riches—You are forgetting about milk control.

Mr. SHANNON—I know that the honourable member has not yet been weaned and a little more milk will not hurt him, and some time he may grow up to be a man. As a result of the deletion of so many items from price control, how is it that we have not got into a horrible mess? What at the moment is not in reasonable supply? Mr. Hall could not name one and I would have to rack my brains to think of one. I do not think that raw materials are in short supply. It has been said that because of the bad season we shall have to be careful with our economy. Does no one remember that we have enjoyed a decade of excellent seasons with reasonable prices for all primary products? Some people start to squeal. They are not the type of people who lived here in the very earliest days of the State's history. No industry is worth its salt if it cannot carry a set-back in one season. It would not be worth calling an industry and that is not an approach that should be mentioned. After all, our economy is not based on one or two years, or even 10 years for that matter, but it is a continuing one. It has to be sound at heart, and to make it thus it must be self-reliant. Let it stand on its own feet. I know of certain industries that thrived under price control. It was a god-send to them.

Mr. Hambour—That's the silliest thing you have ever said.

Mr. SHANNON—I will leave the honourable member to deal with the side issues, with which I am not very experienced. I know that certain industries that started under the umbrella of price control are now flourishing. It more than protected them—it made them. The honourable member is married to Socialism.

Mr. Hambour—I am not.

Mr. SHANNON—You are telling me that I am silly and know nothing about business.

Mr. Hambour—Your statements have proved that you do not know, or that you do not want to know.

Mr. SHANNON—The honourable member has apparently profited by price control.

Mr. Hambour—I think that I know a little more about the subject than you do, and I am honest about it.

Mr. SHANNON—As a participant in some of the benefits to be derived under price control, the honourable members may be an expert. I do not deny it. However, I suggest to him that when we had no price control he was struggling to get what he could by hard work. He did not worry about the time, but continued to finish his day's work. He had none of these artificial aids to prop him up.

Mr. Lawn—Rugged individualism!

Mr. SHANNON—That is a quality that has got the British race where it is, and but for it it would no longer be a race at all, and Australians would have been slaves to the Asiatics. It was this rugged individualism that saved us from annihilation. It is a quality that has made people. The member for Stuart is worried about the milk can he hangs on his gate post at night.

Mr. Riches—I am worried about certain controls that you are up to your neck in.

Mr. SHANNON—I could not imagine anything more delightful than milk to be up to my neck in, since it would probably improve my complexion. It is not generally known that there is savage competition in the milk industry and the company with which I am associated is fighting hard, but fairly. We will give the producer a little more for his commodity than our competitors. The man who produces the raw materials should be considered. If any member has any spare time he should study the accounts the producers receive regularly from their wholesalers. He would soon realize that the company I represent does not engage in underhand or nefarious practices. I have not heard of any get-together agreement in the milk industry.

Mr. Riches—You will.

Mr. SHANNON—I do not think so. Members who are interested in the dairying industry cannot understand how my company can pay such a high rate, but it is due to careful management and to providing a high class article for the consumer. They are the methods by which all industry succeeds or fails. The member for Barossa (Mr. Laucke) knows that, if his flour fell in quality and value, competitors would take over from him. He survives only because he produces a good article and looks after his business affairs to ensure that there are no leaking taps draining off his profits. The member for Gouger (Mr. Hall) complains because some industries build up reserves. He should be proud that industries can build up reserves sufficient to see them over

bad years. Those reserves guarantee the future and their continuance is part and parcel of our economy.

Mr. Hall—How much do they need?

Mr. SHANNON—That depends on the industry. In the dairying industry, for example, a company may buy a new machine to treat milk to make it suitable for delivery to the suburban housewife, who is a most discriminating consumer, and the company expects to operate it for 10 years, but because of new developments it may be necessary to purchase a new machine in five years.

Mr. Hall—Can't you write that machine off?

Mr. SHANNON—The Taxation Commissioner will not agree to its being written off in that period, so the industry must carry the extra burden. That applies to almost all industries. The C.S.I.R.O. back-room boys have recently discovered methods of treating wool to make it equally as adaptable as any known artificial fibre for any type of wearing apparel. That development will mean major changes for some manufacturers of piece goods of various types. I do not know how much plant they will have to replace, but they will have to make important changes to keep up with their competitors. If a man decides to use the latest plant, and he doesn't worry about its cost, his competitors must do the same or else shut up shop. Companies must put aside sums for replacing obsolete plant—not worn-out plan, but plant that has become obsolete because of new developments. I am glad that we have people who are sufficiently long-sighted to realize that the maintenance of their industries is important to our economy. If the B.H.P. said, "We will close up and sell out; we will make no more steel; we have enough money; we will settle down and take things easy," that would be calamitous and its effect on our economy would be irreparable. The continuance of our major industries is as vital to us as breathing. The more thriving an industry the better it is for the State. I point out that industries have already paid taxation on the profits they have set aside for contingencies and the rest of the community has had part of their burden carried by virtue of these accumulated reserves.

The SPEAKER—Order! I think the honourable member has wandered a long way away from the Bill and I ask him to return to it.

Mr. SHANNON—I may have got a little away from price control, but I am dealing with the fundamentals which price control attempts to disrupt. The substance of my argument is that if we want to make a mess

of our economy we should apply all the controls we can think of.

Mr. Hall—We don't advocate that.

Mr. SHANNON—I do not know quite what the honourable member advocates, but I gather he is not altogether opposed to control. I recommend to the honourable member that his experience in future will teach him that, as his forebears before him found, controls are unnecessary.

Mr. Jennings—If his forebears had shown more control it might have been better for us.

Mr. SHANNON—The member for Enfield is saying that the member for Gouger lacked the stick when he was a boy, but one does not have to be a delinquent to suffer from lack of parental control and care. I oppose this legislation. I want to know from the proponents of this peculiar system of propping up our economy: how did we survive when these things had not been thought of?

Mr. Riches—Don't you remember 1938-39?

Mr. SHANNON—The member for Stuart is referring to the war years.

Mr. Riches—No, before the war.

Mr. SHANNON—We had no controls then.

Mr. Riches—We had plenty of unemployment and plenty of hunger.

Mr. SHANNON—I suggest to the member for Stuart that we have not got everybody employed today, even with all the controls, and I suggest that if we cut out a few controls there would be a few more people gainfully employed. That is my approach to this problem. It may not be considered the right approach, but I make no apology to my front bench, as I think they are misguided in their efforts.

Mr. O'Halloran—They always have been muddle-headed.

Mr. SHANNON—It will not be the first or the last time that I disagree with those on the front bench on this side. On this occasion I must join issue with them. How long are we to go on with this type of control, which was instituted only because it was necessary for us to divert our energies into other channels in order to fight the enemy, and not to placate the needs of our consuming public? I oppose the Bill.

Mr. QUIRKE secured the adjournment of the debate.

ADJOURNMENT.

At 5.44 p.m. the House adjourned until Wednesday, September 23, at 2 p.m.