

**HOUSE OF ASSEMBLY.**

Thursday, September 1, 1960.

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

**QUESTIONS.****WORKMEN'S COMPENSATION.**

Mr. O'HALLORAN—For some time the Opposition has sought, unsuccessfully, to have a provision inserted in the Workmen's Compensation Act that compensation should be payable to workmen injured on journeys to and from work, and we still believe that that should be done. Recently this matter was considered by our advisory committee, representative of the Trades and Labor Council, the Parliamentary Labor Party and the Australian Labor Party Executive—and it requested me to ask the Premier if he would have compensation for journeys to work considered by the Workmen's Compensation Advisory Committee, which the Government instituted some time ago.

The Hon. Sir THOMAS PLAYFORD—The Workmen's Compensation Advisory Committee has from time to time made recommendations on matters concerning workmen's compensation but, so far as I know, those recommendations have always been as a result of their own deliberations and suggestions that they have considered should be included in our Workmen's Compensation Act. I do not remember—although I will not say categorically that it has never happened—that at any time the Government has ever referred a specific matter to the committee. That committee has the general powers of making recommendations in matters affecting workmen's compensation and, so far, the Government has been able to obtain the agreement of the House to the recommendations that the committee has made.

True, the Government has not advocated or supported in this House amendments to the Workmen's Compensation Act which deal with the journey of a workman from his home to work or to his home from work after his work has been finished. The workman in those circumstances is not under the control of the employer: he is completely under his own control. If the transport that he takes is officially provided by the employer, he is at present covered, but he is not covered at present under the suggested provision because he is not under the control of the employer and, in those circumstances, the employer has no means of ensuring his safety or, probably, of checking on the nature of the accident.

Mr. O'Halloran—A journey to work could be very easily checked.

The Hon. Sir THOMAS PLAYFORD—The honourable Leader has said that once or twice in the course of introducing his Bill, but on inquiry in one of the States where this provision is included I was told that it had led to much litigation and that great problems were associated with it. I have seen what I consider to be very wide interpretations of that legislation by decisions that have been given. However, returning to the Leader's question, the Government does not support any charge being made on a person in circumstances over which he has no control and where he has no chance of seeing that the safety of his employee is being looked after.

Mr. Jennings—What if the committee recommended it?

The Hon. Sir THOMAS PLAYFORD—I do not usually answer hypothetical questions but, if that were the case, the Government would consider it. However, at present the committee has not recommended it, so the honourable member's question is rather irrelevant at this moment.

**VICTOR HARBOUR ROAD.**

Mr. JENKINS—My question relates to the Adelaide to Victor Harbour Road, the last 17 miles of which has been reconstructed, is nearing completion, and is excellent. I understand that plans are also being considered for the Tapley's Hill Road to serve the oil refinery. The intervening mileage has a high and ever-increasing density of traffic, and there are three or four very bad bottlenecks there—namely at Reynella, Hackham and Willunga Hill, as well as a few minor ones. Can the Premier, as Acting Minister of Roads, say whether plans are in hand or being considered for the intervening mileage on that road?

The Hon. Sir THOMAS PLAYFORD—I will get a report for the honourable member.

**WOOL INQUIRY.**

Mr. HUTCHENS—Under the heading "Enquiry into Wool Asked For" the following article appears in today's *Advertiser*:—

The Victorian Premier (Mr. Bolte) has asked the Federal Government to hold a thorough investigation into the wool industry in Australia. He said today that he had written to the Prime Minister suggesting that the Minister for Primary Industry (Mr. Adermann) call a conference of all interested parties, and that the inquiry should include wool marketing.

Can the Minister of Agriculture say whether this proposal for a conference upon the matter

has been considered by the various Ministers of Agriculture and, if so, does he support it and what is it hoped will be gained from such an investigation?

The Hon. D. N. BROOKMAN—If a conference is held, as is proposed by the Premier of Victoria, and if the Minister for Primary Industry convenes it and invites me to attend, I shall certainly go, and what transpires from then onwards will be really determined by what is put up at the conference, qualified of course by what is the Government's policy in the matter. But we must first see the submissions before a considered comment can be made.

#### UNLEY PRIMARY SCHOOL.

Mr. DUNNAGE—Has the Minister of Education a reply to the request I made some time ago regarding the state of the school yard and the erection of a new room in the centre of the playing arena of the Unley primary school?

The Hon. B. PATTINSON—I have great respect for the ability and capacity of the chairman and members of the Unley primary school committee, and the requests which they forwarded to me through the honourable member appeared to me, as a layman, to be reasonable and sensible. I forwarded them on to the Director of Education for a report and recommendation by the appropriate officers. They have been made, communicated to the headmaster, and accepted by the Education Department. If they have not already been sent on to the Director of Public Buildings I assure the honourable member that they will be, because I am most anxious to assist this school, and many of the older type of school in the inner suburbs of the metropolitan area. I think it will generally be conceded that in the large country centres and in the outer suburbs of Adelaide we have built, and are continuing to build, new schools, many of which can be truly described as magnificent. I am anxious to see early improvements effected to the older established school in the closely settled inner suburbs, of which Unley is an important example.

#### GILLES PLAINS HIGH SCHOOL.

Mr. JENNINGS—I do not expect the Minister of Education to have with him the information I seek, but will he ascertain when the new Gilles Plains high school, which was approved in the Loan Estimates, is likely to be commenced and how long the construction is expected to take?

The Hon. B. PATTINSON—I will endeavour to be in a position to reply next week, but this is one of many schools being planned at present and I do not want to make promises that cannot be fulfilled.

#### STONYFELL SEWERAGE.

Mrs. STEELE—Over a considerable period I have made representations to the Minister of Works on behalf of residents of Stonyfell for the connection of sewerage services to their properties (a project fraught with many difficulties). I understand that this matter has been considered by the Government. Can the Minister say what decision has been made?

The Hon. G. G. PEARSON—This is, as the honourable member suggests, a matter that has been examined from time to time, and it involves much difficulty. The area is steep and, as honourable members realize, all sewerage must be done on a gravity basis, not on a pressure basis as is done with water supply, and therefore drainage from every house must gravitate into a sewer and, in turn, into a trunk sewer for its eventual disposal. In this area that has meant that the quantity of mains to be laid is about double that which would be laid in a normal area with houses on both sides of the street draining into a common sewer. That has made the proposal extremely costly. However, in response to the member's frequent representations, the Engineer-in-Chief did prepare a scheme which Cabinet has considered and approved, subject to certain conditions. There are not many residents of the area at present, but it is expected that further development will take place, particularly if facilities can be provided. The Government's approval is subject to the residents of the area agreeing to a special rating, which possibly they will accept, and subject to that the scheme will proceed. I will convey further detailed information to the honourable member if she desires it.

#### DRY DOCK.

Mr. TAPPING—About 40 years ago a Labor member of this House advocated the need to construct a dry dock for the Port Adelaide harbour, and in this connection I refer to an article that appeared in *Waterfront*, published in Western Australia, as follows:—

A committee representing shipping, ship repair and union interests was formed in Fremantle last September to try to get a dry dock for the port. The committee recommended that a dry dock should be built and financed by the State and Federal Governments as a national investment. Dry docks were as much

a part of the equipment of a first class port as were wharves, cranes, pilotage and towage. Will the Minister of Marine take up this matter with the Harbors Board and consider the advisability of implementing such a proposal in the Greater Port Adelaide Plan?

The Hon. G. G. PEARSON—Generally, the answer is, “Yes, I will discuss it with the Harbors Board.” I know that the board has from time to time considered the matter but the problem is that many harbour works in various parts of the State have required urgent attention and have utilized all available funds. Many essentials are required in port construction and they have to be provided in each individual port. Other items, of which a dry dock is one, are not required at every port neither are they required at every capital port as essential items of equipment. Certainly they are probably desirable, but as an investment I doubt their success. They are necessary in some Australian ports to provide for the needs of overseas as well as local shipping. I think the opinion of the Harbors Board, up to this stage, is that this is a provision which, although desirable, is not essential, and that it must concentrate on absolute essentials. I will take up the matter with the Harbors Board and advise the honourable member of its considerations thereon.

#### NEW POWER STATION.

Mr. RICHES—A few years ago a Governor's Speech included a statement that the Electricity Trust hoped to be producing electricity from the use of atomic energy by 1960. I understand that since then it has been stated that, because progress in the use of atomic energy has not been as fast as was expected, the trust in the meantime will have to consider erecting another station using conventional power. I think the Premier referred to this need when opening the power station at Port Augusta recently. A few years ago I asked whether a site north of the Port Pirie smelters could be considered for a power station, irrespective of whether it used atomic energy or conventional power. Does the Premier know what progress, if any, has been made in plans to construct an atomic power station, and, if no decision has been reached about a conventional station, could the Port Pirie site be considered?

The Hon. Sir THOMAS PLAYFORD—The obvious requirement of any power station is a source of fuel supply. Port Augusta was chosen as the site for the present major

development because it was near the Leigh Creek coalfield which enabled it to function. It is not correct to say that nuclear power stations are not advancing; they are making a considerable advance, but the normal thermal stations have also been making a rapid advance, so that the margin of cost between them has not narrowed. In fact, the cost of electricity from nuclear power is still probably a farthing a unit higher than that from thermal stations, notwithstanding the advantages to be gained. I have been advised from overseas that it will be a considerable time before nuclear power will be able to be generated on a strictly competitive basis with electricity generated from a thermal station. Under those circumstances the Electricity Trust, with the full concurrence of the Government, has maintained and is maintaining officers abroad, working in nuclear stations, particularly in the United Kingdom, so we are kept fully apprised of what is taking place. Until the margin of cost is reduced so that electricity can be produced from a nuclear station as cheaply as from a thermal station, we would only be loading industry and consumers with additional costs if we changed over to this source of power. Under those circumstances I cannot assure the honourable member that action along the line he is contemplating is possible at present.

#### ALSATIAN DOGS.

Mr. BOCKELBERG—Recently one of my constituents had the misfortune to have 16 sheep destroyed by Alsatian dogs, and a neighbour lost a similar number. Will the Minister of Agriculture state the law regarding Alsatian dogs if kept and bred in country towns?

The Hon. D. N. BROOKMAN—This (I think, rightly) concerns the Minister of Local Government. Briefly, the Alsatian Dogs Act applies to all areas outside district councils and metropolitan corporations; it applies also to district council areas declared by the Governor. I think those council areas must be contiguous to an area where Alsatians are prohibited. A few years ago a special Act was passed to make it possible for Kangaroo Island also to prohibit Alsatian dogs. As far as I know, Alsatians are prohibited only outside local government areas and possibly in one or two council areas. Few councils have asked for regulations on the matter, although they have power to ask for them in the normal way provided that they are contiguous to areas where

the Act applies. This is all in the Act, and I think it is fairly well left in the hands of local government.

#### MURRAY BRIDGE SEWERAGE.

Mr. BYWATERS—During the Loan Estimates debate I asked a question about sewerage for Murray Bridge and pointed out that the need had increased since the installation of septic tanks. Has the Minister of Works anything further to report?

The Hon. G. G. PEARSON—Yes, the advisory committee that the Government appointed to inquire into and advise upon the priority that should be given under the country sewerage scheme visited Murray Bridge and reported on its needs. The committee set out the order in which it suggested sewerage might be provided, and grouped together certain towns. Murray Bridge appeared in the No. 5 group and was, I think, No. 13 on the list of towns in order of suggested priority. The honourable member may feel that that is an unlucky number, but I do not think that necessarily applies in this case. Requests have been made from time to time from towns that have felt that circumstances have arisen that justify reconsideration of their priority. So that these matters could be considered the committee, which had actually concluded its work, has now been reformed on a permanent basis so that it may inquire, if the Government requests it to do so, into special or new circumstances which have arisen since its earlier report was produced and which would justify, or appear to justify, some alteration of the list of priorities. I point out that the committee cannot generally be constantly reconsidering priorities or there will never be any firm proposals that the Government could act upon but, where special or new circumstances may have arisen, the committee would, I think, be asked to inquire into them. Generally speaking, there is a continually growing need for sewerage in country towns, as the circumstances that apply to Murray Bridge apply also to many other country towns to a greater or lesser extent. I cannot at present offer the honourable member any hope of immediate attention to Murray Bridge in view of the original priority allocated to that town and also because, so far as I am aware, circumstances have not arisen in Murray Bridge that have not arisen with equal force at almost all other towns concerned.

Mr. Riches—Is that list of priorities available?

The Hon. G. G. PEARSON—If any member wishes to know and inquires I can give him the information.

Mr. BYWATERS—What procedure must be taken by a council that wishes its priority to be reassessed?

The Hon. G. G. PEARSON—No precise procedure has been laid down in this respect but it would be desirable for the council to direct its inquiries to me for the committee's attention and to state the special circumstances which in its opinion justify a re-examination.

#### FINANCE FOR FARMING.

Mr. STOTT—Some time ago I introduced to the Premier a deputation consisting of several primary producer organizations, including the Roseworthy Old Collegians Association, pointing out the difficulties experienced by young farmers anxious to obtain land in obtaining finance and getting the necessary deposit. The Premier received the deputation well and said he would take the matter to Cabinet. Can he give an answer to the deputation at this stage?

The Hon. Sir THOMAS PLAYFORD—Legislation on the Statute Book provides specifically for grants to persons holding diplomas from the Agricultural College to enable them to take up active farming. The Act was used for some years but, for some reason I was not able to determine, was not successful and an unusually high rate of unsuccessful operations were carried out. The use of that legislation has been discontinued, probably for 20 years, as it did not operate successfully. The Government makes available in the Loan Estimates—and this year's Loan Estimates have been passed by the House—certain sums to help establish people in agricultural areas under the appropriate legislation, but Cabinet does not intend to re-introduce specifically the Agricultural Graduates Land Settlement Act. As I said before, that legislation had a very unhappy and unsuccessful operation.

#### COUNTRY SWIMMING POOLS.

Mr. O'HALLORAN—Recently, at the instance of a committee that desires to establish a swimming pool at Quorn, the Chief Secretary and I interviewed the Premier regarding a possible relaxation of the conditions relating to subsidies to assist Quorn and other towns that desire to establish swimming pools. I understand the Premier now has some information on this subject.

The Hon. Sir THOMAS PLAYFORD—Yes. I will in due course forward a letter to the Leader regarding his application. However, as the matter is of general interest to members, there being many swimming pools established in various parts of the State, I think it would be useful to have in *Hansard* the new ruling in this matter, so that every honourable member will be able to give authentic information about it. In one circumstance an anomaly can arise under the new ruling, and I therefore give details of the new scheme so that members can see how it will work out. The previous policy provided for a subsidy on a pound for pound basis up to a maximum of £1,500 for approved work carried out in any one financial year. The yearly work compartments are abolished under the new subsidy scheme. The Government is prepared to consider a commitment for three years' subsidy on the understanding that all the work may be done in the first year or in two years if so desired. However, subsidy will be paid on a pound for pound basis up to a maximum of £1,500 in each year. I will quote three examples to honourable members so they may see precisely how the scheme works out.

In case A, the expenditure that has been approved by the local authority is £12,000. If the entire expenditure is made in 1960-61, the subsidy payments are £1,500 in 1960-61, £1,500 in 1961-62, and £1,500 in 1962-63. In case B, the total cost of the work is £9,000. If half the expenditure is made in 1960-61 and the other half in 1961-62, the three subsidy payments, each of £1,500, are made as before. It is in case C where an anomaly could arise. In that instance the total cost is £10,000. If £1,000 is expended in 1960-61, £7,000 in 1961-62, and £2,000 in 1962-63, the subsidy on the first year is £500 only because only £1,000 had been spent the first year; in the second year it would be £1,500, and in the third year it would be £1,500.

Mr. Stott—Would the end of the year be June 30 or December 31?

The Hon. Sir THOMAS PLAYFORD—The financial year. The scheme will operate as from July 1 this year. The new policy will apply to swimming pools already commenced as well as to new pools. Councils will still be eligible to apply for a further subsidy for necessary work uncompleted in the fourth year if additional expenditure is approved and incurred. The other conditions now applying to swimming

pool subsidies (which appear on the back of the application form) will still continue to apply. In particular, the pool must be constructed in accordance with plans and specifications approved by the Engineer-in-Chief. Construction must be supervised by a qualified engineer acceptable to the Engineer-in-Chief. Standard plans and specifications are available from the Engineering and Water Supply Department on payment of £10 for the first set and £3 for each additional set. Honourable members should note the following important point: if a council has applied for a swimming pool subsidy for the year 1960-61 and now wishes to come under the new scheme, it should write to the Director, South Australian Government Tourist Bureau, making the request and setting out the work to be done, the estimated cost, and the estimated starting and finishing dates of each job. The new policy is to date from July 1, 1960, and no expenditure prior to that date is eligible.

#### GOVERNMENT SUBCONTRACTORS.

Mr. STOTT—Some time ago I asked a question regarding subcontractors on Government works. This was followed by correspondence, and other people have become interested in the question of subcontractors receiving work from a contractor who successfully tenders for Government works. Much dissatisfaction has taken place in the trade because the letting of these subcontracts has resulted in the subcontractor not receiving his money from the contractor, and in one or two cases the contractor has gone bankrupt and the subcontractors have suffered thereby. Much correspondence has taken place, and the Government has been asked to consider protecting these subcontractors who, when they were accepted, were in a strong financial position. When the original contractor does not pay, the subcontractors are affected. Can the Minister of Works say whether the Government has considered protecting these subcontractors in some way when they have done work for contractors on such Government projects as schools, police court buildings, and so on?

The Hon. G. G. PEARSON—The Government, the Director of Public Buildings and I have considered the matter at length. I think for the sake of brevity I should refer the honourable member to the comments of the Premier in reply to an inquiry by the member for Edwardstown (Mr. Frank Walsh) on the Loan Estimates. That reply is at page 767 of *Hansard*.

**MOUNT GAMBIER WATER TANKS.**

Mr. RALSTON—Has the Minister of Works any further information regarding an amount of £84,000 provided in the Loan Estimates for the provision of mains, and especially water tanks and pumping equipment, at Mount Gambier?

The Hon. G. G. PEARSON—The Engineer-in-Chief reports that the works included in the £84,000 provided in the Loan Estimates for 1960-61 for Mount Gambier are as follows:—

|   | £       |
|---|---------|
| 18in. and 14in. mild steel mains in Lake Terrace and Pick Avenue                    | 17,000  |
| Preliminary work on the new electric pumping station . . . . .                      | 5,000   |
| New office building . . . . .   | 2,000   |
| 2,000,000gall. tank and pumping main, which is portion of the main scheme . . . . . | 50,000  |
| 22in. diameter steel main in Wehl Street . . . . .                                  | 10,000  |
|   | £84,000 |

The first three items are part of approved works. The tank, pumping main and steel main in Wehl Street are not yet approved, but it is hoped to put a scheme forward for approval so that the work can be commenced this financial year. The proposed new tank is to be located south of Lake Terrace near Browns Lake and it will be approximately 50ft. higher than the existing tanks and it will improve the supply to higher levels and will provide the means of giving a supply to land somewhat higher than is commanded by the existing water supply system.

**AMUSEMENTS DUTY (FURTHER SUSPENSION) BILL.**

Returned from the Legislative Council without amendment.

**LANDLORD AND TENANT (CONTROL OF RENTS) ACT AMENDMENT BILL.**

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the Landlord and Tenant (Control of Rents) Act, 1942-1959. Read a first time.

The Hon. Sir THOMAS PLAYFORD—I move—

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

Its purpose is to extend for a further year the operation of the Landlord and Tenant (Control of Rents) Act. Whilst the housing position is considerably improved, as compared with the position in post-war years, the Government is still of opinion that the Act should be

extended for a further period of twelve months. It has been the practice for the Act to be extended for such a period to enable Parliament to review the position during every year and to decide whether the control given by the Act is still necessary.

There can be no doubt that the operation of the Act has, over recent years, done much to stabilize cost levels in South Australia. During the war, building virtually ceased and a housing lag was created which, to some degree, is still with us. Without the control given by the Act, there is no doubt that rents would have soared to heights making it virtually impossible for the ordinary person to rent a house without the greatest of hardship, and it has been seen, as various classes of premises have been released from control, that the rents of those premises have increased appreciably. There is still a substantial number of houses subject to the control given by the Act and the Government feels that to enable these rents to be increased without restriction would have a bad effect upon the economy of the State.

For the last ten years it has been the aim of the Government to relax control bit by bit and to endeavour to see that substantial justice is done between landlord and tenant. Various classes of premises have been released from control and the amount of rent which the landlord is entitled to receive under the Act has been increased from time to time. Provision has been made whereby any increases in such rates and taxes and outgoings generally incurred by the landlord are to be passed on to the tenant, whilst the general standard of rent fixed under the Act has been increased. If the control given by the Act were not continued, there would be no doubt that the result would be a tremendous increase in rents payable. This forecast is illustrated by what occurred after an amendment was made last year to subsection (2) of section 6, which was moved by an honourable member in another place. The effect of that amendment was to remove from control of any kind parts of premises let in houses which had not been let as a whole up to 1953. The result of the amendment was that tenants, immediately after the Act was assented to, were in the position that their rents could be increased by the landlord and, even more important, they could be given notice to quit without any reason and thus deprived of the protection of the Act. The Housing Trust was soon inundated with many complaints from tenants affected by the amendment who had been told by their landlords either to "pay up

or get out," and the experience of this amendment illustrated the danger of suddenly removing the protection given by a statute to a class of persons.

If controls are to be relaxed, they should be relaxed in the method followed by the Government over the last 10 years, that is by removing control over evictions with respect to leases entered into after the particular legislation, and not with reference to past transactions. The application rate made to the Housing Trust for rental accommodation is a good test of the housing demand in the State. During the year ended June 30, 1960, the trust received 6,818 applications, including 1,172 for emergency accommodation. In the previous year the trust received 6,716 applications, including 1,331 for emergency dwellings. In the year ended June 30, 1960, 3,140 applications were received for the purchase of houses compared with 4,418 for the previous year. During the year ended June 30, 1960, the trust completed 3,174 dwellings and it is thus evident that the trust's building rate is still inadequate to meet the annual demand made upon it. The total house-building rate for the State is, under existing circumstances, very satisfactory and we are reducing the backlog of houses at a creditable rate, but there is still a shortage of houses and the demand for rental houses is still in excess of the supply. The Government therefore considers that the legislation giving control over rentals and over evictions should be continued for another year and the Bill extends the operation of the Act until December 31, 1961.

Mr. FRANK WALSH secured the adjournment of the debate.

#### GARDEN SUBURB ACT AMENDMENT BILL.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the Garden Suburb Act, 1919-1936. Read a first time.

The Hon. Sir THOMAS PLAYFORD—*I* move—

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

This Bill makes four substantive amendments to the Garden Suburb Act. The first amendment is to section 15 of that Act which empowers the Commissioner to sell any block or blocks in the suburb. Although "block" is defined as one of the blocks into which the suburb was subdivided pursuant to the Act, some doubts have been raised as to the power of the Garden Suburb Commissioner to dispose

of certain areas within the suburb which appear to have been laid out originally as reserves. These areas have been used over the years mainly by adjoining residents for recreational purposes, particularly by young children, but the time has come when they are no longer suitable for this purpose. In fact, some of them have become unusable by virtue of the accumulation of grass and the deposit of rubbish. The means of access are limited and their use by organizations would encroach on the privacy of residents whose properties abut them on two sides. The Commissioner has been in consultation with organizations and residents and has recommended that they be subdivided and an attempt made to dispose of them to adjoining owners. The object of the amendment effected by clause 3 (a) is to make it clear that the Commissioner may exercise the power to sell off these reserves in the same manner as he can dispose of blocks in the strict sense.

The second amendment is effected by clause 3 (b) which will remove the restrictive covenants which were placed on the blocks when they were originally sold. These covenants provided for payment within 20 years, the erection and completion of buildings within certain times, and a prohibition of selling the blocks without the Commissioner's consent. The Garden Suburb was established many years ago and virtually all of the blocks have now been sold. It is considered unnecessary to encumber the certificates of title to the blocks with restrictive covenants or to continue to impose the original restrictions now that the suburb has been developed. It is proposed therefore to remove the conditions for the future and clause 4 effects the necessary consequential amendments. A further consequential amendment is made by clause 8 which removes the conditions imposed on the original sales.

Clauses 5, 6, and 7 are designed to ensure that the Commissioner shall have all the powers of a corporation and council of a municipality not only under the Local Government Act but also any other Act. It will also empower the Commissioner to exercise the functions of a mayor or town clerk while clause 6 will make it clear that the Commissioner may exercise the functions of a local board of health and the chairman and secretary of the local board of health. Honourable members will appreciate that local governing powers are sometimes specifically conferred upon a mayor or a town clerk as such and not upon the corporation or the

council. Clauses 5 and 6 are designed to make it clear that the Garden Suburb Commissioner may exercise all such powers and is an amendment of a practical nature. Clause 7 repeals section 23d of the principal Act which now becomes redundant in view of the amendment made by clause 5 to section 23.

The fourth amendment is effected by clause 9. Since the early days assessments for rating within the suburb have been based upon land value. Under the Local Government Act, in order to bring the relevant division into operation a proclamation is necessary but the Act provides that it can only be made after a petition following a poll of owners. It appears that no such poll has been had and clause 9 is designed to validate past transactions and make it clear that this method of assessment is to be applied. The clause will not, of course, make it necessarily apply for all time, since it goes no further than to provide that the relevant provision shall be deemed to be in force. The Local Government Act itself provides for the withdrawal of an area from the method of assessment of ratings upon land value whereupon the annual value method becomes operative. Clause 9 does not affect these provisions of the Local Government Act. I point out to honourable members that this Bill, being a hybrid Bill, will require reference to a Select Committee in accordance with the Joint Standing Orders. Under those circumstances I suggest that it would be appropriate to pass the second reading so that the Bill can be referred to a Select Committee.

Mr. O'Halloran—Today?

The Hon. Sir THOMAS PLAYFORD—If members want to look at something before they pass the second reading I shall be happy to agree to an adjournment but, as this Bill has to go to a Select Committee and as it is purely a technical measure, I suggest it may be appropriate to carry the second reading and for the Leader to let me have the names of two members of his Party who will be available to sit on a Select Committee.

Mr. O'Halloran—I will do that on Tuesday.

The Hon. Sir THOMAS PLAYFORD—That will be all right. If the Leader gives me two names the Government could provide two members from this side of the House and perhaps an Independent member could be the fifth member of the committee. This would provide an all Party committee to consider the matter.

Mr. FRANK WALSH secured the adjournment of the debate.

## PORT PIRIE RACECOURSE LAND REVESTMENT BILL.

The Hon. Sir CECIL HINCKS (Minister of Lands) obtained leave and introduced a Bill for an Act to revest in the Crown a portion of certain land vested in the Port Pirie Trotting and Racing Club Incorporated, and for other purposes. Read a first time.

The Hon. Sir CECIL HINCKS—I move—

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

Its object is to revest in the Crown a triangular shaped portion of the land that had been vested in the Port Pirie Trotting and Racing Club Incorporated pursuant to the Port Pirie Racecourse Site Act, 1946, so that that portion of land could be dedicated under the Crown Lands Act for education purposes and used by the Port Pirie high school as an extension to the school's playing fields.

The committee of the Port Pirie Trotting and Racing Club Incorporated has unanimously agreed to relinquish the portion of land in question so long as the balance of the land remaining vested in the club is not affected. The portion of land in question adjoins the Port Pirie high school and is at present, with the club's consent, being used by the school for recreation purposes. The portion of land is also isolated from the rest of the land vested in the club by a deep drainage channel. The school, which has an enrolment of nearly 800 children, will soon have 1,000 children, and the present playing fields being inadequate for that number, this additional area, if made available, would provide the necessary area required for the extension of the playing fields. While the club is willing to relinquish the area, it has no power to transfer the land. This Bill accordingly provides for the revesting of the portion of land in the Crown.

Clause 3 contains the appropriate interpretations. Clause 4 provides that on and after the commencement of the legislation the land shall cease to be vested in the club, shall revert to the Crown, and shall become Crown Lands. Clause 5 provides that the principal Act, namely, the Port Pirie Racecourse Site Act, 1946, shall so far as it is applicable continue to apply with respect to the remaining portion of the land vested in the club by virtue of that Act.

Clause 6 authorizes the Registrar-General to make such entries in his records and on any document of title and to issue such certificate of title relating to any land affected by the Bill as he considers appropriate to give effect to the Bill. The Schedule comprises a plan of the land affected by the Bill. When the



Bill becomes law action will be taken under the Crown Lands Act to dedicate the land in question for education purposes.

Mr. McKEE secured the adjournment of the debate.

#### PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 31. Page 868.)

Mr. O'HALLORAN (Leader of the Opposition)—This Bill, in so far as its structure is concerned, is a very modest piece of legislation indeed, there being only one important clause, which continues price control until the end of next calendar year. However, I expect there is much room for controversy in the second reading debate, so I make it clear where I stand—and I think I speak for all members of my Party on this matter. Of course, one's attitude in the controversy on this Bill depends to a very great extent, I think, upon the view one takes of the measure. If one is connected with the manufacture or distribution of goods, one would naturally desire the controls imposed by the legislation to be removed. On the other hand, of course, if one belongs to the consuming section of the public (and I think we all belong to that section to some degree or other—certainly the great majority of the people of this State belong to it), then it is examined from the standpoint of what protection one will receive from the continuance of this legislation for a further 12 months.

This afternoon I intend briefly to examine the viewpoint of both these sections because one section—that particularly concerned with the manufacture and distribution of goods—is vocal on the matter, has made representations to the Government, and, as a last resort, has even appealed to the Opposition to come to its rescue. I have a letter that accompanied a submission of the Chamber of Commerce and the Chamber of Manufactures to members of the Opposition. I think that all members received one, so we are all well informed on the viewpoint of these bodies. The letter, apparently addressed to all and sundry, is very interesting. It states:—

In November of last year this Chamber, in association with the South Australian Chamber of Manufactures Incorporated, convened a meeting of members and associated bodies interested in price control in South Australia. At this meeting a representative committee was appointed. After long and exhaustive study this committee has brought forward a document which sets out the opposition of both Chambers to this form of Government control.

One wonders whether these gentlemen would be willing to say the same about any form of Government control. The letter continues:—

It is the sincere belief of both Chambers that the time has come for South Australia to rid itself of this irritating and hampering legislation. We feel confident that after studying the attached you will agree, and we suggest your support could best be expressed by stating your views in letter form to members of Cabinet.

I feel constrained to say that after studying "the attached" I regret that I could not agree with these estimable people and therefore did not express my views in the form of a letter to members of Cabinet. The letter continues:—

This submission has been in Cabinet's hands since June 25 and the reply which was received on August 13 was incomplete in that it did not refer at all to the six main points of the submission; namely, those detailed in the concluding paragraph. In view of the uncompromising attitude adopted by the Government on this matter the two Chambers have decided to form a committee called the Price Control Investigation Committee. This committee will from time to time bring before responsible people the detrimental effects of this legislation to the State's economy. It will be noted that the price trend, as shown on the graph, is still being followed as per the recent press announcement and that South Australia's increase was the greatest of all States with the notable exception of Victoria, caused by the relaxation of rent control for that State, but this only follows the reasoning in paragraph 2 of the enclosed submission.

It appears to me from at least one paragraph in this letter that it is written more in sorrow than in anger: to think that a Liberal and Country League Government should do this to them is a worrying feature indeed. I assure the House and the gentlemen from the two Chambers that I think the action of the Government in proposing to continue this legislation is most commendable indeed. I do that after mature consideration of the various points made in the submission of the Chambers.

Mr. Millhouse—Will you answer them?

Mr. O'HALLORAN—I will in due course, if the honourable member contains his impetuosity for a moment. A number of points are made, but I do not intend dealing with all of them.

Mr. Millhouse—It would be hard for you to do so.

Mr. O'HALLORAN—I noticed yesterday that the Premier was not at all hard put to it to reply very effectively to most of the points, and therefore I was not forced to burn the midnight oil in order to consider again—I had already read the submission once—just how much of it I had to reply to this after-

noon. I pass over that section of the matter by saying simply that I endorse all the Premier said in his very effective reply to most of the points made in the Chambers' submission. However, I shall deal with one or two points in detail, notably, the second point of their concluding paragraph. That paragraph contains something that I find rather extraordinary in a letter from members of two Chambers who are continually eulogizing the Government for the service it renders to South Australia, praising it to the skies, and claiming that our progress is greater in every respect regarding production, population, education, and everything else than it is anywhere else. According to them South Australia is the greatest State in the Commonwealth. However, in the second point of the conclusion they look into the crystal ball to see what the future holds for South Australia, if only these gentlemen have their way. They state:—

Within two years you would see this State's economy more prosperous and with price movements no greater than in Australia as a whole.

Mr. Millhouse—Perhaps you misunderstood them.

Mr. O'HALLORAN—I feel these people would be capable of expressing themselves. I am using my limited knowledge of the English language to interpret a sentence that appears to me to be couched in terms which are not capable of misinterpretation.

Mr. Millhouse—I think you misunderstood it. You are Irish, you know.

Mr. O'HALLORAN—I am proud of it, too. I have found in my travels an almost unanimous opinion that the people of my race speak the best English in the world, and, speaking that perfect English, they are permitted to continue speaking until they are understood by the less fortunate citizens of the community. These gentlemen to whom I referred have stated that price control has been abolished in other States; but that is not correct. True, price control has been substantially suspended in most of the other States, but the legislation remains on the Statute Book and may be

invoked at any time should it become necessary. In fact, it has been invoked again and again, and the Premier yesterday cited instances that I do not wish to repeat. I point out to any honourable member who may have been influenced to some degree by the statements that have been made, that if we do not pass this Bill price control will cease to exist in South Australia and we will be the one State out. Then, no matter how some rapacious individual or combination of individuals may desire to exploit us we will have no power to invoke in order to prevent their doing so.

I think it wise to remind members of an example that occurred not so very long ago. We have not maintained complete price control in South Australia down the years, for the Premier, as Prices Minister, and on the advice of his officers, has from time to time removed certain articles from control, on the assurance of those seeking the removal that undue profits would not be made and that exploitation would not be resorted to.

Mr. Millhouse—Have you recently read through the list of items still controlled?

Mr. O'HALLORAN—No, I have not; I am interested not so much in the items still under control but in the fact that the power to invoke control exists in this State and that controls can be reimposed if and when necessary. I shall cite some examples of how valuable this power is. In 1955 the Premier agreed that price control should be relinquished over a wide section of fabrics and garments, on the understanding that there would be no increase in profits; in other words, that those engaged in vending this type of commodity would play the game. There was an almost immediate uproar from the community; the Prices Commissioner was invoked to make an investigation, and he did so. Following the investigation the Premier, in reply to a question by the then member for Burnside (Mr. Geoffrey Clarke) on August 18, 1955, said:—

Under the agreement the same margins should have been maintained as before recontrol. I shall now give some further examples of lines which were advertised as special bargains:—

|                                      | Retail margin when previously under control. | Retail margin at time of sale. | Increased margin. |
|--------------------------------------|--|--------------------------------|-------------------|
|                                      | %  | %                              | %                 |
| Winter sports shirts . . . . .       | 30   | 67                             | 37                |
| All-wool cardigans (men's) . . . . . | 27½  | 39                             | 11½               |
| Poplin fashion shirts . . . . .      | 30   | 44                             | 14                |
| Knitted work socks . . . . .         | 32½  | 48                             | 15½               |
| Plain poplin shirts . . . . .        | 30   | 40                             | 10                |
| Girls' frocks . . . . .              | 35   | 86                             | 51                |

In the last instance the increase was 51 per cent over the margin which was agreed upon as being fair and reasonable. The report further adds: "In the cases of these two items and many others the invoices were sighted by two experienced prices officers and the margins being applied to arrive at the so-called bargain sale prices were calculated from the invoices and concurred with by the departmental heads of the stores concerned." That gives some

idea of what caused the Prices Branch to take action in the matter.

I should think it would, when after decontrol these people promptly obtained profit margins, not on ordinary merchandise but on bargain sale goods, varying from 10 per cent to 51 per cent. Let us have a look at another section of this very interesting reply by the Premier:—

|  | Prices at recent date of decontrol. |    |    | Prices prior to recent reconrol. |    |    |
|--|-------------------------------------|----|----|----------------------------------|----|----|
|  | £                                   | s. | d. | £                                | s. | d. |
| Lystav dress material . . . . . (yd.)      | 0                                   | 8  | 2  | 0                                | 10 | 9  |
| Nursery squares . . . . . (doz.)           | 3                                   | 5  | 0  | 3                                | 14 | 3  |
| Marco Elasta strap trousers . . . . (pair) | 4                                   | 6  | 6  | 5                                | 2  | 0  |
| Bonds athletic singlets . . . . . (each)   | 0                                   | 7  | 4  | 0                                | 9  | 11 |
| Face towels (24in. x 48in.) . . . . (each) | 0                                   | 9  | 8  | 0                                | 11 | 9  |
| Boy's grey suit . . . . .                  | 5                                   | 6  | 6  | 6                                | 19 | 6  |
| Tea towel (22in. x 32in.) . . . . .        | 0                                   | 4  | 4  | 0                                | 6  | 11 |
| Women's rayon frock . . . . .              | 7                                   | 15 | 0  | 9                                | 2  | 6  |
| Women's twin set . . . . .                 | 5                                   | 2  | 9  | 7                                | 15 | 0  |
| Girl's cardigan . . . . .                  | 2                                   | 2  | 11 | 2                                | 17 | 6  |
| Table cloths (bungalow) . . . . .          | 0                                   | 8  | 11 | 0                                | 11 | 9  |
| 36in. cotton dress material . . . . (yd.)  | 0                                   | 6  | 11 | 0                                | 8  | 11 |

I submit that those two comprehensive lists show conclusively that undue exploitation resulted from decontrol. People should be protected and, as honourable members will see from those lists, those are the goods that are used by the people who need protection most. They are the working people, those who have to purchase garments and materials suitable for the type of employment in which they are engaged.

Mr. Millhouse—Have you any more recent examples?

Mr. O'HALLORAN—Yes. I have a more recent example, from 1957.

Mr. Millhouse—Still pretty old!

Mr. O'HALLORAN—Nevertheless it is most applicable.

Mr. Millhouse—I thought you might have something from the last few months.

Mr. O'HALLORAN—The honourable member for Mitcham was responsible for this question when, on August 29, 1957, he asked the Premier:—

Has the Premier a reply to my question of August 22 regarding an investigation of the prices of women's clothing?

The Premier replied:—

The following report has been received from the Prices Commissioner:—

Following the Prices Commissioner's press warning on the excessive margins being applied on some clothing items which had been decontrolled, in particular, utility frocks the Commissioner and his officers have had a series of conferences with representatives of the Retail Traders' Association of South Australia. The

association has agreed that utility frocks made of cotton, rayon, or wool, which come within certain specific retail price ranges in each case as nominated by the Commissioner, shall not carry a margin in excess of 45 per cent. As a result, the association advised that its members were marking down frocks in accordance with the agreement reached. Checking by prices officers in various stores has since confirmed that the frocks concerned have been marked back to the required margin.

There are many retailers of clothing who are not members of the association, and these retailers have also been contacted and have marked back frocks on the same basis. The Commissioner reports that the extensive checking which has been carried out to date in the city, suburbs and country, has shown that the remarking of utility frocks has been carried out to conform with the margins laid down by the Prices Department as being fair and reasonable. The position can be regarded as satisfactory, but will need continual policing to ensure that margins are kept at reasonable levels.

I have a copy of the agreement which has been reached, which any honourable member can peruse if he so desires.

That is the latest example I have been able to put my fingers on in the short time at my disposal since late yesterday afternoon.

Mr. Millhouse—I can think of a later example.

Mr. O'HALLORAN—If the honourable member can think of a later example, I shall be happy to hear it.

Mr. Millhouse—Have you ever regretted your advocacy of the decontrol of meat prices?

Mr. O'HALLORAN—My point at the moment is that the two quotations I have made,

which are comprehensive, prove that there is an undoubted need for protection of the community by retaining this legislation on the Statute Book.

Mr. Millhouse—Would you care to answer my question about the decontrol of meat prices? Have you ever regretted advocating it?

Mr. O'HALLORAN—No; I did not regret advocating it and I do not regret it today.

Mr. Millhouse—Good, because you did advocate it!

Mr. O'HALLORAN—Because, at the time I suggested that meat prices should be decontrolled, there was an abundant supply of meat of all kinds, and I felt that, as price control of meat was ineffective in the general sense of the term—

Mr. Millhouse—As with all prices!

Mr. O'HALLORAN—Without proper grading, it would be better for it to be decontrolled. Any honourable member who took an interest in the subject at that stage would know that the poorest types of meat were being sold at maximum prices, and following decontrol there was an adjustment of prices that benefited consumers. Unfortunately, however, along came old man drought, and old man drought completely changed the situation that existed when I suggested that meat prices should be decontrolled. The honourable member has heard me in this House, when I saw what appeared to me to be exploitation in many respects during the drought, just as vigorously ask for the recontrol of meat prices, but with the addition of a proper system of grading. The point of my using these quotations is that, following those two examples and the watchdog in the shape of the Prices Commissioner, acting under his Act, still being in existence, no further examples, so far as I know, of that type of exploitation have occurred.

Mr. Millhouse—He would be more appropriately called "Big Brother", would he not?

Mr. O'HALLORAN—"Big Brother"?

Mr. Millhouse—Perhaps the Leader has not read George Orwell's "Nineteen Eighty-four"?

Mr. O'HALLORAN—No, I have not read it. However, I shall enjoy looking at the beautiful, benign countenance of the honourable member for Mitcham with his nice smile even in 1984! I think those examples should be sufficient to satisfy honourable members who may feel a little dubious about the continuation of price control that it should be continued. I point out, too, that as time goes

on the necessity for some consumer protection will be recognized in this country as it has been recognized recently in many other parts of the world. I have here a small quotation I should like to read dealing with the control of consumer protection in overseas countries. It is as follows:—

The consumer protection being afforded by continuing price control in this State is not an isolated case as some people would have us believe. Since the end of the Second World War, constitutional provisions or legislative measures have been adopted or proposed in some 30 countries, either in relation to restrictive trading or consumer protection. All told, there are at least 52 countries in the world with legislation in their Statute Books to look after the interests of the consumer and, whilst forms of legislation vary, we do read from time to time that the legislation has had to be enforced in the interests of the consumer.

Mr. Millhouse—Nobody would deny that.

Mr. O'HALLORAN—No. The point is that, if it is required in 52 nations in other parts of the world, why is it not required in South Australia? I suggest that our recent experience should show us that it is needed to a greater extent in South Australia now than ever before. We have all seen in recent years, particularly in the last two or three, how take-overs of great magnitude have been negotiated, usually in the type of business handling the everyday commodities people require. Vast sums of share capital have been exchanged for other inflated sums of share capital, and a capital structure has been built in the retail sector of our economy which will require much sustaining in the future. That is why we require an effective system of price control to see that undue exploitation is not entered into by the new owners and by the new cartels to support their grossly over-estimated capital structure. For that reason, if for no other, we should retain price control at present.

I point out also that we have at the moment the difficulty of the wage-earner. With wages pegged, if we remove price control in South Australia as a result of failing to pass this Bill, from next January 1 onwards there can be a real honeymoon as far as traders are concerned. The workers will have to wait months (perhaps 12 months) to get an adjustment of their wages from the Arbitration Court to compensate them to some small extent for the increased cost of living they will be forced to suffer.

Some reference has been made in this document to the fact that price control was a war measure. The Premier dealt with that very effectively. However, there is one point

I want to refer to before I conclude, namely, that in the State of Queensland there was a Fair Prices Act long before the war began. Under that Act, when it was properly administered, the cost of living in Queensland remained the lowest of any Australian State.

Mr. Millhouse—And the State stagnated.

Mr. O'HALLORAN—I do not know that the State stagnated. I paid many visits to Queensland from about 1924 onwards until fairly recently.

Mr. Millhouse—Till 1957?

Mr. O'HALLORAN—I am sorry I was not there in 1957.

Mr. Millhouse—You might have helped!

Mr. O'HALLORAN—I have seen the continual growth of Queensland in those years. One remarkable feature of the growth was that it was not entirely concentrated in the Brisbane metropolitan area. I saw great towns like Toowoomba, Mackay, Rockhampton, Townsville, Cairns and a few others I do not remember for the moment. I saw them grow, and grow substantially, and on each subsequent visit—I visited there every two or three years from 1924 onwards—I saw that they gained not hundreds, but in some cases thousands, in population during that period. I saw vast areas of land, particularly on the outer perimeter of the Darling Downs, which formerly had been incapable of use for any form of production because of prickly pear, being cleared at the rate of 1,000,000 acres a year and thrown open for all types of settlement under conditions which made it comparatively easy for the new settlers to succeed. Today this area is a thriving centre of primary production. The Labor Government, with its price control, remained in office until an unfortunate division of opinion in the Party brought about its downfall. That division of opinion was undoubtedly due to prosperity. The Queensland workers thought there was nothing left to fight for, that things were so good they could not possibly be made better, and, as there was no hope of their becoming worse, they decided as a change to import a new political factor into their destiny and they elected a Liberal and Country Party Government (I think it calls itself). However, at the last election the people showed a decisive intention to change their mind soon, and a number of seats formerly held by their opponents came back to the Labor Party. When the next election is held in Queensland there will be a return to the old *status quo*,

a return to the prosperity formerly enjoyed there and, of course, a return to the conditions we are seeking in some small way to implement by the continuation of this legislation.

Mr. MILLHOUSE (Mitcham)—I doubt if I would have taken part in this debate this year were it not for the Premier's remarks in moving the second reading and, to a lesser extent (and I say that respectfully), the Leader of the Opposition's remarks this afternoon. I have on four occasions now, alas, set out at length my reasons for opposing price control, and I do not intend to go over those reasons again this afternoon. Suffice it to say that nothing has happened to make me change my mind on this matter. Yesterday the Premier made a magnificent debating speech in support of price control. I would be the last to say anything else. He undoubtedly made out the very best case he could for what I believe is a bad cause. However, we must be realistic and remember that he had much encouragement and eager assent from the Opposition.

Mr. Jenkins—And from members on this side, too.

Mr. MILLHOUSE—I felt that there was far less vocal support for him on this side than there was from the other side. We must remember that the support he got from the Labor Party did make his task much easier, and yet I cannot help feeling that his remarks were full of holes. I hope to be able to answer some of the points he put in advocating price control, as well as making a few comments myself on the subject. I have been carefully through his speech, which perhaps is not surprising, and I find that in all he made about 10 points. The first point he made in support of price control was that this was not introduced as a war-time measure. I was staggered to hear that. I cannot understand how on earth even the Premier could say that price control was not introduced as a war-time measure, so I examined his remarks in 1948 when he introduced the Prices Bill for the first time. His speech is reported at page 164 of the first volume of 1948 *Hansard*. He said:—

We are approaching the position when the Commonwealth legislation, which has been in operation during the war, is to terminate very abruptly and the question immediately arises whether we are in a position to abandon price and rent controls or whether it is necessary to carry on controls and if so, what form they should take. I say unhesitatingly that it is necessary for controls to be maintained over rents and prices under existing conditions.

I ask all members to take particular note of the next sentence, which states:—

I dissociate myself from any suggestion that I am subscribing to the point of view that you can cure economic ills by price or rent controls. Alas, when I heard the Premier yesterday, I wondered whether he had changed his mind on that. He went on to say (and I ask members to compare this with what he said yesterday):—

Price control will not cure an economic evil and if there is some wrong adjustment in the economy of any country price control in itself will never correct it.

He said that in introducing the Prices Bill in 1948. It was, of course, as he said, a continuation of war-time price control. Let it not be said that this is not a war-time control that has lasted another 15 years, because, in fact, it is. The second point made by the Premier was that we have always had price control and that it is nothing unusual to have price control. He went back to Magna Carta for support for that contention.

Mr. Hall—You are getting a long way away from actual cases.

Mr. MILLHOUSE—I do not think so. The Premier went back to 1215 to Magna Carta. Previously I have gone back to the Edict of Prices which, if my memory serves me right, was in 304 A.D. Of course, the first ruler to introduce price control, so far as I am aware, was Hammurabi about 3,800 years ago, so the Premier was quoting recent history when he referred to Magna Carta. The point I am making is that it is all very well to say that price control has been tried through history. Everybody knows that, but the question the Premier didn't answer was whether or not it was always effective. The answer, of course, is that it is not effective. It was not effective after Magna Carta; it was not effective after the Edict of Prices; and Hammurabi's price control was not effective. It is never effective, and we should bear that in mind. The only conclusion one could draw from the Premier's going back to Magna Carta was that he entirely overlooked telling the House whether or not it had been effective. Some people never learn because price control, as set out in Magna Carta, and attempted right throughout history, has never worked, but people go on misguidedly believing, as do our friends opposite and some members on this side, that it will work.

Mr. Clark—It is as old as exploitation.

Mr. MILLHOUSE—Yes, but it is ineffective.

Mr. Dunstan—If it is ineffective, why worry about it?

Mr. MILLHOUSE—Because it is bureaucratic control; it is unfair; and it is a restriction on some people.

Mr. Lawn—That is the big squeal!

Mr. MILLHOUSE—Although it is ineffective, it is still undesirable. Let us examine the third point made by the Premier, and the Leader followed him up. It was rather like an echo this afternoon in a way.

Mr. Lawn—This is an echo of the Chamber of Manufactures.

Mr. MILLHOUSE—Yesterday the Premier said that in 52 countries there is a direct form of control of prices. The Premier did not mention any of those countries by name so it is extremely difficult to know which countries in particular he had in mind and their particular form of legislation. However, as the Premier has deemed it wise to rove outside Australia, I was reminded of one country about which I should like to remind members—West Germany, which was entirely destroyed at the end of the last war. What is the position today? I do not intend to go into that in detail, but as the Premier, by implication, invited us to look beyond Australia to 52 unnamed countries, I should like members to consider West Germany. In the Parliamentary Library is a book entitled *Prosperity Through Competition*, and its subtitle is *The Economics of the German Miracle*. It was written by Professor Ludwig Erhard, Vice-Chancellor and Minister for Economic Affairs of the West German Republic.

Mr. Hall—Do you think he is an unbiased observer?

Mr. MILLHOUSE—Of course he is. I am not asking the honourable member to say whether he is unbiased or not: I am asking him to consider for a moment how that German miracle has been achieved.

Mr. Fred Walsh—Did he mention American aid?

Mr. MILLHOUSE—I do not think the member for Gouger (Mr. Hall) would suggest that West Germany's recovery has been short of a miracle. Let me quote from the dust jacket of the book, and I regret that although this book has been in the Parliamentary Library for some time apparently members have not given it the attention it deserves.

Mr. Fred Walsh—You have taken some time to read it yourself.

Mr. MILLHOUSE—The heading inside the dust jacket is *Prosperity Through Competition* and the comment is as follows:—

In June, 1948, after the U.S. and British occupation authorities had revalued the mark,

the bi-zonal economic adviser (who at that time was Professor Erhard) announced that he had issued a decree ending rationing and price controls. "Turn the people and the money loose" said Professor Ludwig Erhard "and they will make the country strong". Such was the beginning of a courageous experiment in economic ideas and practice, free market economy which has made Germany in 1959 . . . one of the most powerful and stable economic units in a world of inflationary troubles.

There is the position in a nutshell. I ask members to note that price controls were abandoned in June, 1948. I do not want to weary members by quoting from this book at length. I suggest they all read it, and I suggest that the Minister of Lands suggest that the Premier read it.

The Hon. Sir Cecil Hineks—Can the honourable member tell us of any of the threats of the Government to the employers in West Germany if they suddenly increased prices?

Mr. MILLHOUSE—I cannot answer that, but I shall be happy to let the Minister have the book later. I should like now to quote from chapter 5 headed *Market Economy Conquers Planning*. This is an example of what happened when price control was deliberately abandoned in West Germany. On page 81 Professor Erhard said:—

In the meantime the sovereignty of the consumer in West Germany, and the free formation of prices in almost all sectors of the economy, have become a reality. Every businessman can and may produce and sell freely what the market demands. Furthermore, he is free to manage, to modernize, and to invest his money against other businessmen in the competitive market. The opening quotation—

which I shall not read

—brings to mind how passionately the quarrel over the principles of the market economy raged only a few years ago. Hostility to the free market among the Opposition was almost unanimous—if from different motives.

Members will remember that the Socialists have been in opposition in West Germany as long as there has been a West Germany, probably because they espouse Socialism. The article continues:—

Some tended to deny the validity of these principles, while others believed it impossible to realize them in a post war Germany with its productive capacity destroyed and with its millions of refugees.

Then he recounts how Dr. Kreyssig, who was the spokesman for the Opposition Parties, had viewed the question of a free market economy. He then says:—

He called for Government controls over the economy and, in particular, stressed the need

for directing the most essential consumer goods where they would be most needed. It almost sounds like the member for Norwood! Continuing:—

Propheying a catastrophe if prices were decontrolled he believed that German industrialists would promote a Morgenthau policy which would be even more disastrous than the one put forward by Morgenthau himself. The S.P.D. was firmly convinced that only through systematic planning and a systematic guidance of the economy could it return to a healthy state.

Again, it sounds like an echo from the other side of the Chamber. This is what Dr. Erhard said in 1948 in reply to that announcement:—

Naturally, in these discussions, my aim is not only to achieve merely a substantial closing of the gap between the supply of goods and the demand for them, but to attack the evil at its root. Any solution which would force us, in spite of slight easements, to continue with the present form of Government controls, including the price freeze, in our future economic system would be disastrous. Any solution which does not lay the ghost of the price-frozen inflation, but on the contrary further increases surplus purchasing power, would necessarily require further action in respect of currency.

On page 84 of this book he said:—

In view of the many demands for Government control over prices—

and that is what we in this Chamber are doing in this year of grace 1960.

—I believed it right to speak openly in the Economic Council (that is, the West German Council)—and before any currency reform, of my basic beliefs that State controls and lack of freedom in price establishment cannot be separated from each other.

Members on this side of the House might bear that in mind. He continues:—

Who demands the one must understand that the other will follow: "Let us make it quite clear—and the German people are well aware of it—that controls on the one hand and the price freeze and the fixing of prices on the other were the obvious signs of a maladministration under which the people groaned for 15 years.

He is talking, of course, of the period of Nazism in Germany. He continues:—

If we are not resolved to end these classical symptoms of mismanagement, then the people will never believe that currency reform will lead to a return to prosperity. It is impossible to try to drive the economy from two sides. It is not possible on the one hand by means of some magic key to control trade, and on the other to order things differently as a result of natural demand freely exercised by each individual citizen on the basis of a free choice of goods. I completely refute the principle of planning and controlling if it will plague the consumer or producer from morning to night.

Mr. Hall—Do you believe that?

Mr. MILLHOUSE—I do.

Mr. Hall—Do you believe in protection for our industries?

Mr. MILLHOUSE—I am not going to be led off at a tangent.

Mr. Hall—It has a bearing.

Mr. MILLHOUSE—The honourable member has taken over from the late member for Light in his impetuosity. I have quoted from this book by Dr. Erhard, the man who has guided the economic destiny of West Germany from the dust to a pinnacle at the present time. I have quoted, for the information of members, the recipe that he used; it is the complete opposite of the recipe that the Government and the Opposition would put before us in this Chamber.

Mr. Jenkins—Do you agree entirely with him?

Mr. MILLHOUSE—I do indeed. Members who support price control will have to deny what has been achieved in West Germany or in some way show that it was achieved in some way other than by the principles I have enumerated. I mentioned Germany at the Premier's implied invitation. He mentioned 52 countries that remain nameless; I have mentioned one country which, if there is any in the world today, is an outstanding example of the success of private enterprise and lack of controls. Let no more be said about it. The question of the other States of Australia has been raised; the Leader raised it this afternoon. He said that price control legislation remains on the Statute Books in all other States, and that we must not be the only State out of step.

Mr. Corcoran—We have no desire to see it last here.

Mr. MILLHOUSE—The honourable member is a very good friend of mine. I respect his opinion and I hope other members will also accept what he says. He sounds a convert. The Premier mentioned the 52 unnamed countries apart from Australia but did not mention the other five States of the Commonwealth. The Leader did this afternoon; he said they still have legislation on their Statute Books even though there are no articles under control. What comfort he draws from that I am not sure, but he also admitted to me that he had not the faintest idea what articles were under control in this State. That is an extraordinary admission from a man who is the Leader of the Labor

Party and who is supporting price control, and I wonder whether other members are similarly situated.

Mr. Hall—I can tell you one: superphosphate. Do you know what the present price would be without price control?

Mr. MILLHOUSE—I am glad the honourable member mentioned superphosphate. I shall not deal with that now but I should be grateful if he would remind me before I resume my seat. I hold in my hand a list of declared goods and services under the Prices Act, which I obtained from the Parliamentary library. I do not know if members are aware of this, but Mr. Peter Host, the Assistant Parliamentary Librarian, has to spend a good deal of time ferreting out information to keep the list correct. It is not the easiest job in the world to find out just what things are controlled in this State, and he told me he had checked this list with the Prices Department, apparently the only authority in whose bosom this list resides, and he thinks the list is accurate. As it is a long one I do not desire to read it but, because it is factual information, I seek leave to have it incorporated in *Hansard* without my reading it.

Leave granted.

PRICES ACT—DECLARED GOODS AND SERVICES.  
*Gazetted 20th September, 1948, at p. 1115, and amended from time to time.*

By virtue of the provisions of the Prices Act, 1948, and all other enabling powers, I, the said Governor, with the advice and consent of the Executive Council, do hereby—

- (1) Declare that the goods and services set out in the schedule hereto shall be respectively declared goods and declared services within the meaning of the said Act.
- (2) Declare that this proclamation shall come into force on the 20th day of September, 1948.

THE SCHEDULE.

Division 1—*Liquors and Tobacco.*

Division 2—*Groceries and Foodstuffs.*

Item.

9. Bran and pollard and sharps, and stock foods containing bran, pollard, or sharps.
  10. Bread and bread rolls.
  - 10A. Breakfast foods.
  27. Flour.
  34. Wheat.
  37. Infants' and invalids' foods.
  47. Milk.
  - 50A. Prepared stock and poultry foods.
  - 50B. Sauce, tomato.
  56. Soap, toilet or laundry.
  63. Wheatmeal (for stock food).
- Division 3—*Fuel and Ice.*
69. Firewood.



## 70. Mallee roots.

*Division 4—Fibres, Yarns, Threads, and Fabrics*

79. Fabrics of all kinds and descriptions other than wool or partly wool, nylon, alpaca, mohair, lamé, tinsel, fabric including lamé, or tinsel, velvet, velveteen, plush, chenille, imitation camel hair, fabrics made of fur or hair, rubberized cloth for car hoods, oil baize, blind holland, canvas and duck, pure silk, hand woven fabrics, Nottingham lace and lace effect fabrics, hand painted and appliqué designed fabrics, linen and curtain net.

*Division 5—Clothing.*

99. Clothing, garments and apparel of all descriptions, other than:—

- (a) Handkerchiefs;
- (b) Bathing costumes, trunks and caps;
- (c) Furs and articles of apparel made from furred skins;
- (d) Garters, arm bands, braces, suspenders and belts;
- (e) Hair nets;
- (f) Millinery;
- (g) Clothing, garments and apparel made or principally made from alpaca, mohair, astrakhan, seal-ette, fabric imitating fur, imitation camel hair cloth, velvet, velveteen, plush, lamé, tinsel, fabric including lamé or tinsel, pure silk, chenille, linen, lace effect fabric, hand painted fabric, appliqué designed fabric, and nylon.
- (h) Women's gowns, dresses and frocks of all kinds and descriptions;
- (i) Men's and women's cotton knitted outerwear;
- (j) Maids' gowns, dresses and frocks where designed for use as evening, dance or wedding wear, being ankle length or longer;
- (k) Women's neckwear.
- (l) Safari jackets, other than for college wear, jodhpurs and leather jackets;
- (m) Surgical garments;
- (n) Foundation garments, other than brassieres;
- (o) Men's dinner and dress suits;
- (p) Garments made to personal measurement of individual customers;
- (q) Men's and women's gloves;
- (r) Scarves;
- (s) Ties, other than school and college ties;
- (t) Men's shirts, other than working shirts;
- (u) Men's and women's plastic rain-coats;
- (v) Women's flannelette nightdresses and pyjamas;
- (w) Clothing, garments and apparel made wholly or partly from wool, other than such clothing, garments and apparel for

infants', maids', girls', youths' and boys' wear;

- (x) Men's, youths' and boys' felt hats;
  - (y) Women's stockings made of nylon, pure silk, or wool, and women's and maids' footlets.
100. Diapers.
101. (a) Footwear.  
(b) Parts for the manufacture of footwear—soles, heels, boot and shoe uppers and all component parts, materials, and aids to manufacture, partial manufacture or repair for use in the manufacture, partial manufacture or repair of footwear of all descriptions.

105. Nursery squares.

107. Sanitary napkins.

108. Infants' and babies' shawls.

*Division 6—Furniture, Furnishings, and Household Drapery.*

111. Blankets other than those made wholly or partly from wool.
128. Pillowcases.
130. Sheets.
135. Towels and tea towels, other than fancy worked guest towels.

*Division 7—Household Equipment and Appliances.*

141. Cooking and kitchen utensils.

154. Water tanks.

*Division 8—China, Earthenware, and Glass.*

156. Glass, namely—
- (a) Bent, bevelled, sand blasted, or engraved;
  - (b) Bottles, flasks, jars, vials, and tubes;
  - (c) Louvres;
  - (e) Plate;
  - (f) Sheet, figures, rolled, cathedral, milled rolled, rough cast, or wired cast;
  - (g) Sheet, plain, or fancy.

*Division 9—Timber, Bricks, and other Building Materials.*

157. Asbestos.
159. Bricks and building blocks, including refractory bricks.
161. Builders' hardware of any material, including hinges, locks, fasteners, and casement catches and builders' small hardware.
162. Building boards, including caneite and masonite.
163. Cast-iron porcelain enamelware, and substitutes therefor made from metal or plastic.
168. Earthenware and stoneware other than ornamental or decorative.
171. Fibro-cement sheets and roofing sheets.
172. Fibrous plaster sheets.
173. Fibrous plaster and fibro-cement mouldings, cornices, and cover battens.
175. Fittings and equipment of a type used in the installation of water, drainage, or sewerage systems in buildings.
178. Joinery and joinery stock.
188. Roofing sheets.
189. Sleepers.
190. Tiles of all kinds, including roofing tiles, wall tiles, and floor tiles.

*Division 10—Metals—Raw and Processed.*

195. Galvanized iron and zincanneal sheet—plain or corrugated.

201. Galvanized steel pipes and fittings.

202. Malleable pipe fittings.

*Division 11—Machines, Machinery, and Tools.**Division 12—Vehicles and Vehicle Accessories, and Parts.**Division 13—Hides, Leather, and Rubber.*

222. Leather.

223. Leather, imitation leather and fibre kit-bags, attache cases, satchels and the like.

224. Rubber pads, soles, and heels.

225. Slipper forms and piecegoods for use in the manufacture of boots, shoes, or slippers.

226. Tyres and tubes.

227A. Articles manufactured wholly or partly from rubber, other than rubber gloves and rubber floor covering.

*Division 14—Paper and Stationery.*

228. School requisites, namely:—

(b) Coloured chalks;

(c) Coloured pencils;

(d) Compasses and dividers;

(e) Drawing paper and pins;

(f) Erasers;

(g) Maps;

(h) Note books;

(i) Pasting books;

(j) Pens, nibs, pencils, including drawing sets;

(k) Protractors;

(l) Rulers;

(m) Set squares;

(n) T squares;

(o) Drawing and sketching materials.

248. School exercise books and the like.

252. Text books, primary and secondary school.

*Division 15—Drugs and Chemicals.*

257. Acid, sulphuric.

271. Manures and fertilizers, organic and inorganic, including—

(a) Blood and bone fertilizers;

(e) Sulphate of ammonia;

(f) Superphosphate.

275. Drugs and chemicals (including ethical prescription proprietaries) of British Pharmacopeia, British Pharmacopeia Codex, United States Pharmacopeia, and Australian Pharmaceutical Formulary Standard for Pharmaceutical Purposes.

277. Poisons, drenches, and sprays, namely:—

(b) Arsenate of lead.

*Division 16—Oils, Paints, Varnishes, Adhesives, and Plasters.*

285. Kerosene.

289. Oils—mechanical, lubricating, and linseed.

292. Patent dryers and putty.

293. Petroleum and shale products, other than gasoline of a higher rating than 83 octane.

295. Resins (including synthetic resins).

296. Shellac, sandarac, mastic, and other dry gums, other than yacca gum.

298. Thinners.

299. Mineral turpentine and turpentine substitutes.

302. White lead.

303A. All raw materials used in the manufacture of paints, colours, varnishes, enamels, and lacquers.

303B. Linseed and other oils used in the manufacture of paint.

*Division 17—Packages and Containers.*

304A. All types and grades of bags and sacks (other than new bags and sacks, but including bags and sacks filled for the first time).

*Division 18—Miscellaneous.*

335. Sand and gravel.

339. Stone.

*Division 19—Services, etc.*

352. Any process in respect of timber including kiln-drying, sawing, planing, milling and machining of all kinds and descriptions.

352A. Any manufacturing process in respect of clothing, fabrics and textiles.

354. Boot and shoe repairs.

355. Bricklaying.

356. Building of dwellings.

358. Carpentering.

359. Cartage, haulage, and delivery rates, excluding crane hire charges.

360. Compounding and dispensing drugs and chemicals.

361. Commissions on declared goods and services.

364. Electrical work and repairs.

364A. Footwear manufacture—sole sewing, stuff cutting, upper sewing, shanking and all other services supplied in the manufacture or partial manufacture or repair of footwear of all descriptions.

371A. Manufacture of bricks or blocks of cement or cement concrete.

373. Painting, paper hanging, and glazing.

374. Plastering.

375. Plumbing and repairs, including installation of hot water services.

376. Public utilities—communications and gas.

382. Supply and fix fibrous plaster.

383. Tiling and floor laying.

*Division 20—Non-intoxicating Drinks and Ice-cream.*

387. Ice-cream, including ice-cream whether coated or otherwise, served in containers or packages of all kinds and descriptions.

EXPLANATORY NOTE.—The headings shown in this schedule are to facilitate reference to goods which are the subject of this declaration. They shall not be read or construed as limiting or defining the scope of any of the items under the subheadings or of the goods included in such items.

Mr. MILLHOUSE—The member for Gouger will be able to see just what items are under price control, and I should be very glad if members who support this legislation would be prepared to justify some of the items. Let us remember that all those goods are under price control in this State whereas in other States few, if any, items are under price control. It has been said—and I have heard

it said both inside and outside this Chamber—that the other States seem to rely in some way on the South Australian fixation of prices to enforce their own price control. I am not sure how that works and I would rather hear the other States speak on this matter before I would be prepared to accept that assertion.

Mr. Lawn—The Premier said that Bolte said that in relation to petrol.

Mr. MILLHOUSE—I should like to hear Bolte himself speak on it. Who is the present Premier of New South Wales? Heffron is still Premier, I believe. I should like to hear him say he relies on South Australian prices to fix prices in Sydney or Wagga. I should like to hear Mr. Nicklin, the excellent and outstanding Premier of Queensland, say he relies on South Australia to fix the price of goods in his State; and so on. I am not prepared to accept that until I hear some evidence of it from the other States themselves. The Premier went on to make this assertion:—

... and so I say without hesitation that the price control we are exercising in South Australia is, in my opinion, detrimental to no one.

I respect the Premier's opinion, even on this matter, but I am afraid there are many people in this State who entirely disagree with him. The very fact—and the Leader of the Opposition mentioned this this afternoon—that every member of this House has received a carefully prepared submission from the Chambers of Commerce and Manufactures shows that many people in this State are entirely fed-up with price control, and that they are prepared to support what they say. In a few minutes perhaps I can say something about that. The Premier went on to say, in effect, that price control had not battered down on business activity. He also mentioned all the industries that had been directed to this State and said, "Well, they come in spite of price control." That again begs the question, and I should like the Minister on the front bench now to tell me and the House how many of the industries that have been attracted to South Australia produce goods under price control. I think we will find there are very few indeed.

That, of course, is the point that the Chambers of Manufactures and Commerce make. It is all very well to attract industries here when their goods are not under price control, but I cannot think of one instance where a new industry has come here to manufacture goods under price control. If members opposite or on this side of the House can answer that, I shall be glad to hear it, but

I think that is right. I may be wrong, but if I am I should like someone to give me an instance of a company that has come here to manufacture controlled goods.

Mr. Fred Walsh—What about the oil refinery?

Mr. MILLHOUSE—If the honourable member looks at the measure this House passed he will find that certain monetary concessions given to that company would cancel out any disability there may be in price control.

Mr. Ralston—What sort of monetary concessions does it get?

Mr. MILLHOUSE—If the honourable member looks at the Act he will see the favoured position enjoyed by the owners of the oil refinery. I make the point, which I think is a valid one: that no industry whose products are under price control have come to this State. We do not know how many industries have been kept out of South Australia because of price control. The Premier—and this is the eighth point I have noted—went on to say:—

They prove conclusively that far from business activity being adversely affected in South Australia the fact that we have had reasonable prices and that commodities have been available under reasonable conditions in South Australia has helped business activity expand. One would think, from reading that, that prices in this State were much lower than in other States, but is that the fact? We are all familiar with the C series index. Some of us no doubt have some nodding acquaintance with the new consumer price index, of which I have a copy, obtained for me this morning by the staff of the Parliamentary Library. I do not want to go over the ground I covered before, but I have here the *Industrial Information Bulletin* for June, 1960, which gives the quarterly retail price index numbers for the various capital cities and other towns for the March quarter, 1959, the December quarter, 1959, and the March quarter, 1960. Let us see what the movement has been in the six capital cities between March, 1959, and March, 1960, and bear in mind what the Premier said about reasonable prices.

In Sydney, for the March, 1959, quarter, the index figure was 2,681; 12 months later it was 2,768, an advance of 87 points. In Melbourne the advance was 93 points; in Brisbane—that city about which we used to hear so much—the advance was 80 points, in a period when price control was virtually abandoned; in Perth-Fremantle the advance was 99 points, and in Hobart it was 70 points. What, sir, was the advance during that time in South Australia,

the only State by then which maintained price control? The advance in Adelaide was 130 points. That shows how effective price control was, under the C series index, of course, in South Australia between March, 1959, and March, 1960. The Premier spoke about reasonable prices. He may be right, but it is entirely wrong to deduce from his remarks yesterday that our movements in prices are less than the movements in other States, because that is not so. Let us have a look at the consumer price index, which is the index that has been brought up to date. In fact, it was issued only last month.

Mr. Quirke—How many items are there on it?

Mr. MILLHOUSE—I have a list here with some hundreds of items on it.

Mr. Quirke—There are at least 300 too many.

Mr. MILLHOUSE—I do not know about that. Apart from that, I also have the index numbers for the various groups of items. I feel constrained to refer particularly to the housing group of items, because of a claim made by the Premier yesterday that, if it were not for price control of building materials, the cost of a house in this State would rise by at least £500. I do not know whether that is so or not, but I think honourable members may be interested to note the movement in the housing group of items in the last few years. Under the new consumer price index the housing group comprises the rents of private houses, the rents of Government houses, and home ownership with the following sub-groups: house price; rates and charges; repairs and maintenance. It therefore includes not only the cost of new houses, although that is obviously an ingredient in it.

What do we see about the movement in the housing group under the consumer price index? The base year is taken as 1953; the base is 100 in Adelaide and therefore the average is 100. It has risen in South Australia since 1953 to 140, whereas the average for the whole of Australia is 135. Building materials are controlled in this State; rents of private houses, an ingredient in the housing group, are controlled; and yet there has been a five points greater increase in movement under the consumer price index in South Australia than for the average of the whole of the Commonwealth. What inference can we draw from that? I can only conclude that, despite our most earnest efforts—and the Government's efforts are earnest—price control has not been effective in these respects, and our housing

group items are already higher and are rising at a greater rate than they are in the rest of Australia, which does not have control of these items.

Mr. Ryan—Are you suggesting prices would come down if you lifted control?

Mr. MILLHOUSE—I do not know. What I suggest is that price control has not been as effective as the lack of price control has been in other States. I do not take it any further.

Mr. Ryan—That wasn't proved in Victoria.

Mr. MILLHOUSE—Let us have a look at the Victorian figures.

Mr. Ryan—It was a 17 per cent increase, wasn't it?

Mr. MILLHOUSE—The housing group component is for the period ended June, 1960, so these figures include the rises since rents were decontrolled in Victoria. The Melbourne figure, which, of course, was 100 in 1953, has gone up to 135.8, and the South Australian figure has gone up to 140. That Victorian figure has been calculated since the decontrol of rents. The member for Port Adelaide can make what he likes of it. I am simply putting the facts before the House.

Let us see whether the Premier said anything else. He referred to the C series index, and said that the C series figures do not indicate that we gained a material advantage by maintaining price control last year. He mentioned the 7s. increase in South Australia, said that 5s. 10d. of that was due to the increase in meat prices, and went on to mention beef. I think I am right in saying that if we look at the consumer price index we are not much better off. I may be wrong, but I have the figures here. Again, taking 1953 as the base year and 100 as the base, in the food group, including meats and other things, Adelaide has risen to 123.1 under the consumer price index. The weighted average of the six capitals is 119.8, so we are well above the weighted average of the six capital cities in the food line. Sydney has risen to 117.5; Melbourne to 120.8; Brisbane has risen further than we have—and this may give some comfort to members opposite—and is now 124.2. Perth has risen to 118.4, Hobart to 118.5. Under this new index, and with price control in this State, the position does not look too much better than it does with the C series index. That, I think, disposes, as well as I am able to dispose of it, of the Premier's point on the C series index.

The last point the Premier raised—and frankly I am unable to answer this one—was

the one concerning what he called a most undesirable business activity. He mentioned hearing aids. It is impossible to answer that point, because we just do not know all the facts of the case. I should be amazed if it were necessary to continue price control in this State merely to overcome this apparently undesirable business activity, bearing in mind the administrative cost to the State of over £66,000 annually. In addition to that, it is not possible to compute the cost to the community of price control. The Premier brings along one example; he does not give us all the facts, and it is impossible to work out whether price control and the Prices Commissioner had anything to do with it or not. I cannot answer that point, but I should be amazed if there were not some other way than price control to get over the apparent evil to which he refers. I have read through the Premier's speech, and I believe that I have been able to give the answer to every point which he made yesterday in what, I concede, was a magnificent and most effective debating speech, despite the encouragement he got from the Opposition. However, every point he made can be answered, and I believe I have answered them this afternoon.

Mr. Lawn—Are you out to take his place?

Mr. MILLHOUSE—Let us turn for a moment to the submissions made by the Chambers of Commerce and Manufactures.

Mr. Lawn—The Premier will give you your big pay-off when he replies.

Mr. MILLHOUSE—I am looking forward to hearing the member for Adelaide. Let us look at the submission from the Chambers. Probably as did every member, I received a copy of this submission, and I must say I was a little abashed to read that the submission had been in the Cabinet's hands since June 25. I know that a separate submission was sent to each individual Cabinet Minister, but no reply was received until August 13. It seems incredible that no reply should be received for almost two months to a communication from two such reputable bodies, whether we agree with what they say or not.

Mr. Lawn—That is not unusual.

Mr. MILLHOUSE—Yes, it is. It is certainly not my experience when I make submissions to Ministers. I say it is extraordinary and most regrettable that the submissions were not answered sooner. I must say that, when I make submissions to the Premier as Minister in charge of prices, it takes far longer to get an answer than it does when I

write to him on other matters. I do not attribute that to the Premier, but to the Prices Commissioner. I could give the House some examples if necessary. This letter and these submissions, I suggest, show that many people in our community are completely fed-up with price control and believe earnestly and sincerely that it is detrimentally affecting our economy. I do not intend to go right through the submission. I was bitterly disappointed with the Leader of the Opposition because although he promised me that he would go through it before he sat down, he did not do so. He said he would, but he did not.

Mr. O'Halloran—I did not; I said that the Premier had dealt with most of it.

Mr. MILLHOUSE—I thought the Leader liked to be more than a little Sir Echo and that he would go through it point by point.

Mr. Lawn—Will you?

Mr. MILLHOUSE—Perhaps the member for Adelaide will give members the answer point by point. I should like to quote from parts of the submission. Right at the beginning its authors say:—

Southern Australia is at present the only State in Australia which maintains price control over an extensive range of goods and services.

Mr. Ryan—Shame!

Mr. MILLHOUSE—They go on to say:—

In fact we believe it can be demonstrated that continuance of price control has greater disadvantages for the overall economic development of the State than is generally realized.

I hope that Mr. Hall and other honourable members on this side who are members of either one or other of these Chambers will have read, learned and inwardly digested the material in this submission. The position is summed up in these words:—

In the long run price control has not succeeded in keeping down the overall level of prices or wages compared with other States. The overall economic forces are too strong and it appears that free competition in other States has been at least as effective in moderating price rises as price control has been in this State.

I defy any honourable member either on this side or the other side of the House to contradict that statement. If one looks at the statistics, and I believe they are reliable, it will be found that that is absolutely accurate. The following also appears in the submission:—

Now that import licensing has been removed from all except certain Japanese imports and the licensing organization is being rapidly disbanded, competition can be relied upon with even greater certainty to prevent undue profits.

I believe that is so. I gave that quotation because when I first read it it reminded me of the late Mr. Hambour, former member for Light. He was a protagonist of price control and supported it year after year—heaven knows why. Right at the beginning of his remarks last year he obliquely referred to the question of import controls. He did not elaborate the point in the House, but he often did outside and he said that one reason why we could not possibly abandon price control was that certain imports were controlled by the Commonwealth Government and we had to have price control on those items. When the import licensing system was virtually abandoned by the Commonwealth early this year, I wondered what the reaction of the late honourable member would have been. For that reason I am very disappointed that he is not here to take part in this debate. That was one of the apologies I heard from honourable members on this side especially to the continuation of price control, and yet the import licensing system has now virtually been abandoned.

Mr. Hall—Tariffs are the same sort of thing.

Mr. MILLHOUSE—I do not agree with that. Even accepting what the honourable member says, why was it not necessary to have price control before the second world war if tariffs are in the same position as import controls? Maybe we shall have an answer from him later. This is another extract from the Chambers' submission and should be of particular interest to members representing country districts:—

Finally, it has been argued that the country man benefits from price control. This assumes that price control is effective in holding prices down whereas we have shown that in the long run it is most debatable whether any useful purpose is served. All that the whole paraphernalia of price control can do is follow the basic market forces with varying time lags.

Can any honourable member contradict that? If price control were effective in holding down prices against the trend in other States, all that would have happened is that this State would have been denied adequate supplies of basic materials. I am distressed to see that the Government has not seen fit to answer the conclusions in the submissions which are as follows:—

After a most comprehensive and exhaustive investigation, we believe—

1. That experience in other States demonstrates that free enterprise serves the needs of an expanding economy much better than price control.

I hope I have said something this afternoon and previously to demonstrate that. The submission continues:—

2. That within two years you would see this State's economy more prosperous, and with price movements no greater than in Australia as a whole.
3. That price control cannot stop prices or wages from rising at about the same rate as in other States.

If we look at the graph at the back of the submission we find that it bears that out and proves what I am saying; and the consumer index shows the same trend. Conclusion 4 was as follows:—

4. That the ill effects of price control could well outweigh its alleged advantages.
5. That changing world conditions affecting economic, financial and technological matters are stronger than isolated control of prices in one State.

That is such plain commonsense that it usually goes, unfortunately, without saying. Conclusion No. 6 was as follows:—

6. That the time is opportune for the abolition of all forms of control to allow industry and commerce to enjoy the status it had before the last war.

I entirely agree with that.

Mr. Fred Walsh—You will lose your pre-selection!

Mr. MILLHOUSE—I do not know why honourable members opposite always try to impute bad motives to me. I assure the honourable member that he need not worry. I have inquired about the preparation of this submission and although it comes to us with the backing and in the names of the Chamber of Commerce and the Chamber of Manufactures it may be of interest to know that it was prepared by an economist who was brought over here from Sydney especially for the purpose. His name was Mr. P. Shrapnel. He is an economist with the firm of W. D. Scott Limited, management consultants, of Sydney. He made an extensive study of price control so that he could advise the Chambers on this matter. After he finished his university training he had further training as an economist at the hands of Dr. Coombs of the Commonwealth Bank. We have often heard our Treasurer praising Dr. Coombs and I have no doubt Mr. Shrapnel is a very able gentleman. The fact that he has now been sent to South America is in his favour rather than against him, because he has been sent there by the Commonwealth Government as a member of an economic mission to that continent. Members will see, in spite of the jeers and sneers about the submissions, that they have been prepared by a well qualified person.

Mr. Riches—By a man who earned his money.

Mr. MILLHOUSE—Don't we all! Doesn't the honourable member try to earn his money by doing the best he can for his constituents? Why does he suggest that someone else does not?

Mr. Riches—I did not say that.

Mr. MILLHOUSE—Then why did the honourable member say what he did so sneeringly? These submissions came to us from the Chambers of Commerce and Manufactures, two bodies that should know something about price control. I suggest that all members consider the submissions and if they feel that they are nonsense I should welcome contributions by them in this debate because I should like to know why and how they are regarded as nonsense. I said earlier that I would not give all the reasons I have given in the past in opposition to price control. They still stand and I suggest that nothing has been said in this debate by the duo, the Premier and the Leader of the Opposition, to change my views one iota.

I want to mention one matter in conclusion. I suppose that no-one in this House likes to oppose the Government less than I do, and nobody does it with greater hesitation than I do, but I feel that on occasions it must be done if I am to do my duty as a member of Parliament. That is how I feel on this occasion. May I further say that no-one likes to see a person whom he likes and admires tremendously, and whose views are usually so sound, apparently so blind on a subject, and so much off the beam. I am afraid that in this matter I must feel that way about the Premier. I like and admire him tremendously, and I have great respect for his views on most subjects, but unfortunately this is one subject on which he appears to be entirely blind. Much as I regret it, I have to indicate that I oppose the second reading of the Bill.

Mr. LAWN (Adelaide)—I support the Bill and am not going to have "two bob each way" as did the last speaker. I will not deal at length with the remarks made by Mr. Millhouse, but if price control is so ineffective as he suggests, why the big squeal? If there is nothing in price control or anything else, I am hanged if I could talk for as long as Mr. Millhouse did about nothing. Does Mr. Millhouse know anyone who has gone from South Australia to another State where there is no price control and tried to purchase a house? I know of workmen who have gone from South

Australia to Victoria and have been unable to purchase a house because of the excessive price.

Mr. Jenkins—They are about £1,000 dearer in New South Wales.

Mr. LAWN—I have no figures but I know that in South Australia workmen are trying to purchase houses above their means. They pay a deposit and then for years attempt to pay off the balance. The workmen I mentioned told me that the cost of a house in Victoria made it impossible for them to put down a deposit and then to pay off the balance in weekly or monthly instalments. Mr. Millhouse should look at these things when he says that price control is ineffective, unless of course he has in mind someone's pocket when he is speaking. I am speaking for my bosses, the electors of Adelaide. I will express the way they view price control. All members have received a letter, which purports to come from the Chambers of Commerce and Manufactures, but Mr. Millhouse said it was prepared by Mr. Shrapnel. One would think the honourable member sabotaged the case from the Chambers, if that were possible. Like all other members I received this letter, dated August 26, 1960. It was sent to my private address. The Chambers asked me to support them and to send a letter to the Premier saying that I supported their submissions against price control. Have you ever heard of anything so ridiculous? It is a long letter about nothing, and I will reply to it. This is how the letter starts:—

In November last year this Chamber, in association with the South Australian Chamber of Manufactures Incorporated, convened a meeting of members and associated bodies interested in price control in South Australia. They did nothing of the sort. They did not convene a meeting of bodies interested in price control or they would have invited the Trades and Labor Council, representatives of the trades union movement, or perhaps the Housewives Association. They invited bodies that were not interested in price control, or bodies that were interested in its abolition. The letter continues:—

After long and exhaustive study—

I do not know how long Mr. Shrapnel was on the job, because the letter said that a committee did it—

—this committee has brought forward a document which sets out the opposition of both Chambers to this form of Government control. The Chambers object to this form of Government control. Apparently they support some form of control that will enable them to fleece us.

Mr. Ryan—They call it exploitation.

Mr. LAWN—The Chambers do not object to using the Arbitration Court in order to reduce wages. They have an application in the court now to control the wages of employees, but they object to this form of price control. The letter continues:—

We feel confident that after studying the attached you will agree, and we suggest your support could be best expressed by stating your views in letter form to members of Cabinet.

They suggest that after I have studied the submissions I will agree with them. I will answer that in a moment. I entirely disagree with some of the submissions and I will show how some of the others support price control. The graph at the end of the letter supports it. I am certainly not going to write to Cabinet telling it that I agree with the Chambers' submissions. I support the Bill for the retention of price control. The member for Mitcham referred to the next paragraph, which states:—

This submission has been in Cabinet's hands since June 25 and the reply which was received on August 13 was incomplete in that it did not refer at all to the six main points of the submission, namely, those detailed in the concluding paragraph.

The honourable member said that was a long period, but I interjected and said that was not unusual. The honourable member for West Torrens and other members on this side of the House know that the Trades and Labor Council and the Labor movement have made submissions to Cabinet by deputation and they have to wait for months for replies.

Mr. Ryan—Years in some cases.

Mr. LAWN—That is so, but apparently members on the Government side get a very quick reply because the member for Mitcham said it was unusual to wait seven weeks.

Mr. Ryan—Class distinction!

Mr. LAWN—Yes, because we have to wait for months. The letter proceeds:—

In view of the uncompromising attitude—I think I have used that word before—

—adopted by the Government on this matter, the two Chambers have decided to form a committee called the Price Control Investigation Committee.

If the trade union movement set up a committee like that its members would be called a lot of "Commos". The letter continues:—

This committee will, from time to time, bring before responsible people the detrimental effects of this legislation to the State's economy.

It is not unusual for this Government to adopt an uncompromising attitude because it adopts that attitude on all industrial laws. The

Leader of the Opposition, this afternoon, asked the Premier whether he would refer to the Workmen's Compensation Advisory Committee, for its consideration and report, workmen's compensation in respect of an injury caused while a workman was travelling to work. Two years ago while the Premier was opposing a Bill introduced by the Leader of the Opposition to provide for workmen's compensation in respect of an injury sustained by a workman while going to or from work similar to the cover in other States—and the House must remember that the member on the other side, who has just resumed his seat, wants us to follow other States on the decontrol of prices, but does not want us to follow them on industrial laws—he said that that provision was not recommended by the committee and this House should not consider it. He said how abhorrent it was to put any such provision on the Statute Book and I interjected and asked if the Government would accept a recommendation by the committee for compensation in respect of an injury sustained by a workman going to or from his work. The Premier said he would not accept it. That illustrates how uncompromising the Premier is in his attitude to industrial laws.

When the Opposition introduced its Long Service Leave Bill the Premier said it was the worst piece of class legislation that had come before this House for years, but when he introduced his own Long Service Leave Bill it proved not to relate to long service leave at all. It dealt with one extra week's leave after seven years' service and it was not even necessary to give that because the employer could give an extra week's pay in lieu. That is the sort of uncompromising attitude the Premier adopts and yet the Chamber of Commerce squeals because it claims the Government adopts an uncompromising attitude towards the Chamber on price control. The last paragraph in the letter states:—

It will be noted that the price trend shown on the graph is still being followed as per the recent press announcement and that South Australia's increase was the greatest of all States, with the notable exception of Victoria, caused by the relaxation of rent control for that State, but this only follows the reasoning in paragraph 2 of the enclosed submission.

Another thing to be considered in conjunction with price control is the system of quarterly wage adjustments. While the Chamber of Commerce and the member for Mitcham may select a period when there is a jump in South Australia, which is larger than that in New South Wales, the reason may be that New



South Wales, in its State jurisdiction, has maintained quarterly wage adjustments. Employees in South Australia receive an adjustment only once every 12 months, that is, if there is any adjustment then. Quarterly adjustments have been eliminated in South Australia.

Mr. Fred Walsh—There has been no wage increase in South Australia this year.

Mr. LAWN—That is so, but last year employees in South Australia received 15s. in a lump sum in lieu of quarterly adjustments. That 15s. in New South Wales had been spread over 12 months by quarterly increases and the result was that price movements in New South Wales were more stable. The Chamber of Commerce likes to use the word "stability". I notice that that body has changed this word in this document and now use the word "rigid". It could not use the words "stable" or "stability" because it has used them so often in claiming it is good that it would now be wrong. Instead it has used the word "rigidity" and maintained that that is harmful to the people whereas "stability" is good for the people. That is the Chamber's view.

The Chamber of Commerce and the South Australian Chamber of Manufactures claim they are firm believers in free enterprise and free competition and they have never published a more flagrant lie than that statement. I shall tell this House how much the Chamber of Commerce believes in free enterprise and free competition. I, and other members on this side of the House, appeared in the Arbitration Court to advocate wage increases. I still remember what happened on more than one occasion. Even on the last occasion when I appeared before Chief Conciliation Commissioner Galvin—who has now been appointed Commonwealth Public Service Arbitrator—the Commissioner, when giving judgment (and it is in print), said the award was the minimum and that existing over-award payments had his blessing, but he would not prescribe additional amounts in the award. I had been able to prove conclusively that many employers were paying rates over the old award rates. The Commissioner said rates prescribed were the minimum but any over-award payment would have his blessing. We approached employer after employer and successfully got them to make payments over the award but there were a few employers—we find the tough ones—who would not pay. The trade union movement sent a deputation to the Chamber of Manufactures asking it to assist trade union members with some recalcitrant employers, but what did the

Chamber tell us? It said, "Members of our Chamber are not free to make over-award payments. They are controlled by the award rates." They are the very words used by the Chamber to the deputation that went there, yet the Chambers have the audacity to say in this document that they believe in free enterprise, whereas the deputation was told that members of the Chambers were not free, but were controlled! Then they come out with a thing like this! In the next paragraph they say:—

We acknowledge that the Government has done a great deal in promoting the economic development of this State, however, we also believe that negotiations to attract new industries would be equally successful without price control, and its removal would bring additional benefits through the competitive expansion of local business. This would increase employment opportunities in this State without altering the long term trend in prices (as we shall demonstrate later).

They are concerned not with a fair average price, but with further expanding industry and obtaining more members. If a trade union were to do anything like that, it would be condemned if it were interested only in gaining greater membership. The Chambers commend the Government for all it has done for the State, admit that the State is developing economically, but then say that it "would be equally successful without price control". That is a hypothetical statement. I understand that that sort of statement has been condemned more than once by speakers on the other side of the House. The submission continues:—

In fact we believe that it can be demonstrated that continuance of price control has greater disadvantages for the overall economic development of the State than is generally realized.

At this point I am going to demonstrate something to the House. At page 207 of this year's *Hansard* appears something which honourable members can read in full if they wish, but to which I am going to refer briefly. I will give the sequence to the House today, but I did not know it at that time. During the debate on the Address in Reply I raised the case of a person at Enfield, a member of my union, who purchased a television set on hire-purchase terms. He could have got the first set he purchased for 169 guineas cash and taken it at cash, but he had to pay £311 5s., which was the hire-purchase agreement price. After he had had it for about four or five months the set went wrong. He got the people out to rectify it and they said, "We can rectify it but it will go wrong again; it will never be altogether

satisfactory. We suggest you trade it in on a better set." He traded it in for a set that he could have got at that stage for 225 guineas cash, less what he had paid on the first set. That would have meant something like £175. He took that second set on hire-purchase terms, and that brought it up to £424.

After he got that second set, his wife said to him, "Why do you want to go and take this set on hire-purchase? You've got the money in the bank to pay cash; you could have got it for £175 or £180. Why do you want to go and take it on hire-purchase and pay £424?" Two months after he had taken the second set, he realized that his wife was right, so he wrote a letter to the firm and asked it what it would accept as a cash payment on the set. Two months before he wrote this letter, he could have got it for £175. A letter came back to this effect:—

We acknowledge your letter of February 1 and set out below the requested pay-out calculation.

|                                       |     |    |         |
|---------------------------------------|-----|----|---------|
| Balance of account . . . . .          | 397 | 10 | 0       |
| Rebate of hiring charges . . . . .    | 87  | 5  | 0       |
| Rebate of 3 years Insurance . . . . . | 30  | 0  | 0       |
|                                       |     |    | 117 5 0 |

Amount payable . . . . . £280 5 0

So, two months after he could have had it for £175, the firm quoted him £280 5s.; but during that two months he had paid two months' instalments. He got a carrier and said, "Take it back to the firm!" He wrote to the firm and said, "You can keep your television; I don't want it." He came to see me and I sent the correspondence on to the Premier, who submitted it to the Prices Department. The firm wanted £280 5s., and this is the letter that came back from the Premier:—

Negotiation by the department has resulted in a payment of £90 to be made to Ken Stephens & Co. Ltd. in full settlement.

First, I should like to read the first paragraph:—

Although not subject to the South Australian Prices Act, inquiries were made regarding the transaction between Mr. Taylor and Ken Stephens & Co.

My point is this: There is the correspondence—any honourable member is free to see it; in fact, some have seen it. The company wanted £280 5s. for that set. He put it on a carrier's cart and said, "Take it back!" He told the firm what it could do with the television set. The Premier, through the Prices Department, got that set back for

£90. If any honourable member here can tell me that the Chambers are right when they say that they believe—

that it can be demonstrated that continuance of price control has greater disadvantages for the overall economic development of the State . . . .

then I am a bad judge. It may be that there are some disadvantages, that is, for those who are controlled, because, after all, they show what happens when prices are decontrolled. There is a clear case, and the honourable member for Burra (Mr. Quirke) was interested in the matter at the time. He interjected and asked how long the term of the agreement was. He was told "Five years". He said, "You have got to pay for five years' agreement instead of three." That means that what was asked by that company was £280 5s. The man threw back the set and made no further payment and, because of the intervention of the Prices Department, he got it back for £90: he saved £190.

Mr. Ryan—That would not be possible if we did not have this legislation.

Mr. LAWN—If anybody tells me that the Prices Department is working for the disadvantage of the people generally, I don't believe it. Other honourable gentlemen on this side of the House and I have had similar cases concerning plumbing, painting, carpentry and all types of things where price control does not operate, but the Prices Department has intervened. The threat is there, of course. The Government can (not in a particular case, probably, because the regulations would not be retrospective) negotiate, and the threat is always there that these things can be brought under price control if the businessman does not do the right thing. The Premier has told this House time and time again how clothing and other items have been decontrolled but have had to be re-controlled because the de-control has been abused by the retailers.

Mr. Ryan—The honourable member for Mitcham (Mr. Millhouse) wants to remove that threat.

Mr. LAWN—Yes. He wants to give them an open hand; he believes in *laissez faire*. The submission continues:—

We have, therefore, been to some pains to review the principles and practice of price control in this State knowing that you will give our point of view objective consideration and that the Government will not renew this legislation if it is serving no useful purpose and possibly retarding the development of the State.

That paragraph commenced by saying that the Chambers believed that it could be demonstrated that price control had greater disadvantages than advantages, but they do not attempt to give a demonstration, whereas I just gave a demonstration. The same paragraph concludes by saying:—

... and that the Government will not renew this legislation if it is serving no useful purpose and possibly retarding the development of the State.

I think I have proved conclusively by that one example that it is serving a useful purpose. At present I am waiting on another report from the Prices Department concerning an incident where a father, who wanted to buy a motor car for his son, saw a 1954 Holden advertised, purchased it, and subsequently ascertained that it was a 1952 model. In fact, he took particulars of the engine number and other details to Holden's, who gave him an official certificate that it was a 1952 Holden. He approached me and I told him to see a solicitor. I said, "This is no doubt deliberate misrepresentation. You will have a good case in law on this". He saw a solicitor, but clause 14 of the agreement he had signed absolved the used car dealer from all responsibility. In the agreement the hirer acknowledged that he was fully responsible for the condition of the car, for its roadworthiness, and for any misdescription of the car. I referred this matter to the Premier, and I have received a letter from him intimating that it has been referred to the Prices Department, and I am now awaiting the result of an investigation.

From time to time members forward particulars of such incidents to the Premier and get replies from the Prices Department similar to the one I quoted earlier, all of which prove the effectiveness of price control. In the earlier case I mentioned there was no price control over the article, but the Prices Department, by negotiation, was able to satisfactorily resolve the matter.

Mr. Jennings—There would be no Prices Department if there were no price control.

Mr. LAWN—Yes. It is much easier for officers of the Prices Department if they are backed by legislation. Another statement in the circular from the Chambers reads:—

We believe that in peace-time there is no economic justification whatever for price control. During the last war it performed a useful function in facilitating the rapid re-allocation of economic resources for military purposes, but it was effective only because it was accompanied by a host of nation-wide

direct controls that are acceptable only in a time of national emergency. It has long since degenerated into an almost socialistic measure (and how I like that word) which appeals to certain voters because they do not realize that in the main it fails to achieve its purpose of keeping prices down.

The Premier has adequately answered that contention. He mentioned clothing and other items. Other statements in the circular prove that price control does keep prices down. Later, I will quote excerpts to indicate what happens when goods are decontrolled. I admit that price control was more effective when it operated on a Commonwealth basis. During the war, and just afterwards, prices were controlled by the Commonwealth Government, and then, as the Premier said, the State came into it because the High Court laid down that the Commonwealth's powers in the matter had ceased. The next paragraph in the circular states:—

Most of the other States decontrolled prices long ago. No adverse political or economic repercussions took place when price control was abolished.

According to the graphs that accompanied this circular, that might have been so, but only because the word "when" was used. If that means "immediately", there is nothing wrong with that statement, but if the word "since" were substituted for "when", it would be incorrect. That word was cleverly chosen to imply that immediately prices were decontrolled there were no adverse political or economic repercussions. Their own graph proves that, as a result of lifting price control, one State jumped from almost the bottom to the top of the list in prices. The circular continues:—

South Australia has gained no overall advantage from retaining price control.

That, of course, depends upon how a person examines price control. If he looks at it from the point of view of his own pocket, that may be so, but if, like myself, he examines it from the viewpoint of those he represents (and I have already quoted an illustration), he will realize that it is serving a purpose. In Victoria the price of a house is almost prohibitive for a workman. During the war, and until 1953 when I was travelling interstate, I found that Queensland was the best State as regards the prices of accommodation and meals. In the bedroom of every Brisbane hotel was a list of prices determined by the responsible authority. Queensland was the cheapest State to stay in, even though New South Wales at that stage may have had price control.

Mr. Millhouse—Would you like me to lend you the Consumers' Prices Act so that you can examine it?

Mr. LAWN—I will accept the figures supplied by the Chamber of Manufactures.

Mr. Millhouse—They had a committee.

Mr. LAWN—Aided and abetted by "Professor Bomb". The circular also states:—

This evidence clearly demonstrates that in the long run price control just is not effective in keeping prices down.

If it is not effective, why did they go to all the trouble of appointing a committee and bringing in a professor of economics from New South Wales to help prepare this document, and to all the expense of having copies reneod for sending out to all members of this House, as well as possibly to other people? I assume others received it, because it does contain some advertising of a duplicating machine. They paid for the stationery and for the postage. Have they gone to all this expense over something that is ineffective? I won't have that! It is shown that prices tended to rise in Victoria and New South Wales. Just listen to this! This comes from a screed that says that price control does not mean anything, that it is ineffective, and that where prices are decontrolled it is better for the community:—

Chart 1 shows that prices tended to rise in Victoria and New South Wales immediately after decontrol. But such price rises undoubtedly occurred where anomalies were greatest and merely removed rigidities and distortions from the pattern of economic activity.

Whilst it tells us that prices are lower where there is no price control, it admits by its own graph that prices jumped in the States where price control was lifted. Here it admits in so many words that Victorian and New South Wales prices jumped, but then it tries to excuse that by saying that they jumped because, while price control was operating, the prices were kept lower than the retailer wanted and that as soon as he had freedom to lift his prices he did so. That is what those few lines say. That "such price rises undoubtedly occurred where anomalies were greatest and merely removed rigidities" is the opinion of the Chambers of Commerce and Manufactures, not the considered opinion of a Government department after a proper investigation. Oh, no! It is in the opinion of the Chambers.

Mr. Fred Walsh—They are a bit rigid in their thinking.

Mr. LAWN—Yes. When the trade union movement says, "We assess our wages at a certain value," and it is correct for us to go to a proper tribunal, the Chamber of Manufactures says, "After a proper investigation the court fixes the wages." However, the Chamber does not agree to that when it comes to selling or purchasing goods or when the wage earner has to buy his goods, so the Government sets up an independent committee the same as it set up the Arbitration Court. The Government set up a Prices Department to investigate prices, to thoroughly review and consider all the circumstances concerned with prices, and to fix a fair price, but this committee of the two Chambers says that that is anomalous and that the rates fixed by the Prices Department are anomalous, distorted, and too rigid. It is ruthless. Consequently, when price control is lifted, all those things are adjusted—all the rigidities and anomalies. Exactly: that is what we are saying. In different words we say that, as soon as price control is lifted, prices increase. The document then states:—

It is logical enough that price control cannot be effective in the long run. It is forced to "follow the market", because it would put local traders right out of business if it refused to recognize major changes in the costs of the business community. But it can seriously retard the dynamic growth elements in the economy even where it stops short of putting people out of business.

If price control is ineffective, why the big squeal about it? Every time we read the paper or listen to the wireless we hear the Government or someone telling us about the prosperity of South Australia. We are told that General Motors-Holdens is investing £6,000,000, that the Government is investing £100,000,000 in the next few years and that other big firms are spending so much. This paragraph, however, suggests that price control has put people out of business. I do not know of anyone going out of business in South Australia, where there is price control. It is all right to publish a hypothetical document such as this, but it does not quote instances. It says:—

Price control is costly for the Government to administer—

I should like members to listen to this!

—and involves the business community in even greater administrative costs. We believe that this argument cannot be answered by involved calculations purporting to show that the State Government or some other sector of the economy has "saved" certain amounts in cash.

The Premier, who can obtain the figures from the Prices Department, has on other occasions told us about the millions of pounds that have been saved by consumers in this State as a result of price control, having in mind the actual price paid (as fixed by the Prices Department), what would have been paid but for price control, and what was being paid in other States. This just wipes off the savings of the community, as it says:—

We believe that this argument cannot be answered by involved calculations purporting to show that the State Government or some other sector of the economy . . .

For that could be substituted "or some other section of the community". You see, the Chambers are not interested in some sections of the community; they are interested only in that section that has something to sell. These people, who talk about the cost to the Government and the business community for the administration of price control, are not concerned about administrative costs when it suits them.

In applications to the courts we are able to show that in departments where there may be 100 or 200 men 10 different rates of pay are being paid. The employer concerned has a large army of employees called timekeepers whose job is not to keep the time a man comes on and leaves duty—that is done by the employee putting a card into the time clock and stamping the time he arrives and leaves—but of making up the hours worked for the week; their main function is to record the change of rates when a man is changed from job to job. A terrific sum is paid out by the firms concerned in maintaining timekeeping staffs merely to make up the differential rates for the workmen because of the different jobs on which they are employed during the day or week. We have argued that there is so little difference in the work that one flat rate should apply to a section and, in fact, in many instances the employers are paying a flat rate, but they would not agree to write it into the court order. We argue to the court that there is little difference in the skill of the work and that one flat rate could be fixed, as the employer would not lose anything by it even if he had to pay a shilling or two over the rate actually appropriate, because he would save in time-keeping staff wages.

Although these submissions were unanswerable, and the employers did not attempt to answer them, the court rejected them. The employers would not agree to put this into the

award although they are applying it and spending hundreds of pounds (thousands of pounds in the larger establishments) to employ for administrative works staff which is doing no useful work. Further, they employ industrial personnel in their own establishments, and then they employ people like the member for Mitcham—or even Queen's Counsel who cost a lot more—to go into the Arbitration Court to fight every application by the trades union movement for any increase in wages. They do not care how much they spend on administrative costs or costs in the Arbitration Court to fight any application by the unions for an increase, and they do not care what they spend in legal costs to make their own applications in the court to reduce wages.

This document says that price control is costly for the Government to administer and involves the business community in even greater administrative costs. These people are spending thousands of pounds today in unnecessary administrative costs and they do not mind doing it, yet they criticize the fact that money is being spent on administrative costs in an instance where it is undoubtedly beneficial to a large section of our community. The submission goes on:—

The Chambers' objections to price control therefore rest on the fact that very real penalties are being paid for illusory benefits. Price control is not only costly and time-consuming to commerce and industry; it also introduces unnecessary rigidities into the economy, impedes the ploughing back of profits and slows up the expansion of local business catering for local needs.

Isn't that contradictory? It certainly indicates from what angle the Chambers are looking at price control. It is claimed throughout this document that price control is ineffective, and then the claim is made that it is stopping profits. Well, that certainly is our claim, and I therefore say that the people have benefited from price control, for had it not been for price control prices would have been higher, with resultant increased profits to some people—the sellers. The Chambers admit that in this paragraph when they say that price control "impedes the ploughing back of profits and slows up the expansion of local business catering for local demand." They do not attempt to prove the latter part of that statement, but they admit that they are losing some profits that they would make if price control were lifted. Profit is all that the Chambers are concerned with: they are not concerned with the

general welfare and well-being of the community. The document goes on:—

What is more important, we believe that the existence of price control could discourage new investments in this State where the product concerned is such that it would normally be manufactured here for local consumption.

However, only last week a firm said it would spend £6,000,000 in South Australia on an article that will be used for local consumption. The document then says:—

More than this, price control clearly discriminates against local traders.

Is that not an admission that the local trader, where there is price control, is at a disadvantage with a trader where there is no price control? That is what the statement says. The only disadvantage or discrimination would be that the trader where there is price control must have his price kept down; price control is stopping him making some profit that his counterpart would be making in a decontrolled State. The submission goes on:—

Since it cannot impose its will directly upon interstate manufacturers it squeezes the local distributor compared with their counterparts in other States.

That is exactly what I have just said. I said at the outset that I would use this document to show that the document itself proves that price control is effective. It says that price control squeezes the local trader in one State, namely, the State where price control prevails. I maintain that as a result the people are getting their goods more cheaply with less profit to the manufacturer. The second point in the Chambers' conclusion is as follows:—

Within two years you would see this State's economy more prosperous, and with price movements no greater than in Australia as a whole.

That is laughable! When they prepared that submission they must have thought that people would not understand it. They claim that if we abolish price control there will then be no State with price control, but then they refer to price movements no greater than in Australia as a whole. If there were no price control the sky would be the limit, and that would apply all over Australia. They say that our price increases would not be any more than those in other States, but they do not say there would be no price increases. The submission has shown what has happened in the other States when price control was lifted, yet it states that if we abolish price control our price movements would be no greater than those in the other States. However, they do not say that increases would not occur as they have occurred in the other States. Of course,

it is laughable! They must think we are dense enough to just glance through that submission and discard it. In conclusion, they say:—

The time is opportune for the abolition of all forms of control to allow industry and commerce to enjoy the status it had before the last war.

I wonder what it means? I suppose it means "all forms of price control". If a man leaves his employer to go to another employer to get more wages, these people take him before the State Industrial Court and prosecute him because he has participated in a strike. I do not think the Chambers mean that that sort of control should be lifted.

Mr. Dunstan—Oh, no, they want to keep that.

Mr. LAWN—I come now to the graph the Chambers have prepared. That graph shows the price movements in the States from 1950-51 to 1959-60. From my analysis this is what it discloses: it shows that Western Australia, according to the Chambers' index, had the lowest price index (700) in the Commonwealth in 1950-51; it abolished price control in December, 1953, when its index was 1,050, and in 1959-60 it was over 1,250, the highest in the Commonwealth. That is shown on the Chambers' own chart. Victoria abolished price control in 1954-55 when its price index was just over 1,000, the lowest in the Commonwealth at that stage, but in the following year it jumped to the second highest. In the first half of 1956-57 it was still second highest to Western Australia, and then it became third highest. Queensland partially decontrolled price control on August 1, 1958, when its index figure was 1,180. On February 9, 1959, it completely abandoned price control, its index figure then being nearly 1,200; and it rose to nearly 1,250, just below Western Australia. Earlier, this article explained that in those States prices were too rigid, which meant that price control had kept control, but as soon as it was abolished the index jumped.

In 1957-58 South Australia had the lowest index in the Commonwealth, and at this time South Australia and Queensland were the only States with price control operating. In 1958-59 South Australia was the second lowest to New South Wales, and in 1959-60 was third lowest. The chart shows that Western Australia jumped from the lowest position to the top when it abolished price control, that Victoria jumped from lowest to second highest and South Australia from lowest in 1957-58 and the first half of 1958-59 to second lowest, and in 1959-60 to third lowest.

Mr. Jennings—I think they should shoot that Mr. Shrapnel.

Mr. LAWN—I think he has shot himself in his own document. We are indebted to Mr. Millhouse, who showed that this “Professor” Shrapnel blew himself up with this document. I support the second reading. Up to now the opposition of Mr. Millhouse and the Chambers of Manufactures and Commerce, aided and abetted by Mr. Shrapnel, has not proved a

thing and not substantiated one part of the case against price control. I therefore ask the House to carry the second reading.

Mr. HUTCHENS secured the adjournment of the debate.

ADJOURNMENT.

At 5.45 p.m. the House adjourned until Tuesday, September 6, at 2 p.m.